HIGHLIGHTS

The key labour market indicators performed better in 2021 than 2020. In fact, some have recovered to or performed better than pre-COVID levels.

The employment rate has risen significantly from 64.5% in June 2020 to 67.2% in June 2021. It is also higher than June 2019 (65.2%). The increase was broad-based across men, women, seniors and youths, bolstered by government support through the SGUnited Jobs and Skills Package. Expectedly, some of the increase in the employment rate was driven by demand for manpower arising from COVID-related activities. However, the number of residents in permanent jobs also grew.

Median income has risen above pre-COVID levels, so did the 20th percentile after including WIS-related transfers. Nominal median income of full-time employed residents grew in June 2021 (3.2%). Real median income growth remained positive at 0.9%, compared to the decline of 0.4% in June 2020. Over the past five years, the real income growth rate for lower-wage workers at the 20th percentile (2.7% p.a.) was faster than that at the median (2.1% p.a.).

The unemployment rates for resident non-PMETs improved significantly in June 2021 (-1.3%-point) after its sharp increase in June 2020. It edged down for PMETs (-0.1%-point). However, they have yet to return to pre-COVID rates. The long-term unemployment rates for PMETs and non-PMETs held steady in June 2021, after rising in June 2020. This reflects the uneven labour market recovery where some sectors have yet to recover and workers retrenched from these sectors might face greater challenges switching to work in better-performing sectors.

While the time-related under-employment and discouraged workers situation improved in 2021 compared to 2020, they were still above their pre-COVID levels. The time-related under-employment rate declined from 4.1% in June 2020 to 3.5% in June 2021, with improvements observed across most age and education groups. There was also a broad-based decline in the number of discouraged workers (from 16,400 to 11,600). Correspondingly, the discouraged worker rate also declined from 0.7% to 0.5%.