

Don't cut foreign worker levels, say business groups

Industry leaders warn of higher costs, slower growth and impact on Singaporeans' jobs

Lim Min Zhang

Reducing the number of migrant workers in Singapore, in the light of the Covid-19 outbreak, will hurt Singapore's economic recovery and harm the job prospects of Singaporeans, several business groups and trade associations said yesterday.

In a flurry of statements, these groups came out strongly against recent calls to restrict the number of foreign workers in Singapore, cautioning that such steps were

unwise and could backfire on Singaporeans.

Migrant workers account for more than 90 per cent of the 32,876 confirmed Covid-19 infections in Singapore as of yesterday and some political commentators have argued that the Republic should consider reducing its dependence on them in the light of the outbreak in the dormitories.

Countering this, the industry groups, between them, asked Singaporeans to consider three central implications of cutting back on migrant worker numbers: Sin-

gaporeans might have to put up with higher costs; Singapore's economy might become less competitive; and Singaporeans might not be able to focus primarily on white-collar jobs, as they can now when foreign workers take on the low-paying jobs.

In a joint statement, the Singapore Indian, Malay and Chinese chambers of commerce and industry said: "Given Singapore's limited workforce, we would not be able to stay competitive in certain sectors... if not for migrant workers."

They said migrant workers take on many lower-end jobs in Singapore. This allows the vast majority of Singaporeans to take on PMET jobs, and help in creating an innovation-based economy as well, they

added, referring to jobs for professionals, managers, executives and technicians. "Thus, we urge the Government and Singaporeans to carefully consider the next steps on migrant workers."

As of March, there were 720,800 work permit holders in Singapore, excluding foreign domestic workers. Of that number, 287,800 of them were in the construction industry. There were 194,900 S Pass holders, and 193,800 on employment passes.

The Singapore Contractors Association said the 300,000 foreign workers in the construction industry formed the backbone of the sector, taking on labour-intensive jobs that locals preferred not to do. "Reducing the number of foreign

workers would hamper the current speed at which Singapore continues to grow and redevelop."

The Specialists Trade Alliance of Singapore put it starkly: Would Singaporeans accept higher costs if jobs such as maintaining lifts cannot easily be filled by locals?

Meanwhile the Singapore Manufacturing Federation, the Association of Singapore Process Industries, and the Association of Singapore Marine Industries rejected suggestions that foreign worker numbers should be cut. The manufacturing sector accounts for about 20 per cent of Singapore's gross domestic product.

They pointed out that businesses in Singapore had been severely tested by the pandemic.

"However, when demand for goods and services returns, we will need workers to keep businesses going and recover," they said. "Without sufficient migrant workers working alongside Singaporeans in key sectors, our economy will be at stake. Our businesses and Singaporeans' jobs will be at stake."

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Coronavirus pandemic

Limit to reducing reliance on foreign workers: DPM Heng

Toh Wen Li
and Lim Min Zhang

There is a limit to how far Singapore can go in reducing the need for manual work, Deputy Prime Minister Heng Swee Keat said. "We still need to rely on a significant proportion of our foreign workers to do very difficult jobs which many Singaporeans will not want to do," he told CNA in an interview.

He noted that the use of digital technology could make Singapore's built environment sector more efficient and productive as it grapples with a shrinking local labour force. "For us, a combination of men and machines will be a very powerful one, and therefore we must make the best use of how digitalisation can enable us to be more productive and more efficient," he added.

The recent outbreak of Covid-19 among migrant workers in dorms has seen calls for Singapore to re-think its reliance on such labour.

Asked during the interview if there are plans in the pipeline to review the structure and reliance on foreign workers, Mr Heng said the

key issue is Singapore's domestic labour force is "insufficient", and will decline as the population ages.

"We are going to put our focus and effort on how we can revamp the built environment (sector) to create better jobs for our people, and to see how we can reduce the manual portion," added Mr Heng, who is also Finance Minister.

"Still, I must caution that there is a limit to how far we can go."

Asked if there were plans to bring forward large-scale projects to boost the economy, he said "certain projects, particularly infrastructure projects, they will have to be built".

"We are hoping to carry on with these projects, if not bring (them) forward. But the critical issue here is, are we able to reopen safely?"

"That is why there is a lot of work that is going on to look at how we can manage our foreign workers in the dorms well, and how we can reopen safely."

Public infrastructure projects can also be brought forward, he added.

Yesterday, several business groups and trade associations criticised the calls to reduce the number of migrant workers, saying this

Trade associations and chambers issued four statements on the issue of migrant workers in Singapore yesterday. Here are extracts.

COMPETITIVENESS STAKE

Given Singapore's limited workforce, we would not be able to stay competitive in certain sectors if not for migrant workers. We are an ageing society with no hinterland to draw workers from. Migrant workers take on many of the lower-end jobs in Singapore. This allows the vast majority of Singaporeans to take on PMET jobs, and help in creating an innovation-based economy as well. Thus, we urge the Government and Singaporeans to carefully consider the next steps on migrant workers.

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could hurt the economy.

Mr Thomas Ang, president of the Specialists Trade Alliance of Singapore, suggested that higher costs and inconveniences would result.

Singapore Contractors Association

CRUCIAL CONTRIBUTIONS

Labour is required in numerous stages of the manufacturing process. A large number of these roles are supported by migrant workers.

In the marine and offshore sector, Singapore shipyards are able to compete internationally for marine and offshore and oil and gas projects because we have the technical competencies and manpower resources to do so... With the support of these migrant workers, our marine and offshore sector has been able to contribute to the construction and maintenance of vessels to sustain sea trade and oil and gas exploration and production globally.

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We hope the Government and Singaporeans will consider the very real implications of these suggestions (to reduce migrant worker numbers) carefully, and in the longer-term interest of Singaporean jobs and the economy. One important question is whether Singaporeans can accept higher costs and inconveniences if many of the rank-and-file jobs that keep our industry running are hard to fill. There would be further strains on the maintenance of our network of lifts and escalators if we had fewer migrant workers working alongside our locals in this line. Apart from costs, there would be spillover effects on the safe operation of buildings that other industries and workers rely on.

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make it more difficult for companies to compete for strategic projects, such as building new manufacturing facilities, energy plants and tourist attractions, he said.

He added that higher construc-

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There have been calls by some non-governmental organisations for a reduction in the number of foreign workers. These workers contribute significantly to Singapore's construction industry and development. They support the creation of our housing, transport infrastructure and overall landscape. Reducing the number of foreign workers would hamper the current speed at which Singapore continues to grow and redevelop. This will inadvertently impact Singapore's economy and business viability.

Today, we have approximately 300,000 foreign workers in the construction sector. They form the backbone of the construction industry (which currently employs close to 100,000 locals).

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tion costs would also cause housing prices to rise, and these homes would take longer to build.

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Don't cut foreign worker levels, say business groups



Migrant workers account for more than 90 per cent of the 32,876 confirmed Covid-19 infections in Singapore. PHOTO: ST FILE

🕒 PUBLISHED 5 HOURS AGO



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<https://www.straitstimes.com/singapore/dont-cut-foreign-worker-levels-say-business-groups>

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"However, when demand for goods and services returns, we will need workers to keep businesses going and recover," they said. "Without sufficient migrant workers working alongside Singaporeans in key sectors, our economy will be at stake. Our businesses and Singaporeans' jobs will be at stake."

Limit to reducing reliance on foreign workers: DPM Heng



The groups urged careful consideration of stricter policies, highlighting the value of foreign labour in different areas. ST PHOTO: KUA CHEE SIONG

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<https://www.straitstimes.com/politics/limit-to-reducing-reliance-on-foreign-workers-dpm-heng>

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"We are going to put our focus and effort on how we can revamp the built environment (sector) to create better jobs for our people, and to see how we can reduce the manual portion," added Mr Heng, who is also Finance Minister.

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"We are hoping to carry on with these projects, if not bring (them) forward. But the critical issue here is, are we able to reopen safely?"

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