

## **The Straits Times, Pg 4 16 December 2006, Saturday**

### **Jobs created at an all-time high**

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#### **124,500 added in the first nine months; MOM expects higher year-end payouts**

THE Singapore worker's star is shining: wages are higher, bonuses are bigger, a record number of jobs have been created and the jobless queue is shorter.

It is a dazzling show powered by the steady growth in the country's economy. And it is expected to continue.

Recruitment firms and economists interviewed on the latest figures from the Ministry of Manpower (MOM) foresee the labour market staying on an upward trend.

"At least for the next 12 months," said Nanyang Technological University labour economist Chew Soon Beng.

Part of the reason for his optimism is rising property prices and the building of the two Integrated Resorts.

The labour report released yesterday shows that 43,000 jobs were created in the three months to September.

This brings the total number of new jobs in the first nine months of this year to a record 124,500 - the highest since the compilation of data began in the late 1970s.

The bulk are in the services sector, followed by manufacturing.

Looking ahead, the picture continues to be positive as many companies expect employment to increase in the last quarter of this year, said MOM, citing recent government surveys.

Among these, the makers of biomedical products and financial services companies are the most bullish.

Confirming this, Ms Annie Yap of recruitment firm GMP Group said companies were "not just replacing the usual staff turnover, but are recruiting to grow".

The MOM report also showed a drop in both unemployment and retrenchment.

The jobless rate among residents fell to 3.6per cent in September, from 4.2per cent a year ago and the high of 6per cent three years ago.

The proportion of unemployed workers who have been job hunting for more than six weeks, shrank to 0.7per cent in September, a six-year low.

National University of Singapore labour economist Park Cheolsung said this indicated that economic growth "has a positive effect even on the unskilled workers".

Wages continue to rise. On average, monthly earnings rose 3.2per cent in the first nine months, against 3.9per cent for the same period last year and 8per cent during the 2000 economic boom.

But MOM expects year-end payouts to be higher this year, as "more employers seek to reward their employees through bonuses rather than basic salary".

This is also the expectation of union leaders.

National Trades Union Congress president John de Payva said on Wednesday that companies were likely to pay an average of two to three months' bonus this year.

But the gap between the wage increases of skilled and unskilled workers remains - a point MOM also noted.

It said the overall rise in monthly earnings "has so far been moderate, as globalisation continues to exert downward pressure on the wages of the lower-skilled".