



Business Sentiment on Singapore's National Day Rally 2026

September 2026



Agenda

- 01 **Background**
- 02 **Key Findings**
- 03 **Firmographics**

01

Background



Background

Objective

To gain insights into the perspectives of businesses on key themes articulated during Singapore's National Day Rally held on 23 August 2026.

Duration

2 to 7 September 2026

Methodology

Online survey

Sample size

245, mix of SBF listing and IND database

Executive Summary (1/2)

1. Business confidence remains resilient

- Business sentiment remains generally positive, with 35% of respondents reporting increased confidence in Singapore's business environment for the next 12 months. A further 55% reported no change, while 10% became less confident.
- Larger companies appeared more encouraged by the NDR announcements than SMEs, suggesting that the measures may be perceived as more immediately relevant or impactful for larger firms.

2. Global uncertainty and manpower dominate business priorities

- Global economic and trade uncertainty emerged as the top concern, cited by 40% of respondents as their primary priority. This was followed by manpower constraints at 20%. AI and technological disruption ranked third at 17% but featured more strongly as a second-ranked concern. Business transformation and productivity received the largest share of third-place rankings.
- Respondents also highlighted the cumulative impact of energy, rent, wages, materials and compliance costs on competitiveness. One manufacturing respondent noted that increasing requirements for trade traceability and verifiability have raised operating costs, with limited support available to help business meet the obligations.

3. Businesses are investing in AI to address productivity and workforce challenges

- AI adoption is gaining strong momentum. 83% of respondents plan to adopt or expand their use of AI, while more than 80% agree that AI, automation and related technologies can improve productivity and alleviate workforce constraints. This reflects strong alignment with NDR's emphasis on technology-led growth.
- However, most planned AI investments remains focused on enhancing existing processes, supporting employees and automating routine tasks. Relatively fewer businesses are using AI to redesign workflows or operating models.
- Several respondents also highlighted the need for clearer guidance on selecting between customised and off-the-shelf AI solutions, as well as support in addressing legal, privacy and cybersecurity considerations.

Executive Summary (2/2)

4. Businesses support local workforce development, but want greater manpower flexibility

- Only 33% of respondents agreed that current foreign workforce policies adequately support business manpower needs while achieving local employment objectives. 24% disagreed, while 43% were neutral.
- The high level of neutrality suggests that many businesses remain unconvinced that the current framework fully addresses operational realities. A respondent from a labour-intensive sector point cited challenges in accessing mid-skilled and specialised talent, as well as the impact of quotas and levies on business operations.

5. Family-friendly policies are welcomed, but implementation could be challenging for SMEs

- Around 58% of respondents considered family-friendly workplace policies feasible while maintaining operational needs. 13% viewed them as unfeasible, while 29% were neutral.
- The findings indicate broad support for the policy objective. However, SMEs with lean workforces expressed concerns about maintaining operational coverage during extended employee absences.
- Reflecting these concerns, only 22% of respondents felt the NDR announcements would help address manpower needs, while 28% believed they would assist in managing business costs.

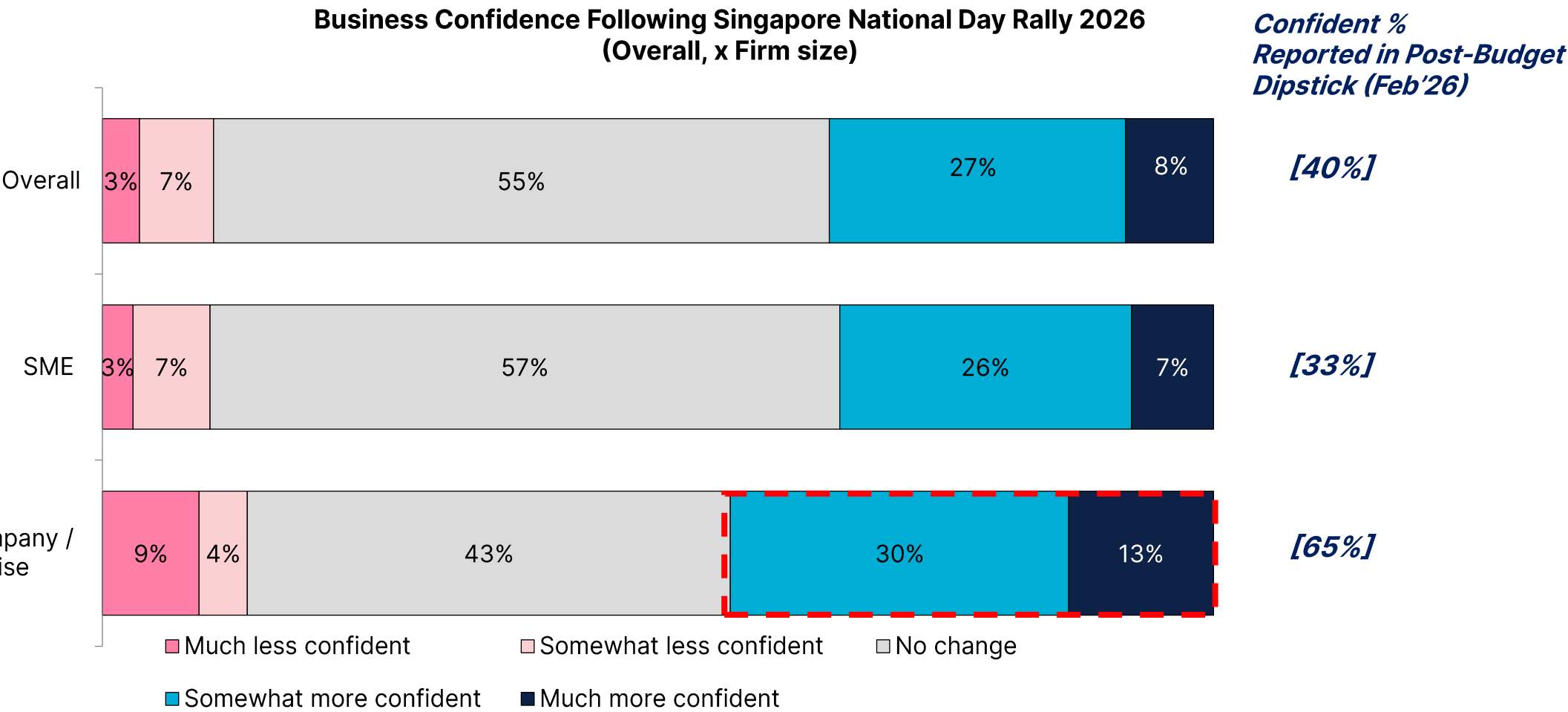
02

Key Findings



Business confidence remains resilient following National Day Rally 2026 announcements.

Business confidence remained resilient following the NDR announcements, with 35% of businesses reporting increased confidence in Singapore's business environment over the next 12 months, while larger companies appeared more encouraged by the measures than SMEs.



Base: All respondents. Total N=245. SME n=222, Large Company.Enterprise n=23*

*Caution small base n<30

Q1: Overall, how has the Singapore National Day Rally 2026 affected your confidence in Singapore's business environment for the next 12 months? (Excludes "Not Sure")

Global uncertainty and manpower constraints dominate businesses' immediate priorities.

Global economic and trade uncertainty emerged as businesses' top priority over the next 12 months, followed by manpower constraints, while AI and technological disruption remained an important secondary concern and business transformation featured prominently as a longer-term priority.

5% of businesses found neither of these themes to be important to their business for the next year.

Business Rankings of NDR Themes (Overall)

	Global economic and trade uncertainty	AI and technological disruption	Manpower constraints	Business transformation and productivity	Implementation of family-friendly workplace policies	Technology risks and regulation
1 st	40%	17%	20%	11%	4%	2%
2 nd	15%	22%	16%	18%	10%	13%
3 rd	13%	16%	13%	28%	9%	16%

Base: All respondents. Total N=245. SME n=222, Large Company.Enterprise n=23*

*Caution small base n<30

Q2. Which Singapore National Day Rally 2026 themes are the most important to your business over the next 12 months? Please rank your top 3.

Large businesses ranked business transformation and productivity 2nd, above AI and technological disruptions.

This indicates a stronger emphasis on transformation and productivity initiatives, as well as a lower level of concern regarding AI and technological disruptions among larger businesses as compared to SMEs.

Business Rankings of NDR Themes (Firm Size)

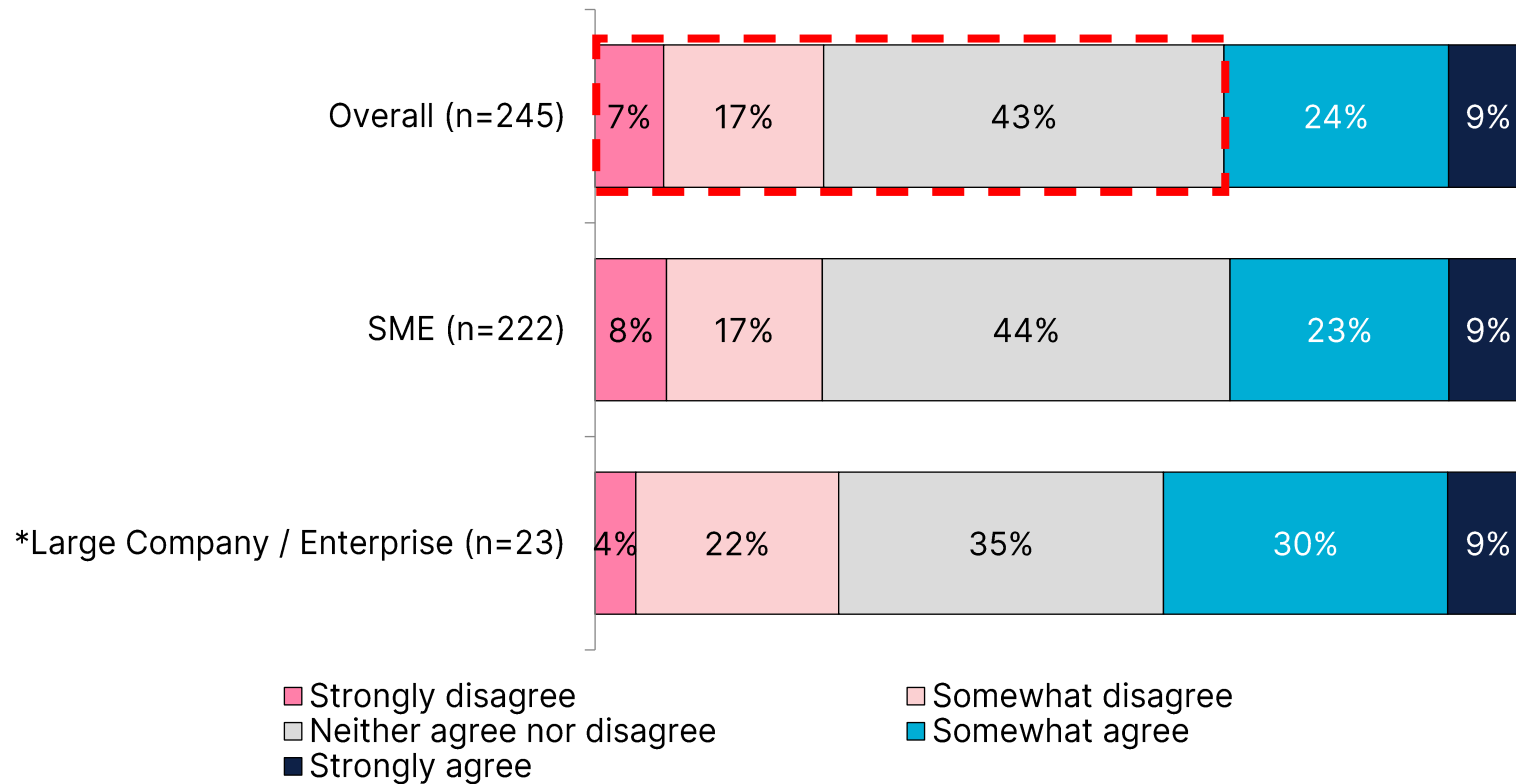
	Global economic and trade uncertainty		AI and technological disruption		Manpower constraints		Business transformation and productivity		Implementation of family-friendly workplace policies		Technology risks and regulation	
	SME	Large	SME	Large	SME	Large	SME	Large	SME	Large	SME	Large
1 st	38%	57%	18%	4%	20%	17%	11%	13%	4%	0%	2%	0%
2 nd	15%	13%	23%	22%	16%	13%	17%	30%	10%	4%	13%	13%
3 rd	14%	9%	15%	26%	13%	9%	30%	13%	8%	13%	16%	22%

Base: All respondents. Total N=245. SME n=222, Large Company.Enterprise n=23*
*Caution small base n<30
Q2. Which Singapore National Day Rally 2026 themes are the most important to your business over the next 12 months? Please rank your top 3.

Businesses support local workforce development, but want greater manpower flexibility.

Only 33% agreed that current policies adequately support manpower needs while achieving local employment outcomes; 43% were neutral and 24% disagreed. The high level of neutrality suggests that many businesses remain unconvinced that the current framework fully addresses operational realities.

Agreement that Singapore's current foreign workforce policies allow businesses to meet its manpower needs while supporting local employment outcomes (Overall x Firm Size)



Base: All respondents. Total N=245. SME n=222, Large Company/Enterprise n=23*

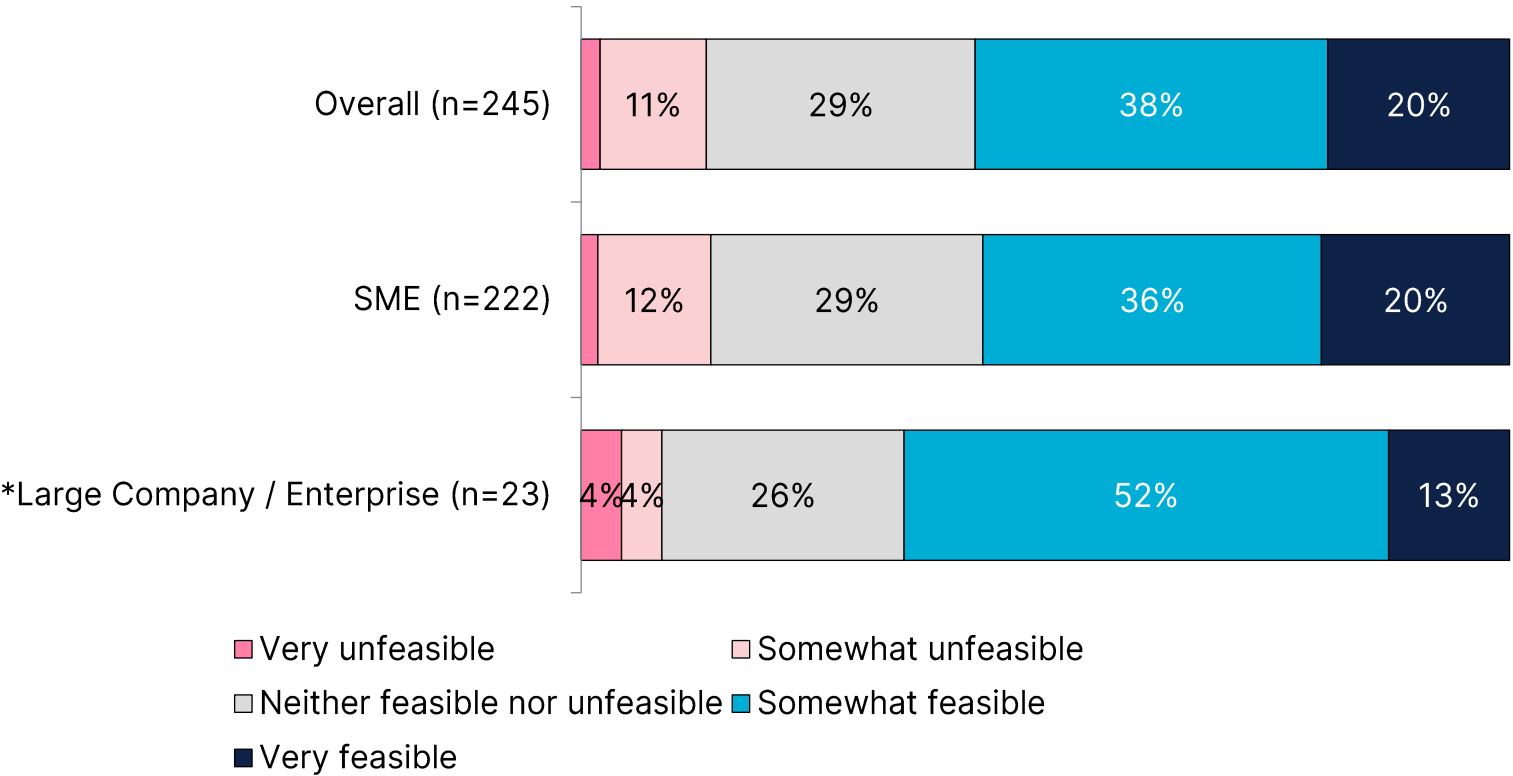
*Caution small base n<30

Q5. To what extent do you agree that Singapore's current foreign workforce policies allow your business to meet its manpower needs while supporting local employment outcomes?

Family-friendly workplace policies are broadly supported, but implementation may be challenging for SMEs.

This was driven largely by SMEs, whose leaner workforce structures may make it more difficult to provide covering arrangements and sustain day-to-day operations when employees are on extended leave, leading to lower perceptions of feasibility.

How feasible is it for your business to implement family-friendly workplace policies while maintaining operational and business needs?
(Overall, x Firm size)

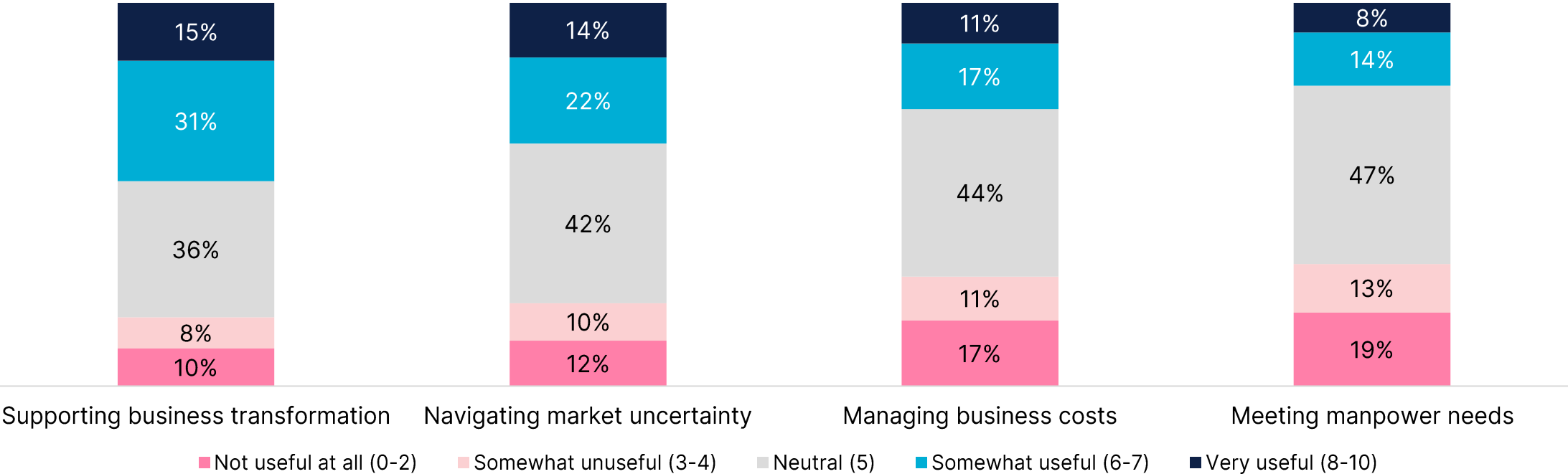


Base: All respondents. Total N=245. SME n=222, Large Company.Enterprise n=23*
*Caution small base n<30
Q6. How feasible is it for your business to implement family-friendly workplace policies while maintaining operational and business needs?

The National Day Rally announcements were less likely to help businesses manage their manpower needs and business cost.

The expanded childcare leave provisions may increase staffing and coverage challenges for businesses, with only 22% finding the NDR announcements helpful for meeting manpower needs and 28% finding them useful for managing business costs.

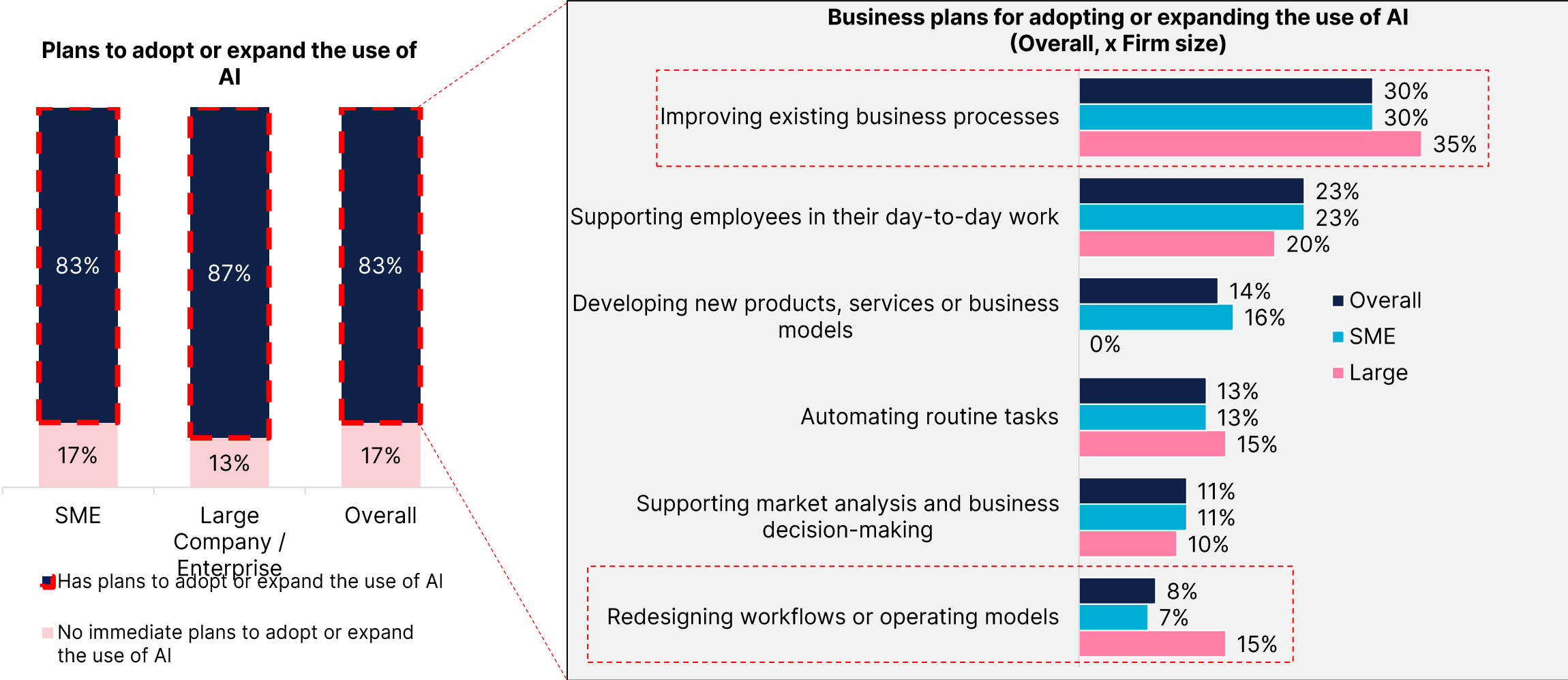
Expectations towards the measures and policy directions announced at NDR 2026 to be helping businesses in the following areas over the next 12 months?
(Overall)



Base: All respondents. Total N=245. SME n=222, Large Company.Enterprise n=23*, Manufacturing n=25
*Caution small base n<30
Q7. How useful do you expect the measures and policy directions announced at NDR 2026 to be helping your business in the following areas over the next 12 months?

5 in 6 businesses have plans to adopt or expand the use of AI. Among these businesses, the intended use of AI is largely focused on strengthening and streamlining existing business processes.

However, most planned AI investments remains focused on enhancing existing processes, supporting employees and automating routine tasks. Relatively fewer businesses are using AI to redesign workflows or operating models.

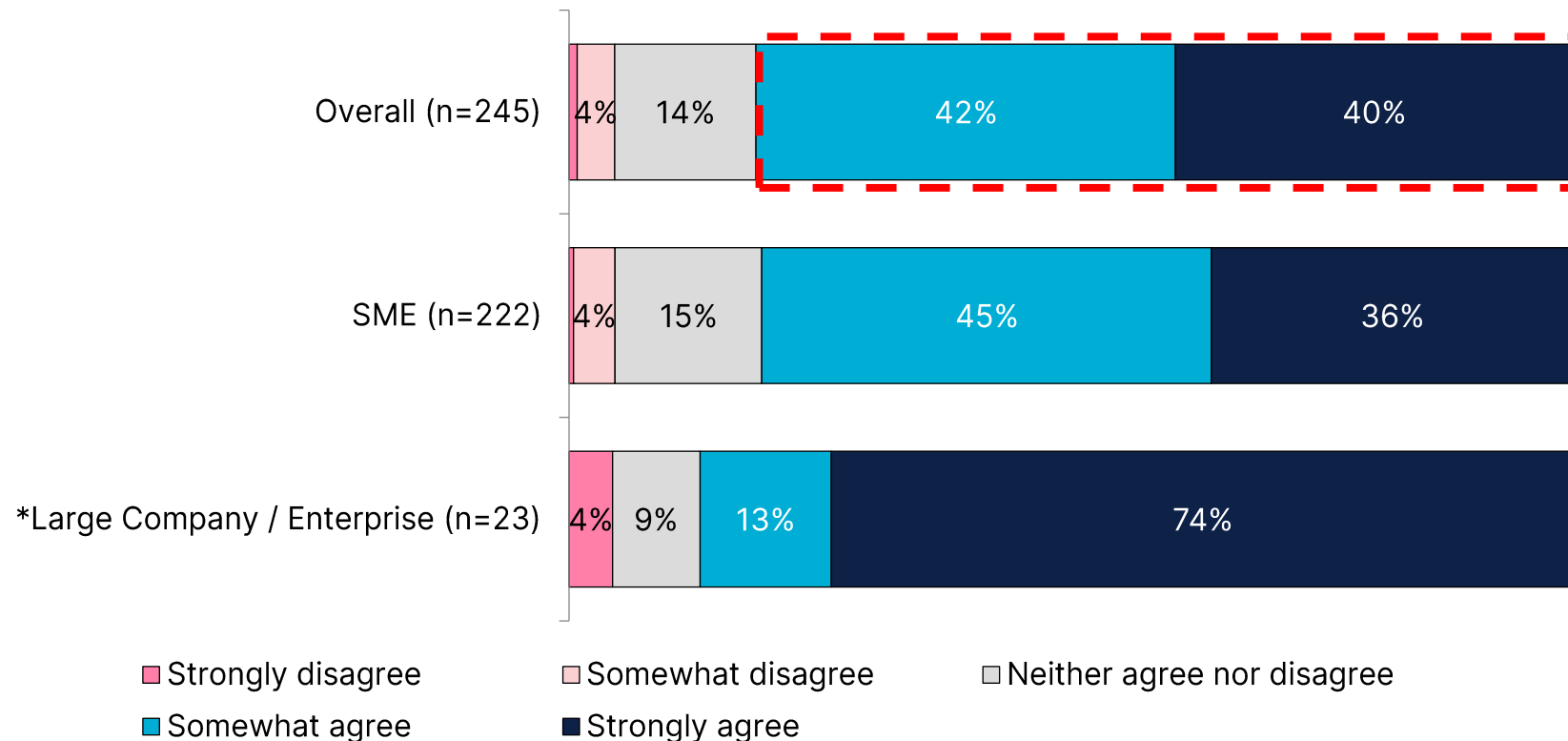


Base: All respondents. Total N=245. SME n=222, Large Company.Enterprise n=23*
*Caution small base n<30
Q3: Which of the following best describes your business plans for adopting or expanding the use of AI?

Over 80% of businesses see AI and automation as key drivers of productivity and workforce outcomes.

This strong level of agreement aligns with PM Wong's National Day Rally message that Singapore's future growth will increasingly depend on technology, AI adoption and productivity improvements, particularly as workforce growth slows.

Agreement towards AI and automation as a support for productivity and workforce outcomes
(Overall, x Firm size)



Base: All respondents. Total N=245. SME n=222, Large Company/Enterprise n=23*

*Caution small base n<30

Q4. To what extent do you agree that AI, automation and other technologies can help your business to improve productivity and address workforce challenges/pressures? (Excludes Not Applicable)

Business challenges that were seen to be insufficiently addressed during the National Day Rally 2026



Business Cost

"Business costs - beyond the two support package rolled out, rally offered few responses to structural costs pressures including energy costs, rent and compliance Trade compliance - no real support offered increasing costs for traceability and verifiability"

- Large companies from Manufacturing industry

"The rising cost of doing business, particular manpower, wages, materials and compliance costs put pressure on operating margins and make it difficult to remain competitive"

- SME from Construction & Civil Engineering Industry



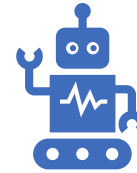
Manpower Constraints

"A key business challenge that remains insufficiently addressed is the current manpower framework, particularly quota restrictions and foreign worker levies. These policies have become major structural constraints for labour-intensive industries. They matter to our business because manpower availability is central to productivity, cost efficiency and the viability of long-term growth"

- SME from Construction & Civil Engineering Industry

"Manpower Deficits. While family -care policies and extended childcare leave expand support for workers, lean operation face acute coverage gaps when employees take extended leave, Small teams struggle to find temporary replacement during absences"

- SME from Other Service Activities



AI & Technology Implementation

"The support to adopt AI into the workplace - in terms of developing own customised solutions and models vs utilising existing commercial solutions."

- SME from IT & Related Service

"New technologies adoption and regulations from government agencies and clients take time to build."

- SME from Other Industries^



Talent Shortage

"There are still practical difficulties attracting, developing and retaining employees with specialised engineering and technical capabilities. For a growing business, building these capabilities requires significant investment in salaries, structured training and OTJ development while the relevant talent pool remains relatively limited"

- SME from Other Industries^

Base: All respondents. Total N=245

[^]Other industries includes Agriculture & Fishing, (ii) Mining & Quarrying, (iii) Water Supply, Sewerage & Waste Management, (iv) Public Administration & Defence, (v) Arts, Entertainment & Recreation, etc.

Q8. What business challenges, if any, do you feel were insufficiently addressed during the National Day Rally? Please briefly explain why these challenges matter to your business.

Further actions businesses think the Government can consider to help businesses respond to challenges

AI Adoption

"Singapore government can consider accelerate AI adoption for SMEs through sector-based AI pathfinders to diagnose bottlenecks and industrialize repeatable use-cases. Singapore should also build ASEAN-ready talent pipelines for overseas growth through structured workforce overseas stints"

- Large companies from Banking & Insurance Industry

"Strong funding and support (even legal) for businesses to adopt AI in the workplace. there is also fear of scammers and privacy concerns that must be addressed first before widespread adoption of AI"

- SME from Manufacturing industry

Workforce Development

"The Government could consider a targeted recalibration of manpower policies to better support business resilience. Key actions include adjusting foreign worker quotas, reviewing levy structures, and expanding access to mid-skill manpower."

- SME from Construction & Civil Engineering Industry

"More targeted support for workforce development, reskilling and the hiring and training of specialised technical talent would help SMEs build sustainable local capabilities while continuing to grow and remain competitive"

- SME from Other Industries

Parent Care Support

"As we look into more childcare support and family planning, there is the need to look at 'parent care' leave as many of these employees are also sole caregivers of their aged parents. The support for this group is lacking"

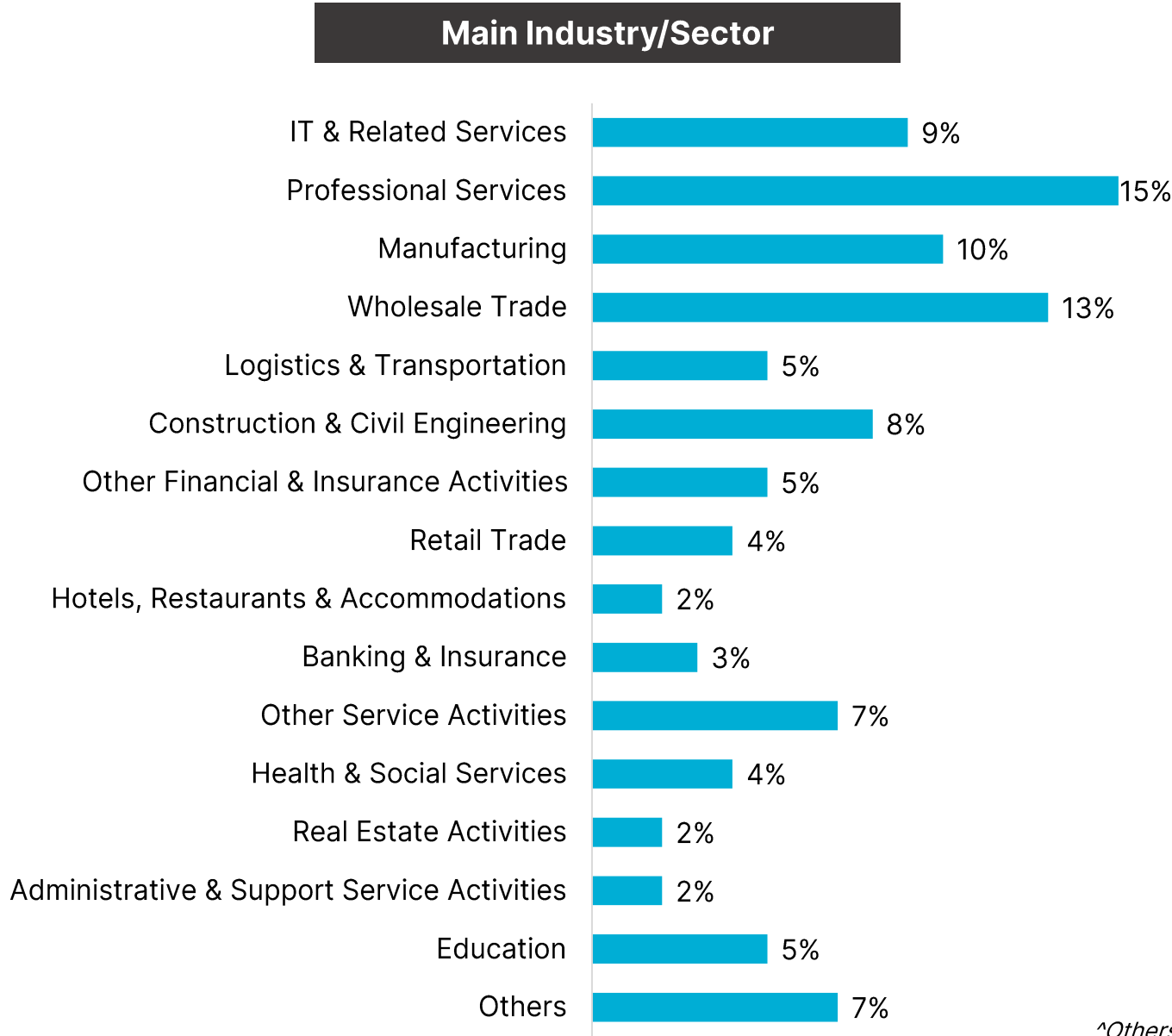
- SME from Wholesale Trade Industry

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Firmographics



Firmographics Overview

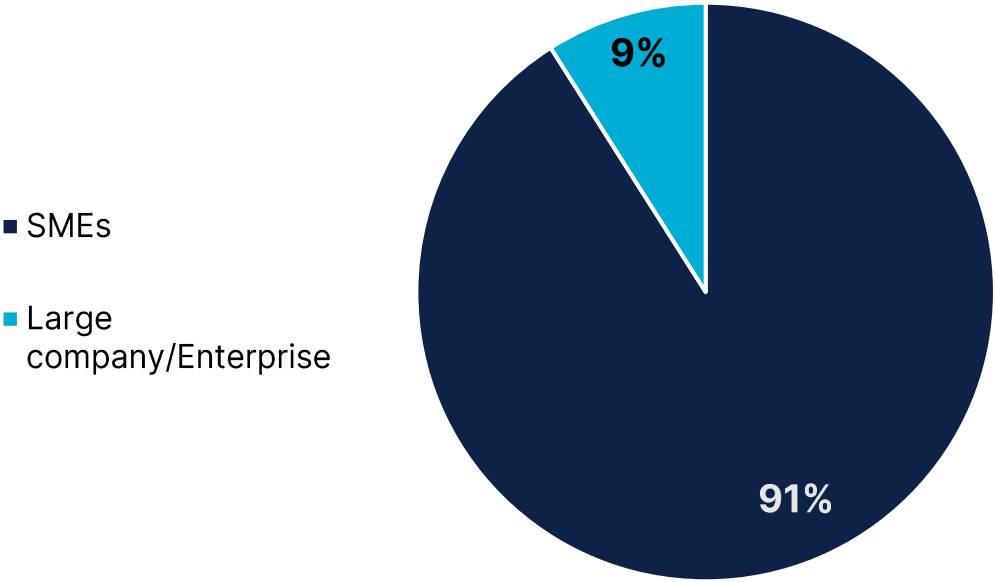


	Frequency (n)				
	Sep'26	Apr'26	Feb'26	Jan'26	Aug'25
IT & Related Services	9	34	15	22	19
Professional Services	31	42	19	20	13
Manufacturing (e.g. Food, Textiles, Paper Products, Chemicals, Metals)	13	28	13	14	17
Wholesale Trade	36	40	18	11	26
Logistics & Transportation	19	17	8	10	12
Construction & Civil Engineering	12	21	6	9	12
Other Financial & Insurance Activities (e.g. Holding/Investment Companies)	4	7	7	7	3
Retail Trade	25	12	5	4	14
Hotels, Restaurants & Accommodations	21	7	3	4	7
Banking & Insurance	12	4	6	3	3
Other Service Activities	4	0	4	2	13
Health & Social Services	8	5	1	2	4
Real Estate Activities	18	7	0	1	3
Administrative & Support Service Activities	9	1	0	1	1
Education	6	6	2	1	3
Others*	18	23	6	8	11

^Others include (i) Agriculture & Fishing, (ii) Mining & Quarrying, (iii) Water Supply, Sewerage & Waste Management, (iv) Public Administration & Defence, (v) Arts, Entertainment & Recreation, etc.)

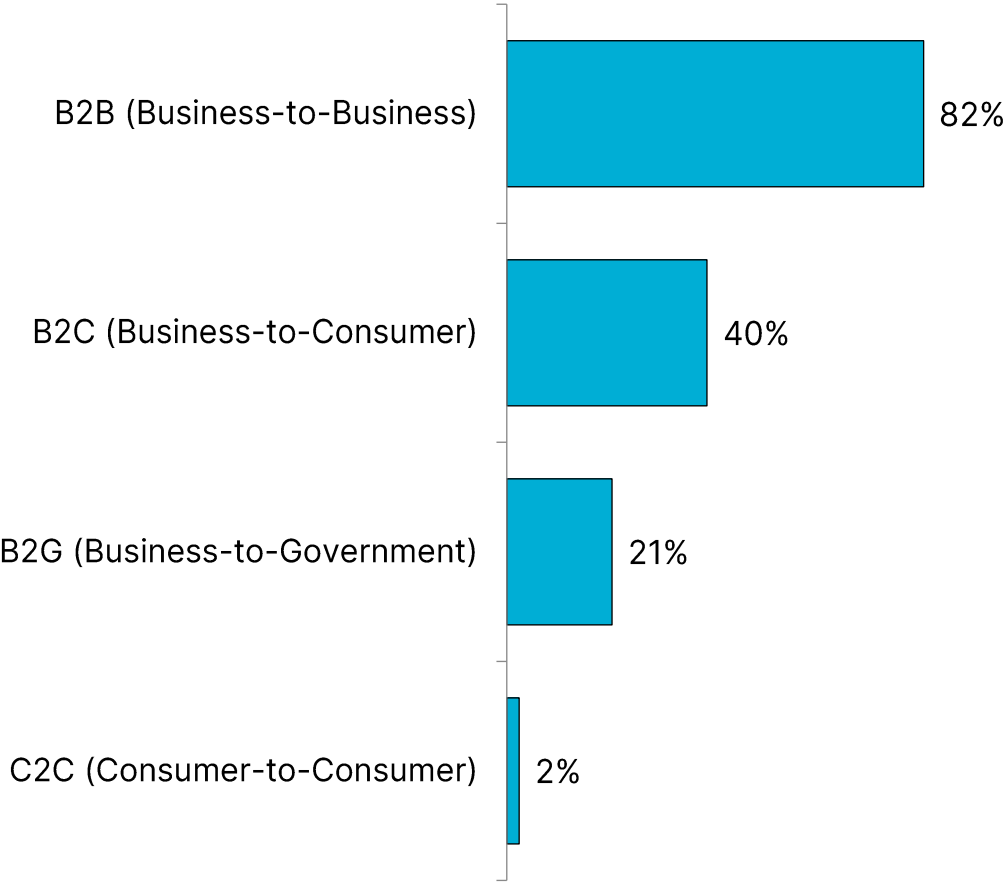
Firmographics Overview

Company Category



	Sep'26	Apr'26	Feb'26	Jan'26	Aug'25
SME	222	226	90	94	144
Large Company/Enterprise	23	28	23	25	17

Main Mode of Doing Business





SBF.

Thank You.

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