

SBF Survey on Manpower and Wages 2023

(Based on responses collected from
20 July – 31 July 2023)



Key Finding #1 – Business Outlook

Singapore businesses expect weakened economic conditions in the next 12 months, with increased business costs as top concern. While there is a mix of expectations in terms of increasing and decreasing revenue, a significant majority (85%) expect costs to increase, with more SMEs expecting a higher cost increase of 10% to 25%, compared to large companies.



More companies (35%) expect business conditions to worsen in the next 12 months than improve (28%).

- At the sectoral level, more companies in the 'Information and Communications & Professional Services' (50%), 'Retail, Hotels & Food and Beverages' (45%) and 'Wholesale Trade' (44%) expect worsening conditions, while more companies in the 'Construction & Civil Engineering' (59%), 'Real Estate' (57%), 'Logistics and Transportation' (55%), and 'Banking, Finance, Insurance & Accounting' (52%) expect that it will remain unchanged.



3 in 5 companies (61%) indicated inflationary pressure leading to increased business costs as the top factor impacting their businesses.

- At the sectoral level, the 3 sectors with most companies citing this as the top factor are 'Real Estate' (100%), 'Health & Education' (80%) and 'Information and Communications & Professional Services' (72%).



More companies (45%) expect business revenue to decline in the next 12 months than improve (33%).

- At the sectoral level, more companies in the 'Wholesale Trade' (58%) and 'Construction & Civil Engineering' (49%) expect declining revenue while more companies in the 'Banking, Finance, Insurance & Accounting' (62%) and 'Information and Communications & Professional Services' (44%) expect improving revenue.



Majority of companies (85%) expect business cost to increase in the next 12 months. More large companies (45%) expect cost increase by up to 10% whereas more SMEs (42%) expect an increase between 10% and 25%.

Key Finding #2 – Manpower and Wages

Nonetheless, employment outlook remains stable, with a significant majority (89%) expecting no change or an increase in manpower in the next 12 months. A significant majority (76%) had to increase salaries in the last 12 months and a similar proportion (67%) will continue to do so in the next 12 months. This will contribute to increased business costs even as economic outlook weakens.



1 in 2 companies (51%) had no change to their full-time employees in the last 12 months and a similar number (53%) do not expect a change in the next 12 months. More companies (36%) expect to increase headcount in the next 12 months compared to the last 12 months at 29%. Correspondingly, while 19% of companies reported a decrease in manpower in the last 12 months, the percentage of companies expecting a decline in manpower in the next 12 months declined to 10%.



20% of companies experienced an increase in headcount in the last 12 months and expect to further increase in the next 12 months. The top 3 sectors in this category are 'Banking, Finance, Insurance & Accounting' (38%), 'Retail, Hotels & Food and Beverages' (30%) and 'Health & Education' (20%). Conversely, 6% of companies experienced a decrease in headcount in the last 12 months and expect to further decrease in the next 12 months. The top 3 sectors in this category are 'Construction & Civil Engineering' (10%), 'Logistics & Transportation' (9%) and 'Retail, Hotels & Food and Beverages' (9%).



88% of large companies increased salaries in the last 12 months and 86% of them expect to increase salaries in the next 12 months, whereas 73% of SMEs did so in the last 12 months and 62% of SMEs expect to do the same in the next 12 months. On the whole, 61% of companies had increased salaries in the last 12 months and will continue to increase salaries for the next 12 months.

Key Finding #3 – Training & Upskilling

It is encouraging that a significant majority (84%) of companies had sent their employees for training. More could be done to encourage SMEs to send their employees for training as more employees from large companies (46%) have undergone training compared to SMEs (33%). The top challenge cited by companies (59%) when considering sending employees for training was limited manpower to cover for staff who are undergoing training because of the tight labour market. 35% cited training programmes not offering practical business applications and outcomes as the key challenge.



84% of companies had sent their employees for training in the last 12 months. More employees from large companies have undergone training (46%) compared to SMEs (33%).



59% of companies cited 'limited manpower resources to cover for staff who are undergoing training' as the top challenge faced when considering sending their employees for training.

- The top 3 sectors citing this as the key challenge are 'Real Estate' (86%), 'Retail, Hotels & Food and Beverages' (76%) and 'Manufacturing' (62%).



35% of companies cited 'training programmes not offering practical business applications and outcomes' as the key challenge.

- The top 3 sectors citing this as the key challenge are 'Banking, Finance, Insurance & Accounting' (52%), 'Health & Education' (50%) and 'Logistics & Transportation' (41%).

Company Profile

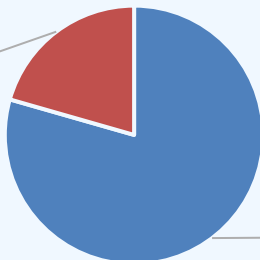


The survey drew responses from 282 companies across key industries, of which most were from the Manufacturing industry (18%).

79% of which were SMEs.

Company Category

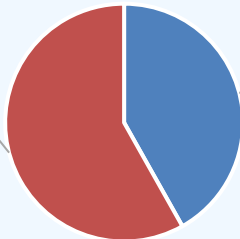
Large Company / Enterprise (For companies that do not meet the...



SME (Company's Group annual sales not more than S\$100 million OR Company's...

Company Shareholding

≥30% Local Shareholding, 58%



<30% Local Shareholding, 42%

Main Industry	Total
Manufacturing	18%
Wholesale Trade	15%
Construction & Civil Engineering	14%
Retail, Hotels & Food and Beverages	12%
Information and Communications & Professional Services	11%
Logistics & Transportation	8%
Banking, Finance, Insurance & Accounting	7%
Other Services (e.g. Repair, Servicing, etc.)	5%
Health & Education	4%
Others (e.g. Arts & Culture, Social Services, etc.)	4%
Real Estate	2%

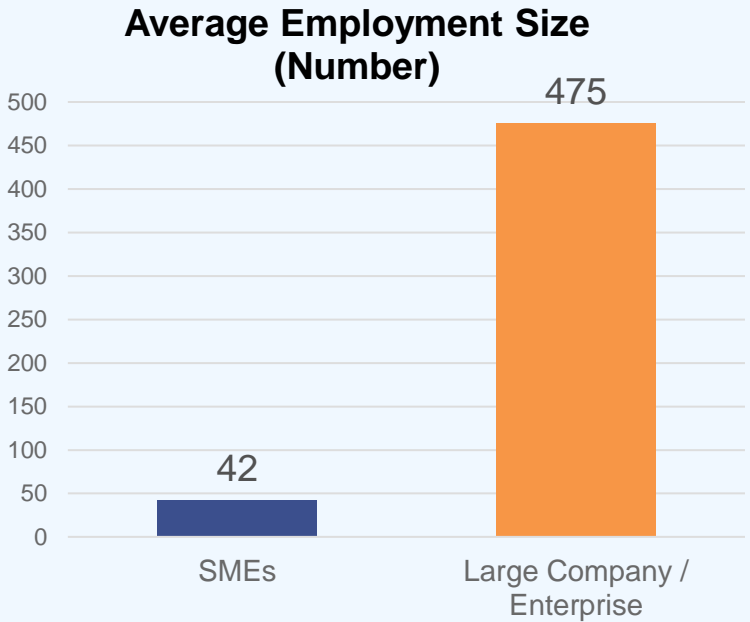
n = 282

Note: As the respondents contained only 58 Large Companies/Enterprises, the results for Large Companies/Enterprises should be read with caution.



The average employment size of SMEs is 42, while the average employment size for Large Companies is 475.

	SMEs	Large Companies / Enterprises
Average (%) of Labour Force		
Singapore Citizens and Permanent Residents	62% (24)	69% (272)
Female staff	37% (16)	41% (241)
Above 55 years old	20% (9)	17% (127)



n = 282

Note: As the respondents contained only 58 Large Companies/Enterprises, the results for Large Companies/Enterprises should be read with caution.

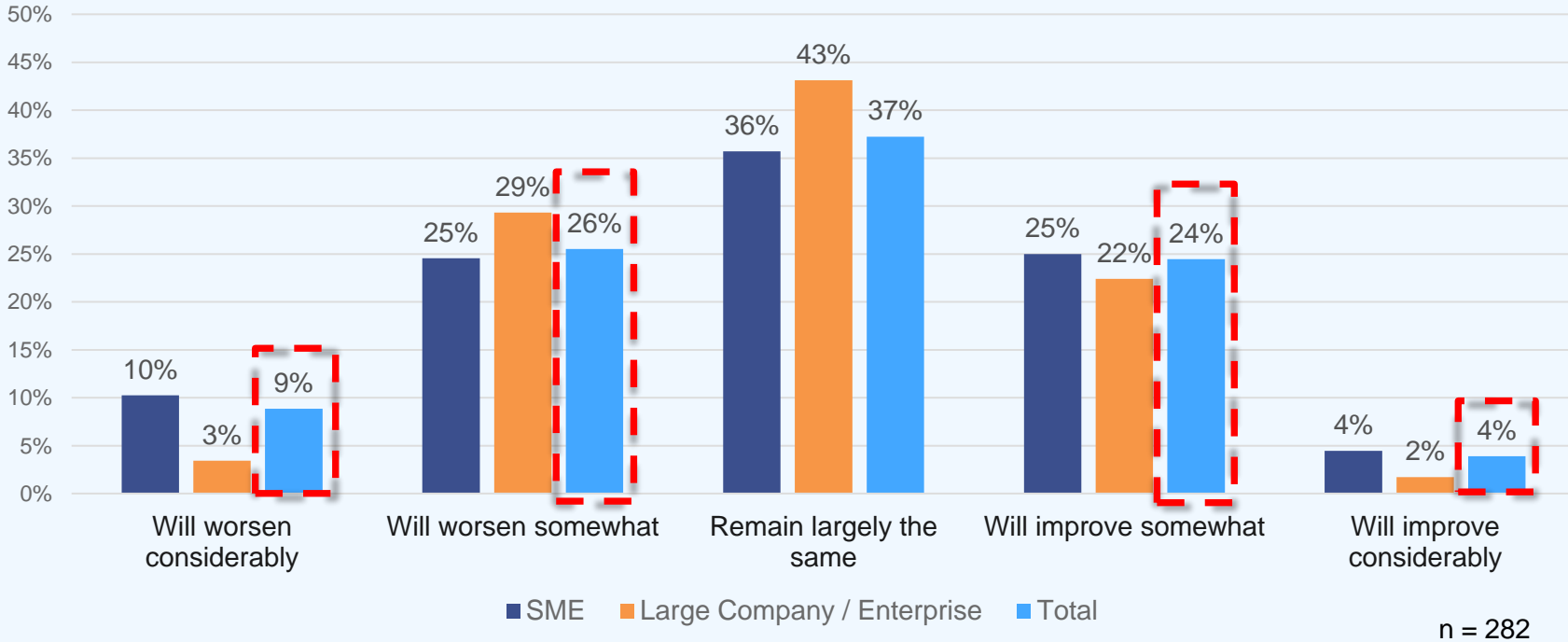


Business Outlook



A larger proportion of companies (35%) think the economic climate will worsen in the next 12 months, as compared to 28% which think otherwise.

View of the local business/economic climate in next 12 months

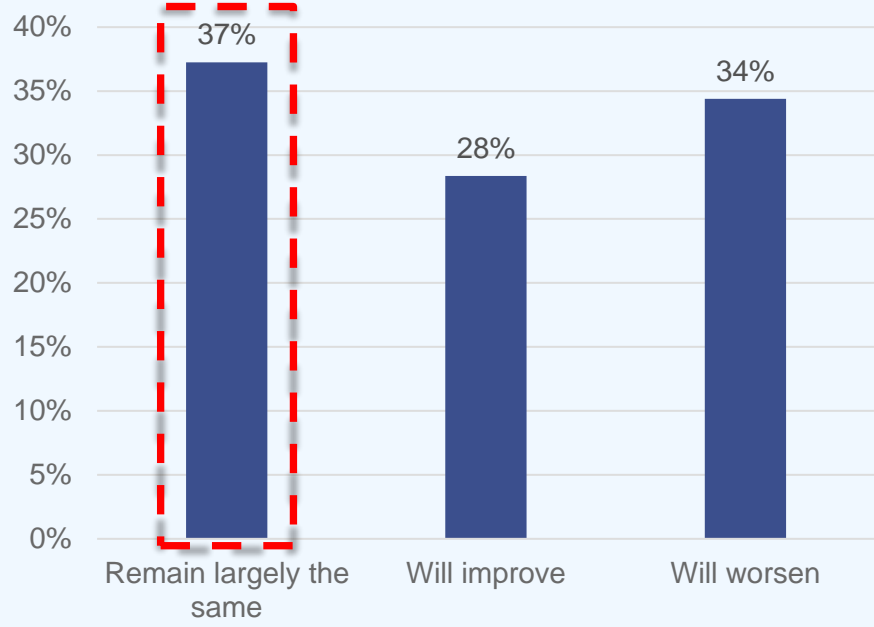


Q: What do you think the business/economic climate in Singapore will likely be over the next 12 months? (Please select one option only.)

Sectoral Comparison (1/3)

The top 3 industries with a highest percentage of the companies indicating that the local economic climate will remain the same in the next 12 months are 'Construction & Civil Engineering', 'Real Estate' and 'Logistics & Transportation'.

View of the local economic climate in the next 12 months



**% within industry
(Local economic climate will remain the same in the next 12 months)**

Industry	%
Construction & Civil Engineering	59%
Real Estate	57%
Logistics & Transportation	55%
Banking, Finance, Insurance & Accounting	52%
Manufacturing	42%
Others (e.g. Arts & Culture, Social Services, etc.)	40%
Health & Education	40%
Other Services (e.g. Repair, Servicing, etc.)	33%
Retail, Hotels & Food and Beverages	21%
Information and Communications & Professional Services	19%
Wholesale Trade	19%

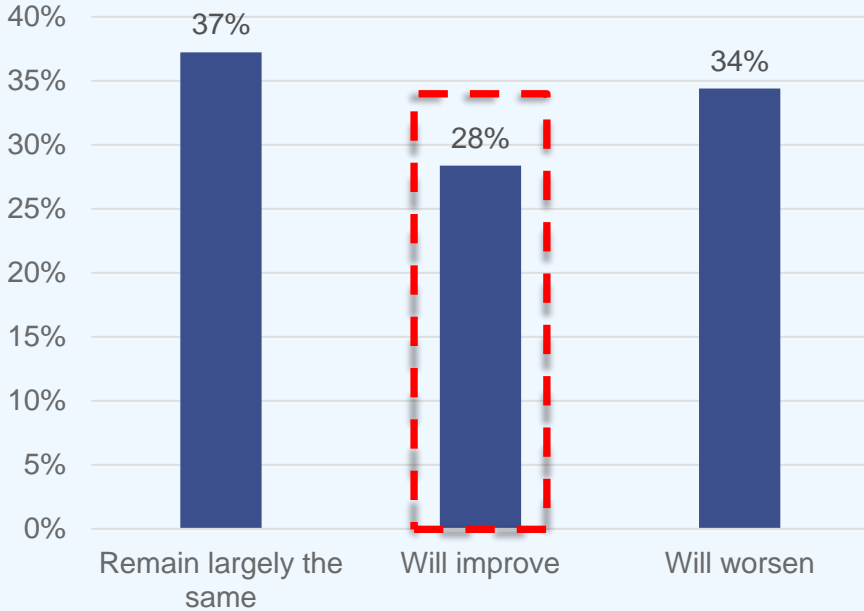
Q: What do you think the business/economic climate in Singapore will likely be over the next 12 months? (Please select one option only.)

n = 105

Sectoral Comparison (2/3)

The top 3 industries with a higher percentage of the companies indicating that the local economic climate will improve in the next 12 months are 'Wholesale Trade', 'Manufacturing' and 'Retail, Hotels & Food and Beverages'.

View of the local economic climate in the next 12 months



**% within industry
(Local economic climate will improve in the next 12 months)**

Industry	%
Other Services (e.g. Repair, Servicing, etc.)	40%
Wholesale Trade	37%
Manufacturing	34%
Retail, Hotels & Food and Beverages	33%
Information and Communications & Professional Services	31%
Others (e.g. Arts & Culture, Social Services, etc.)	30%
Banking, Finance, Insurance & Accounting	29%
Real Estate	29%
Logistics & Transportation	27%
Health & Education	20%
Construction & Civil Engineering	3%

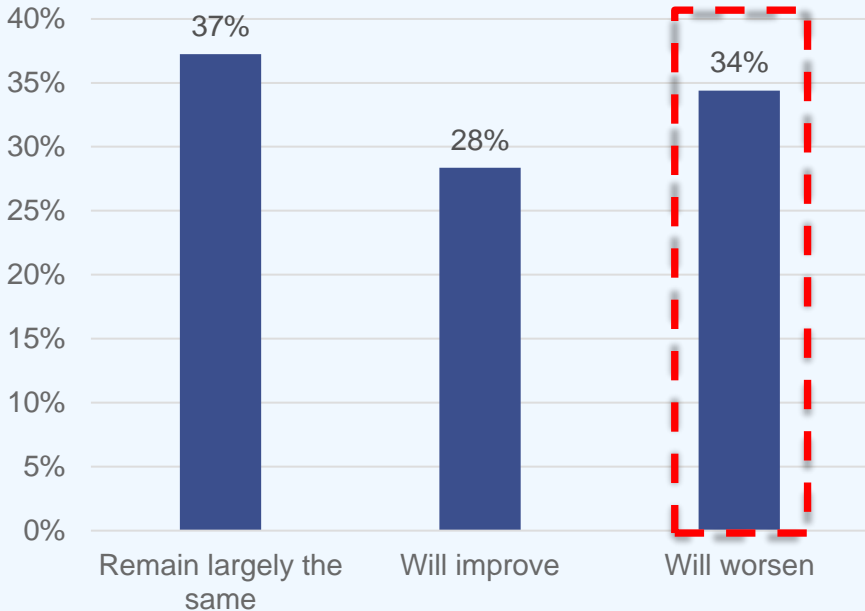
Q: What do you think the business/economic climate in Singapore will likely be over the next 12 months? (Please select one option only.)

n = 80

Sectoral Comparison (3/3)

The top 3 industries with a higher percentage of the companies indicating that the local economic climate will worsen in the next 12 months are ‘Information and Communications & Professional Services’, ‘Retail, Hotels & Food and Beverages’ and ‘Wholesale Trade’.

View of the local economic climate in the next 12 months



% within industry (Local economic climate will worsen in the next 12 months)

Industry	%
Information and Communications & Professional Services	50%
Retail, Hotels & Food and Beverages	45%
Wholesale Trade	44%
Health & Education	40%
Construction & Civil Engineering	38%
Others (e.g. Arts & Culture, Social Services, etc.)	30%
Other Services (e.g. Repair, Servicing, etc.)	27%
Manufacturing	24%
Banking, Finance, Insurance & Accounting	19%
Logistics & Transportation	18%
Real Estate	14%

Q: What do you think the business/economic climate in Singapore will likely be over the next 12 months? (Please select one option only.)

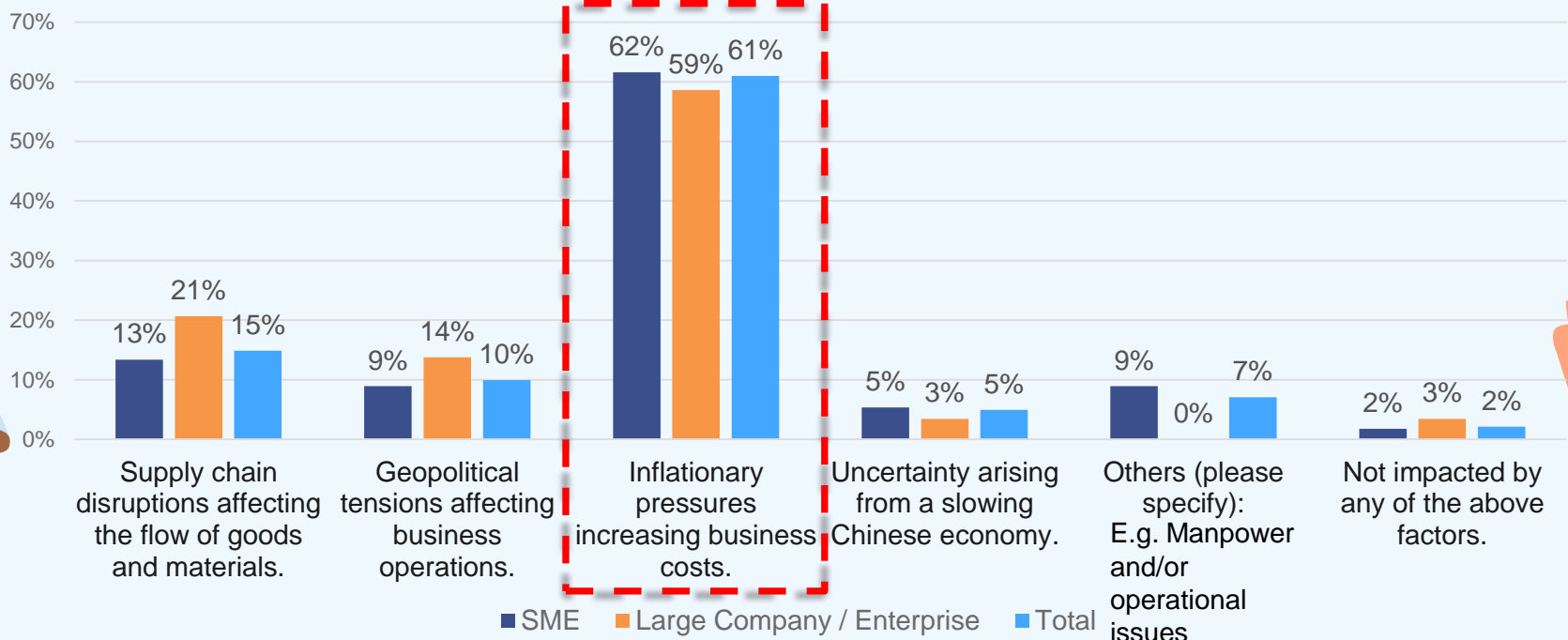
n = 97

Key Challenges



Approximately 3 in 5 companies (61%) indicated that the top global factor affecting their businesses is 'inflationary pressures increasing business costs'.

Top global factor impacting businesses

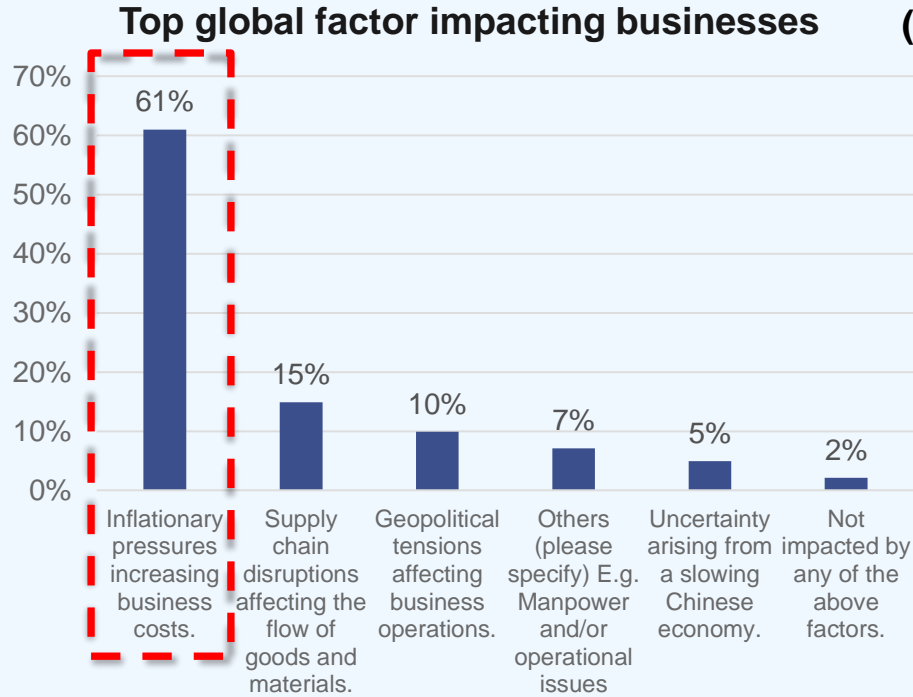


n = 282

Q: What is the top global factor impacting your business? (Please select one option only.)

Sectoral Comparison

The top 3 industries that are impacted by inflationary pressures are 'Real Estate', 'Health & Education' and 'Information and Communications & Professional Services'.



% within industry
(Companies impacted by inflationary pressures)

Industry	%
Real Estate	100%
Health & Education	80%
Information and Communications & Professional Services	72%
Retail, Hotels & Food and Beverages	70%
Construction & Civil Engineering	64%
Manufacturing	62%
Wholesale Trade	53%
Other Services (e.g. Repair, Servicing, etc.)	53%
Banking, Finance, Insurance & Accounting	52%
Logistics & Transportation	41%
Others (e.g. Arts & Culture, Social Services, etc.)	40%

Q: What is the top global factor impacting your business? (Please select one option only.)

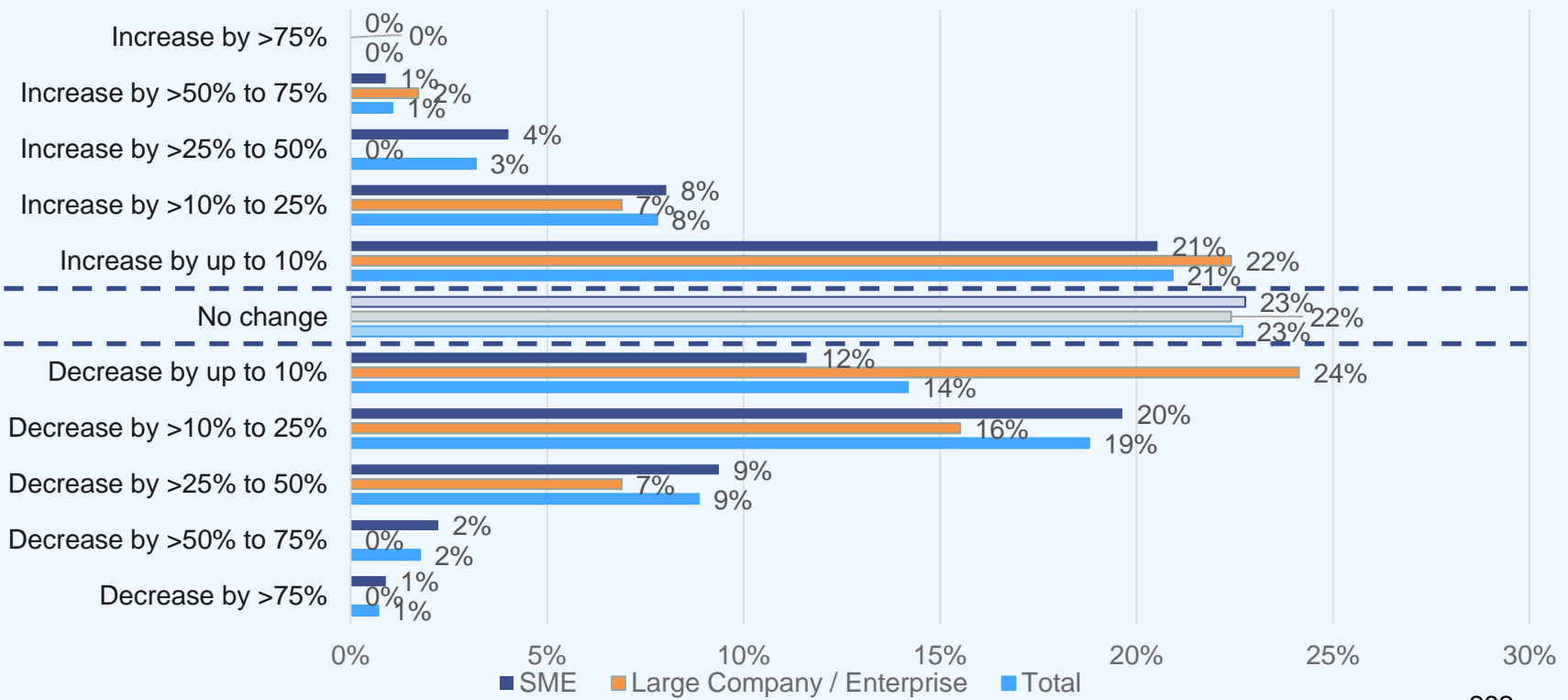
n = 172

Business Performance (Revenue & Cost)



More companies think that their overall business revenue will decline (45%) rather than increase (33%) in the next 12 months.

Impact on the overall business revenue in the next 12 months



n = 282

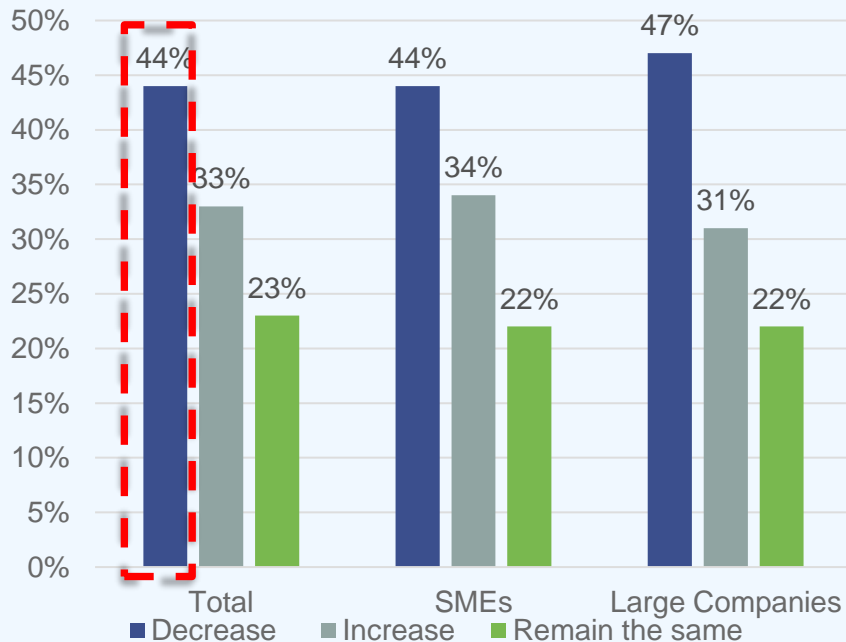
Q: How do you see your overall business revenue being affected over the next 12 months? (Please select one option only)



Sectoral Comparison for All Companies (1/2)

The top 3 sectors that indicated a decrease in business revenue in the next 12 months are 'Wholesale Trade', 'Construction & Civil Engineering' and 'Logistics & Transportation'.

Impact on the overall business revenue in the next 12 months



% within industry (Total companies indicated a decrease in business revenue)

Industry	%
Others (e.g. Arts & Culture, Social Services, etc.)	60%
Wholesale Trade	58%
Construction & Civil Engineering	49%
Other Services (e.g. Repair, Servicing, etc.)	47%
Logistics & Transportation	45%
Retail, Hotels & Food and Beverages	45%
Manufacturing	44%
Real Estate	43%
Information and Communications & Professional Services	38%
Health & Education	30%
Banking, Finance, Insurance & Accounting	14%

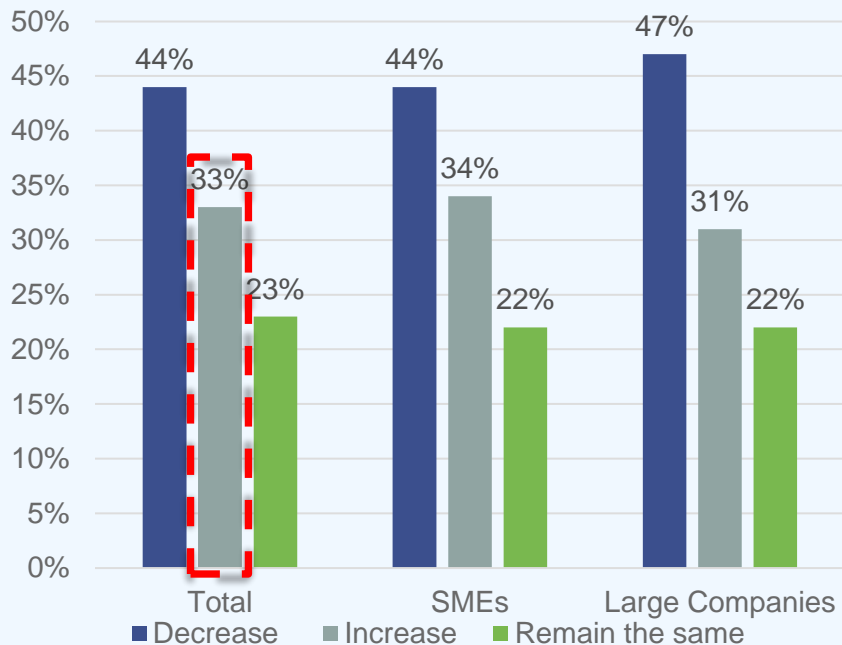
Q: How do you see your overall business revenue being affected over the next 12 months? (Please select one option only)

n = 125

Sectoral Comparison for All Companies (2/2)

The top 3 sectors that indicated an increase in business revenue in the next 12 months are 'Banking, Finance, Insurance & Accounting', 'Information and Communications & Professional Services' and 'Retail, Hotels & Food and Beverages'.

Impact on the overall business revenue in the next 12 months



% within industry (Total companies that indicated an increase in business revenue)

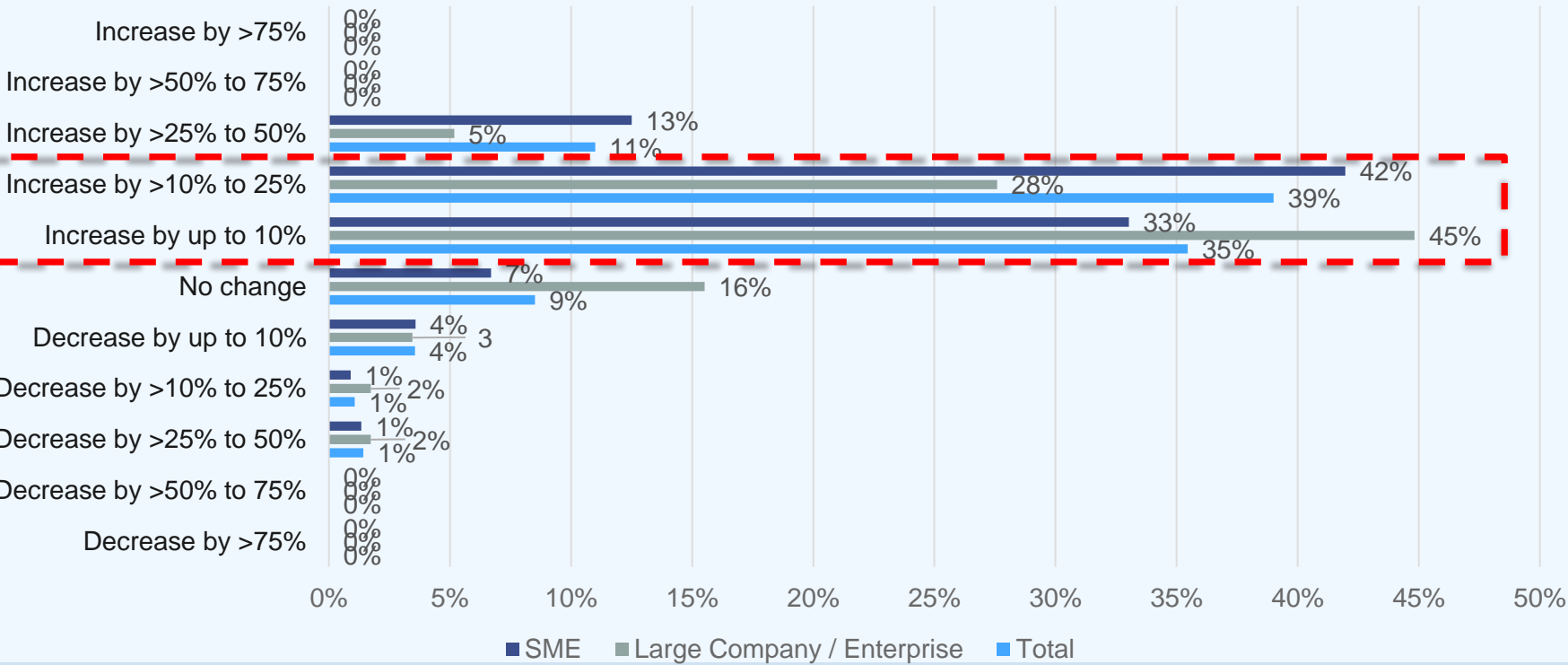
Industry	%
Banking, Finance, Insurance & Accounting	62%
Other Services (e.g. Repair, Servicing, etc.)	47%
Information and Communications & Professional Services	44%
Retail, Hotels & Food and Beverages	39%
Manufacturing	32%
Health & Education	30%
Logistics & Transportation	27%
Construction & Civil Engineering	23%
Wholesale Trade	21%
Others (e.g. Arts & Culture, Social Services, etc.)	20%
Real Estate	14%

Q: How do you see your overall business revenue being affected over the next 12 months? (Please select one option only)

n = 93

Majority of companies (85%) expect business cost to increase in the next 12 months. More large companies (45%) expect cost increase by up to 10%, whereas more SMEs (42%) expect an increase in cost between 10% and 25%.

Impact on the overall business cost in the next 12 months



Q: How do you see your overall business cost being affected over the next 12 months? (Please select one option only)

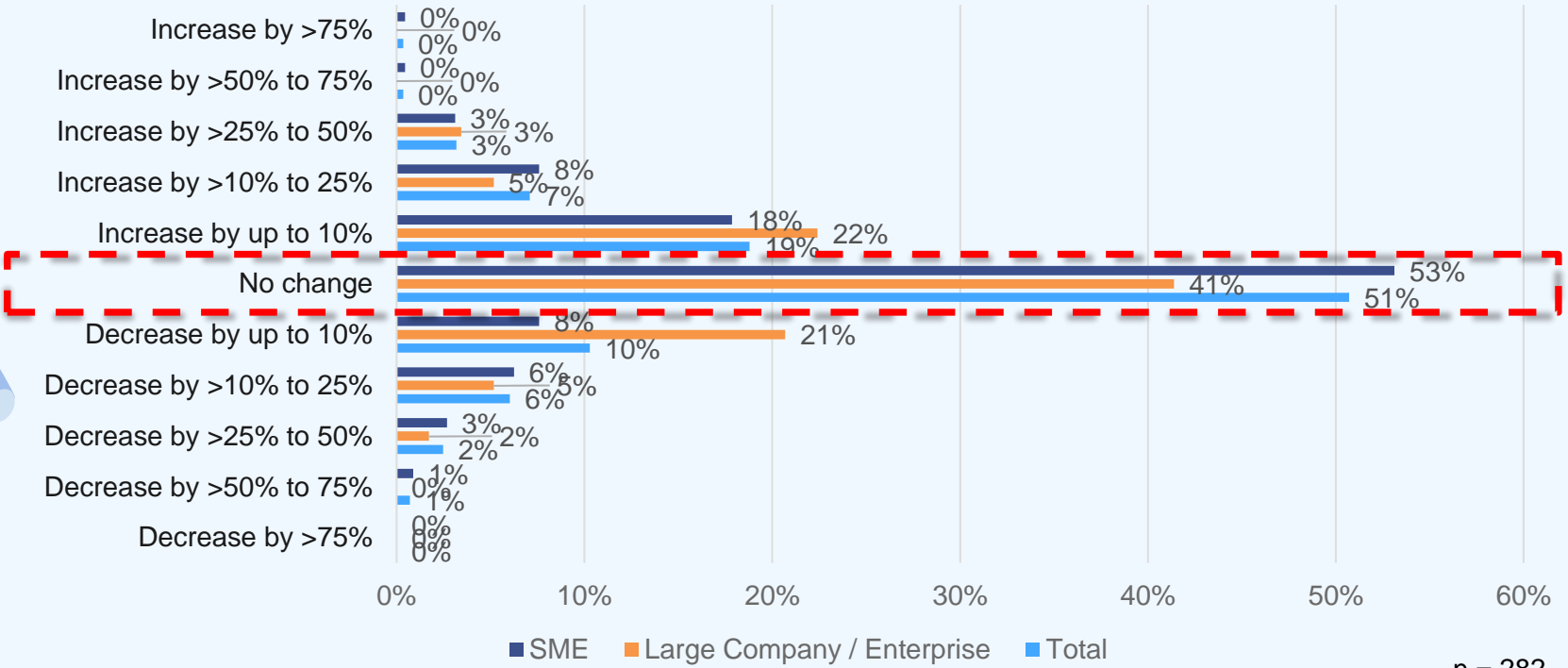
n = 282

Manpower



More than half of the SMEs (53%) and about two-fifths of the Large Companies (41%) had no change to their number of full-time employees in the last 12 months.

Adjustments to the number of full-time employees in the last 12 months

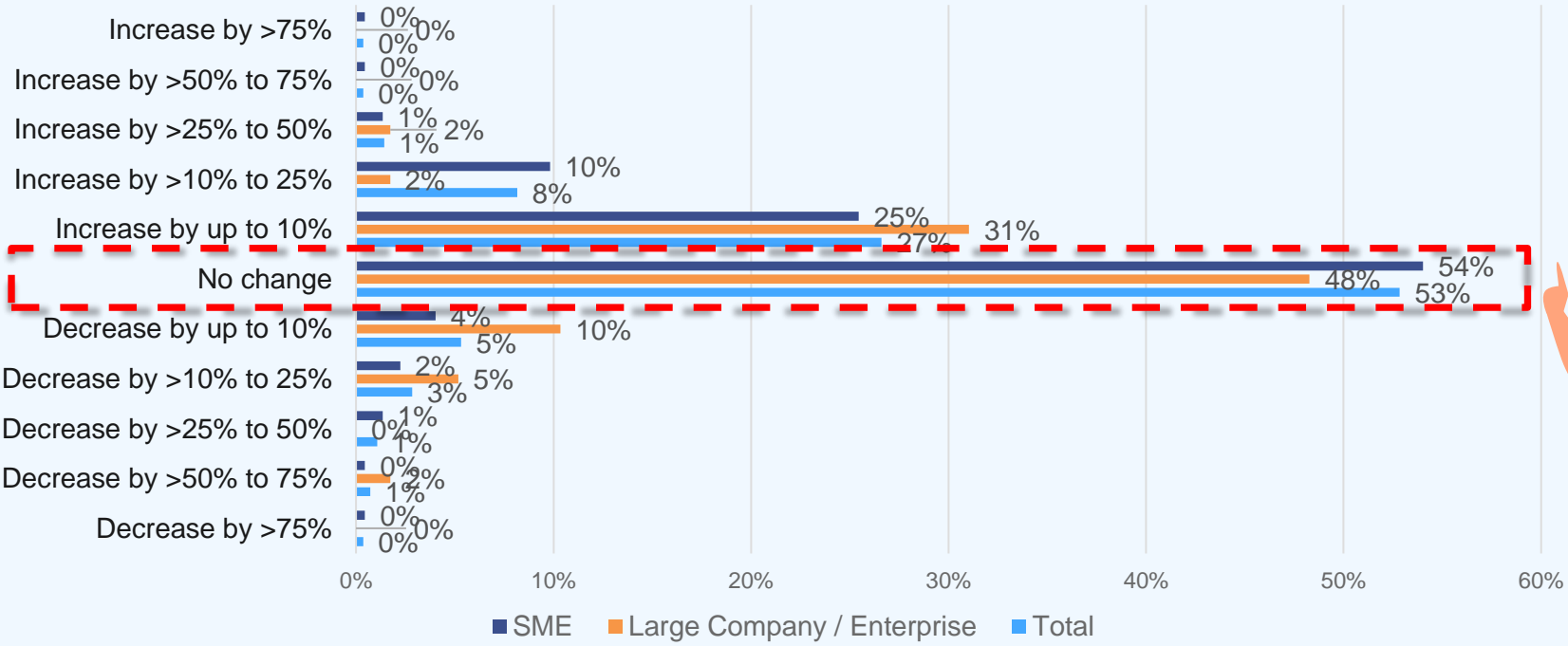


n = 282

Q: What adjustments have you made to the number of your full-time employees in the last 12 months? (Please select one option only)

Approximately half of the SMEs (54%) and Large Companies (48%) indicated that there will be no change to the number of full-time employees in the next 12 months.

Adjustments to the number of full-time employees in the next 12 months



n = 282

Q: What adjustments will you be making to the number of your full-time employees in the next 12 months? (Please select one option only)

About one-fifth of the companies (20%) experienced an increase in the number of full-time employees in the last 12 months and expect to further increase in the next 12 months.

% of companies that made adjustment to the number of full-time employees in the last 12 months

% of companies that will be making adjustment to the number of full-time employees in the next 12 months

	Decrease	No changes	Increase
Decrease	6.4%	5.7%	7.5%
No changes	3.2%	37.9%	9.6%
Increase	0.7%	9.2%	19.9%

% within industry
 (increased in the number of full-time employees for the last 12 months and the next 12 months)

Industry	%
Other Services (e.g. Repair, Servicing, etc.)	60%
Banking, Finance, Insurance & Accounting	38%
Retail, Hotels & Food and Beverages	30%
Health & Education	20%
Information and Communications & Professional Services	19%
Wholesale Trade	16%
Manufacturing	16%
Construction & Civil Engineering	13%
Others (e.g. Arts & Culture, Social Services, etc.)	10%
Real Estate	0%
Logistics & Transportation	0%

n = 56

Q: What adjustments have you made to the number of your full-time employees in the next 12 months? (Please select one option only)
 Q: What adjustments will you be making to the number of your full-time employees in the next 12 months? (Please select one option only)

Close to two-fifths of companies (38%) had no change to their number of full-time employees in the last 12 months and expect not to make any adjustment in the next 12 months.

% of companies that will be making adjustment to the number of full-time employees in the next 12 months

% of companies that made adjustment to the number of full-time employees in the last 12 months		Decrease	No changes	Increase
	Decrease	6.4%	5.7%	7.5%
	No changes	3.2%	37.9%	9.6%
	Increase	0.7%	9.2%	19.9%

% within industry
 (no change in the number of full-time employees for the last 12 months and the next 12 months)

Industry	%
Real Estate	57%
Wholesale Trade	53%
Manufacturing	52%
Logistics & Transportation	45%
Information and Communications & Professional Services	34%
Other Services (e.g. Repair, Servicing, etc.)	33%
Retail, Hotels & Food and Beverages	30%
Health & Education	30%
Banking, Finance, Insurance & Accounting	29%
Others (e.g. Arts & Culture, Social Services, etc.)	20%
Construction & Civil Engineering	18%

n = 107

Q: What adjustments have you made to the number of your full-time employees in the next 12 months? (Please select one option only)
 Q: What adjustments will you be making to the number of your full-time employees in the next 12 months? (Please select one option only)

About 6% of companies experienced a decrease in the number of full-time employees in the last 12 months and expect to further decrease in the next 12 months.

% of companies that will be making adjustment to the number of full-time employees in the next 12 months

% of companies that made adjustment to the number of full-time employees in the last 12 months

	Decrease	No changes	Increase
Decrease	6.4%	5.7%	7.5%
No changes	3.2%	37.9%	9.6%
Increase	0.7%	9.2%	19.9%

**% within industry
(decrease in the number of full-time employees for the last 12 months and the next 12 months)**

Industry	%
Others (e.g. Arts & Culture, Social Services, etc.)	40%
Construction & Civil Engineering	10%
Logistics & Transportation	9%
Retail, Hotels & Food and Beverages	9%
Information and Communications & Professional Services	6%
Manufacturing	6%

n = 107



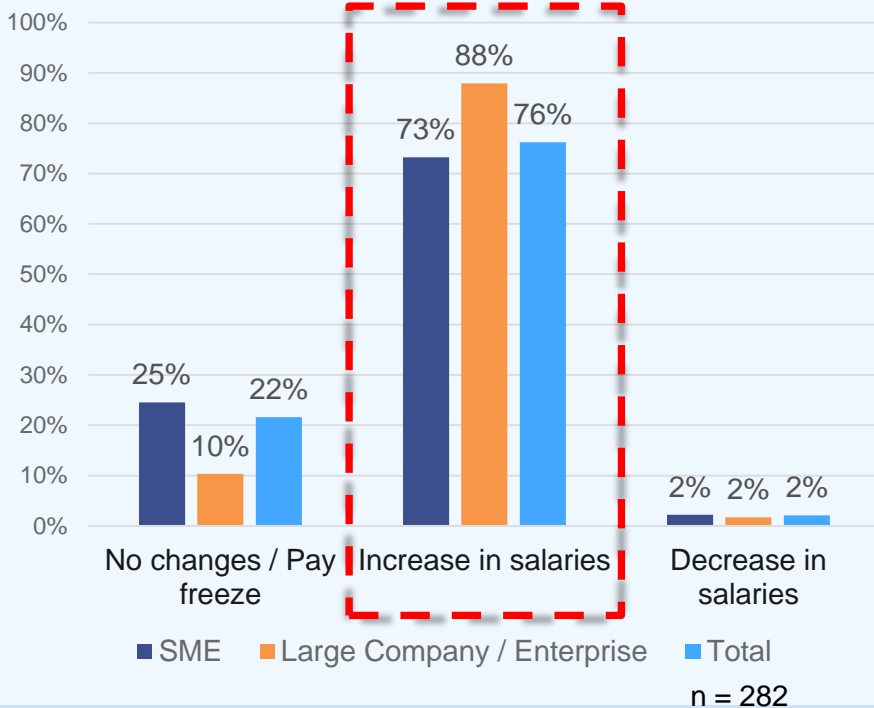
Q: What adjustments have you made to the number of your full-time employees in the next 12 months? (Please select one option only)
 Q: What adjustments will you be making to the number of your full-time employees in the next 12 months? (Please select one option only)

Wages



Majority of the SMEs (73%) and Large Companies (88%) increased salaries in the last 12 months.

% of companies that made salary adjustments in the last 12 months

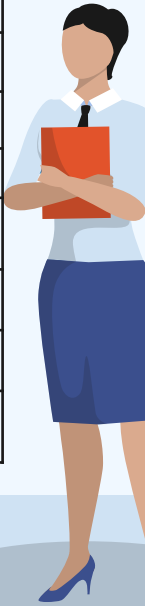


% within industry (companies that increased salaries in the last 12 months)

Industry	%
Other Services (e.g. Repair, Servicing, etc.)	100%
Health & Education	90%
Logistics & Transportation	86%
Banking, Finance, Insurance & Accounting	86%
Real Estate	86%
Wholesale Trade	81%
Retail, Hotels & Food and Beverages	76%
Information and Communications & Professional Services	75%
Construction & Civil Engineering	67%
Manufacturing	66%
Others (e.g. Arts & Culture, Social Services, etc.)	50%

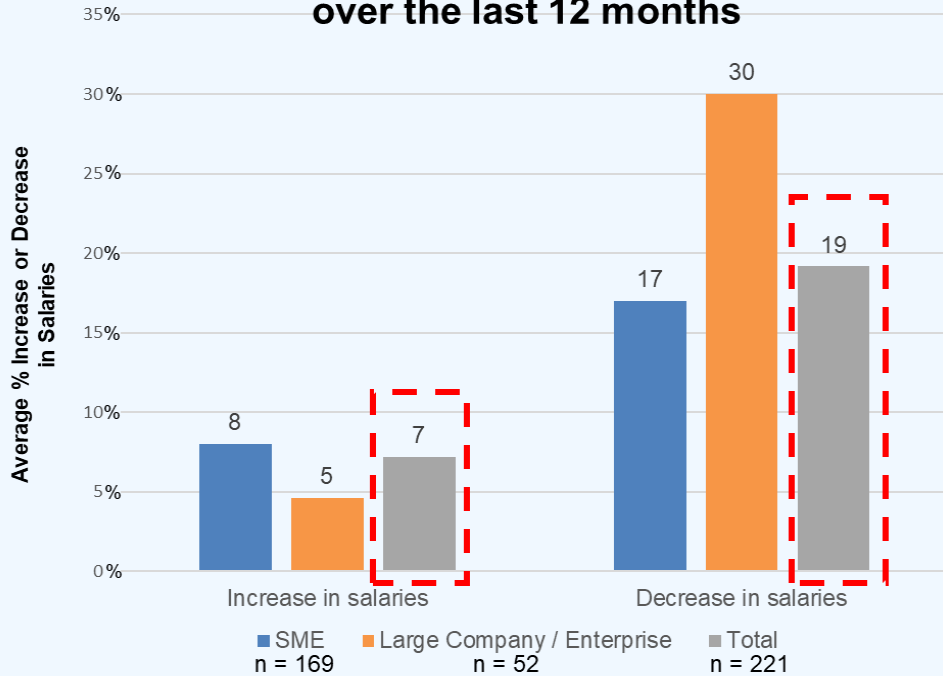
n = 215

Q: What salary adjustments have you made in the last 12 months?



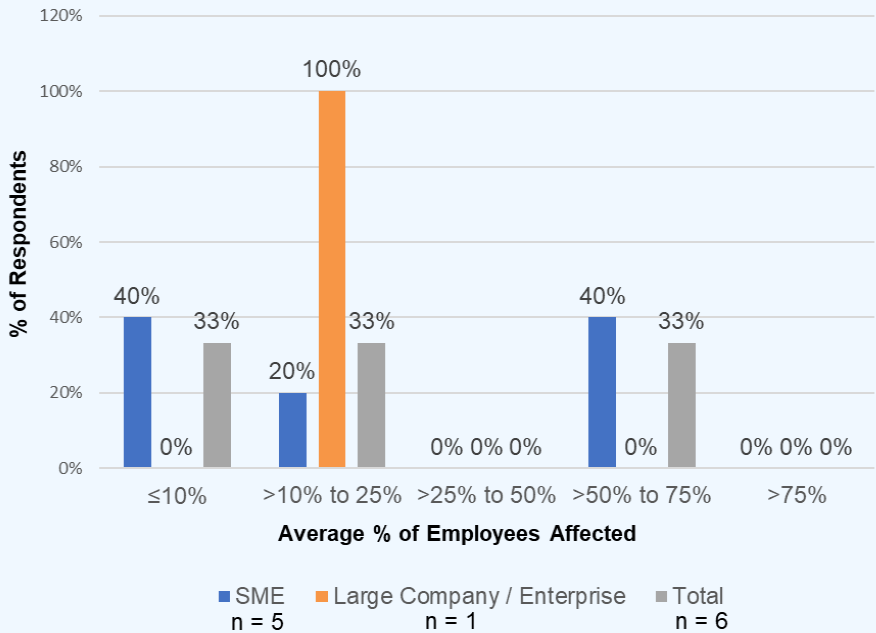
For businesses that adjusted salaries in the last 12 months, the average decrease was 19% while the average increase was 7%.

Average % of increase / decrease in salaries over the last 12 months



Note: As there is only 1 Large Company/Enterprise that indicated a decrease in salary, the results should be read with caution.

Average % of employees affected by salary cuts



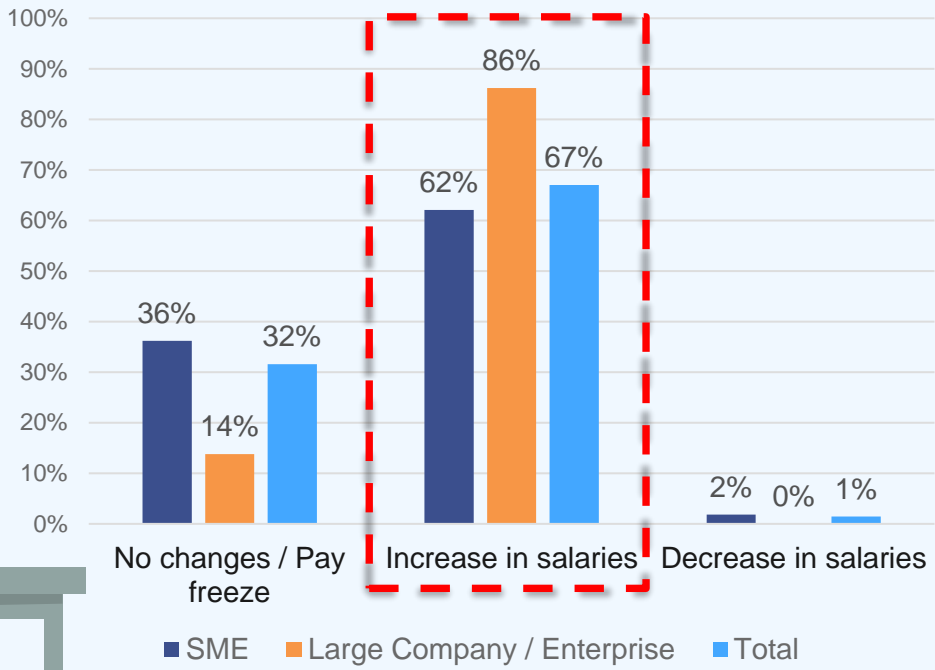
Note: There are only 6 companies that indicated a decrease in salary, hence the results should be read with caution.

Q: Please specify average percentage increase/decrease in salaries.

Q: You mentioned that your company has cut salaries. If so, what percentage of your employees were affected by the salary cut?

62% of SMEs and 86% of Large Companies expect to increase salaries in the next 12 months.

% of companies that will make salary adjustments in the next 12 months



n = 282

**% within industry
(companies that will increase salaries
In the next 12 months)**

Industry	%
Other Services (e.g. Repair, Servicing, etc.)	87%
Real Estate	86%
Logistics & Transportation	82%
Banking, Finance, Insurance & Accounting	76%
Retail, Hotels & Food and Beverages	76%
Information and Communications & Professional Services	75%
Health & Education	70%
Manufacturing	60%
Construction & Civil Engineering	59%
Wholesale Trade	51%
Others (e.g. Arts & Culture, Social Services, etc.)	50%

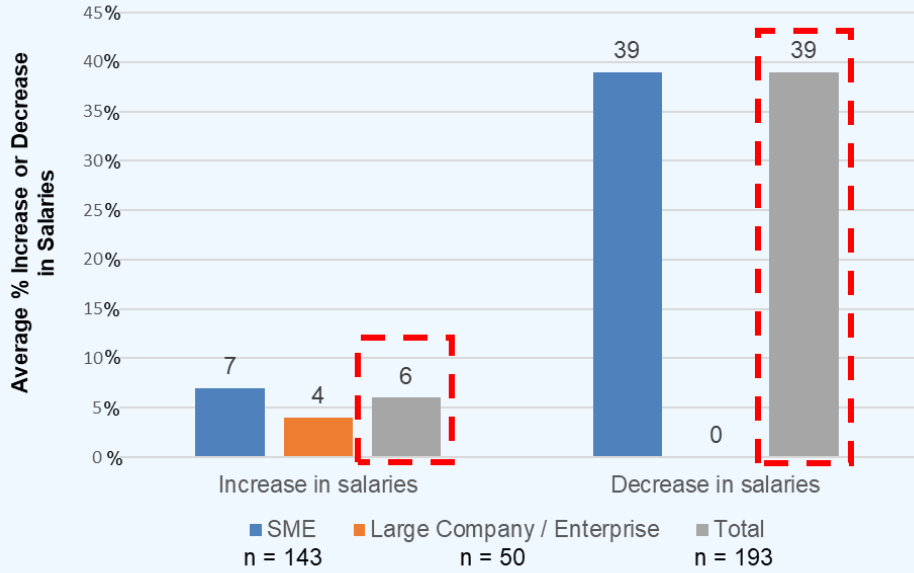
n = 189

Q: *What salary adjustments will you make for the next 12 months?*

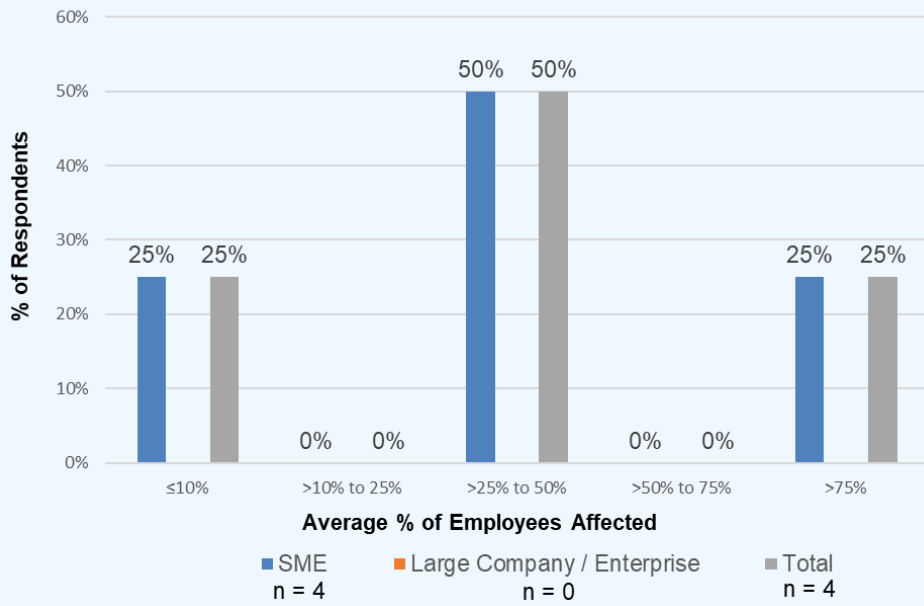


For businesses adjusting salaries in the next 12 months, the average decrease will be 39% while the average increase will be 6%.

Average % of increase / decrease in salaries in the next 12 months



Average % of employees affected by salary cuts



Note: As there are no Large Companies/Enterprises that indicated a decrease in salary, the results should be read with caution.

Note: As there are only 4 SMEs that indicated a decrease in salary, the results should be read with caution.

Q: Please specify average percentage increase/decrease in salaries

Q: You mentioned that your company is planning to cut salaries. If so, what percentage of your employees will be affected by the salary cut?

6 in 10 companies (61%) had increased salaries in the last 12 months and will continue to increase salaries in the next 12 months.



% of companies that made salary adjustment(s) in the last 12 months

% of companies that will be making salary adjustment(s) in the next 12 months

	Decrease in salaries	No changes / Pay freeze	Increase in salaries
Decrease in salaries	0.7%	0.4%	1%
No changes / Pay freeze	0.4%	15.6%	5.7%
Increase in salaries	0.4%	14.9%	61%

**% within industry
(increased salaries for the last 12 months and plan to increase salary for the next 12 months)**

Industry	%
Other Services (e.g. Repair, Servicing, etc.)	86.7%
Real Estate	85.7%
Logistics & Transportation	77.3%
Banking, Finance, Insurance & Accounting	71.4%
Health & Education	70.0%
Retail, Hotels & Food and Beverages	69.7%
Information and Communications & Professional Services	68.8%
Wholesale Trade	51.2%
Others (e.g. Arts & Culture, Social Services, etc.)	50.0%
Construction & Civil Engineering	48.7%
Manufacturing	46.0%

Q: What salary adjustments have you made in the last 12 months?

Q: What salary adjustments will you make for the next 12 months?

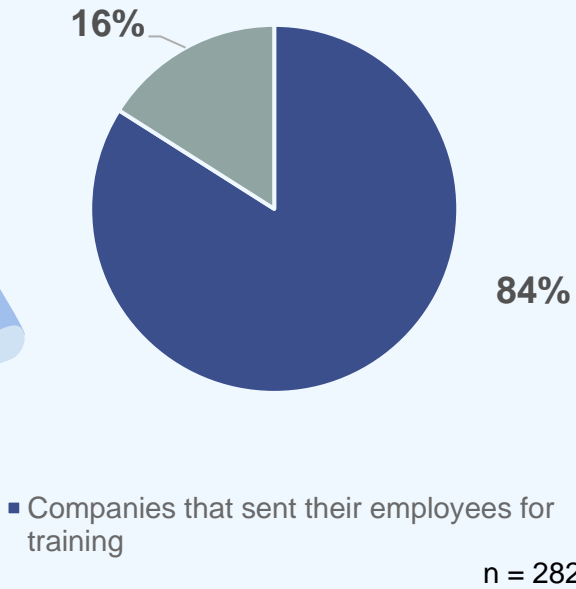
n = 172

Training & Upskilling

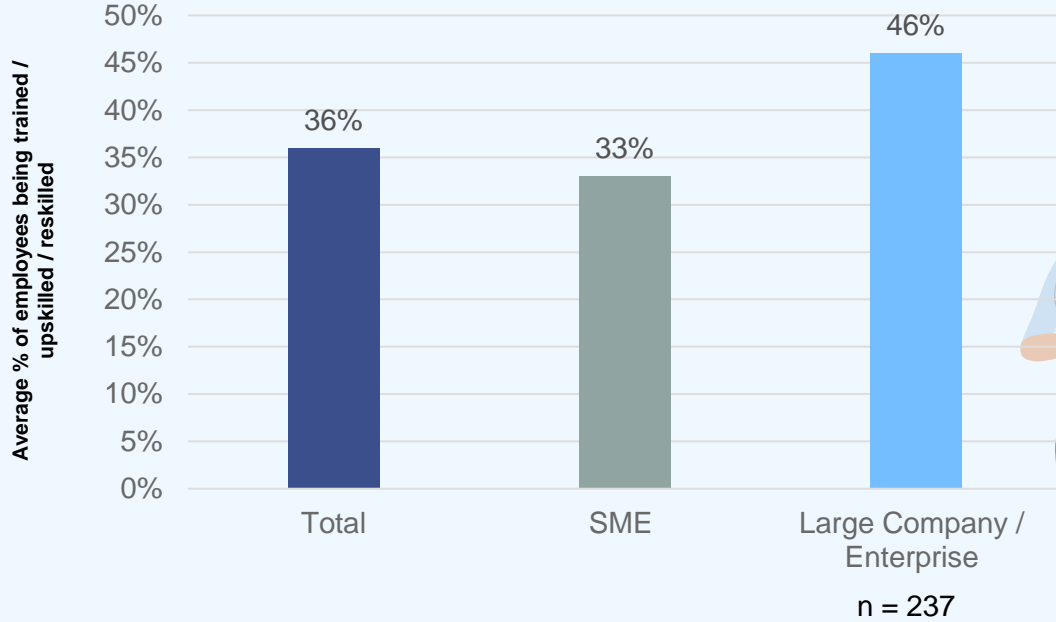


84% of companies had sent their employees for training in the last 12 months. More employees from large companies (46%) have undergone training compared to SMEs (33%).

% of companies that sent their employees for training



Average % of employees being trained / upskilled / reskilled in the last 12 months



Q: What is the proportion of your company's employees being trained / upskilled / reskilled in the last 12 months? Please specify percentage.

The top 2 challenges faced by businesses in training for employees are 'limited manpower resources to cover for staff who are undergoing training' (59%) and 'training programmes that do not offer practical business applications/outcomes' (35%).

Challenges faced when investing in training for employees

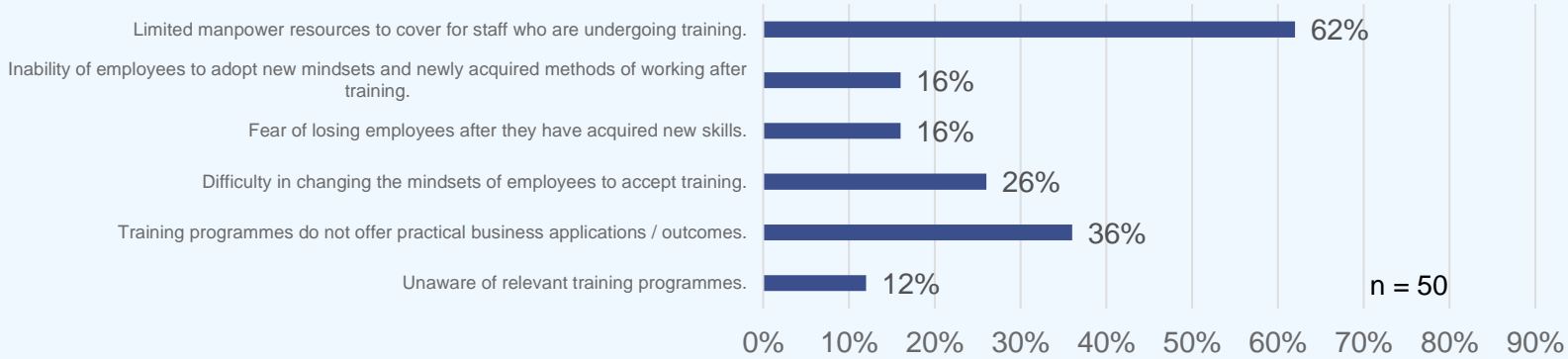


n = 282

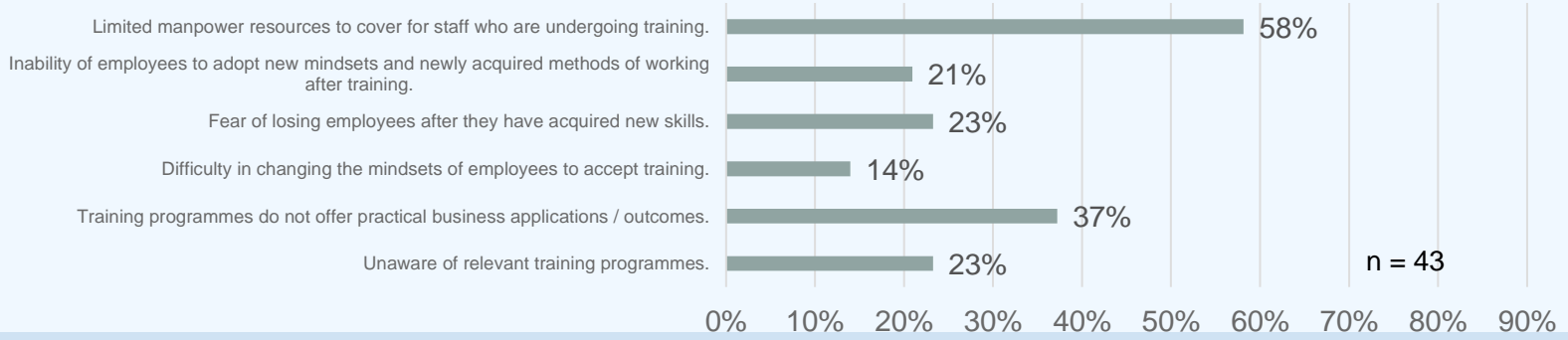
Q: What are the challenges faced when investing in training for your company's employees? (Select all that apply)

Sectoral challenges faced when investing in training for employees (1/6)

Manufacturing



Wholesale Trade

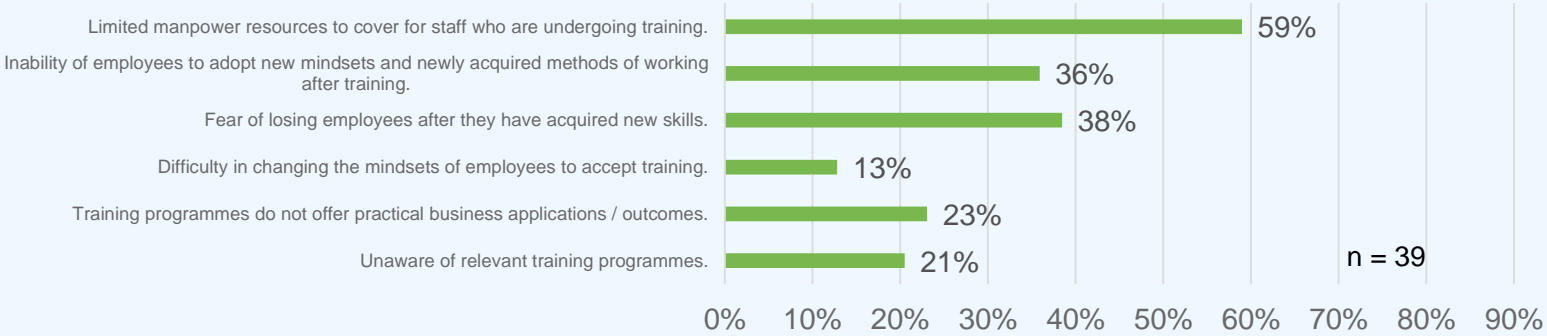


Q: What are the challenges faced when investing in training for your company's employees? (Select all that apply)

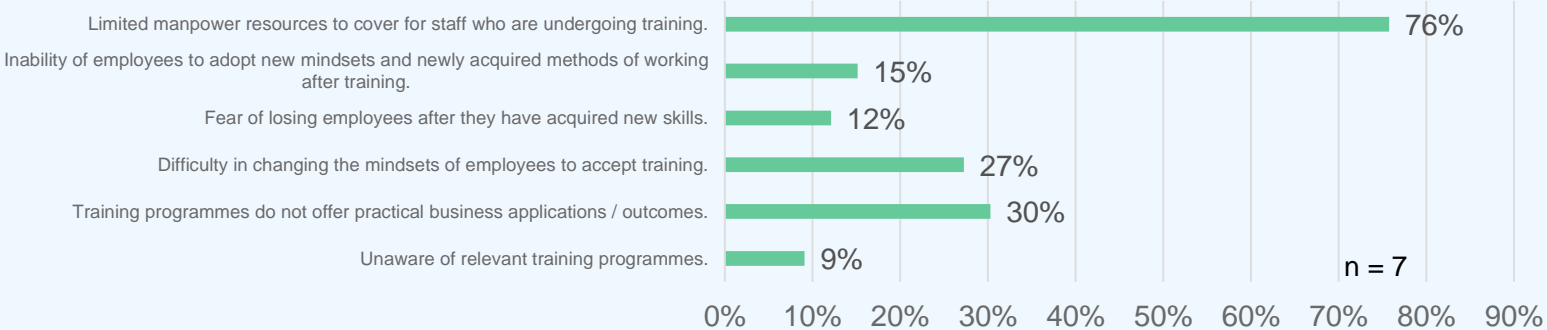


Sectoral challenges faced when investing in training for employees (2/6)

Construction & Civil Engineering



Retail, Hotels & Food and Beverages

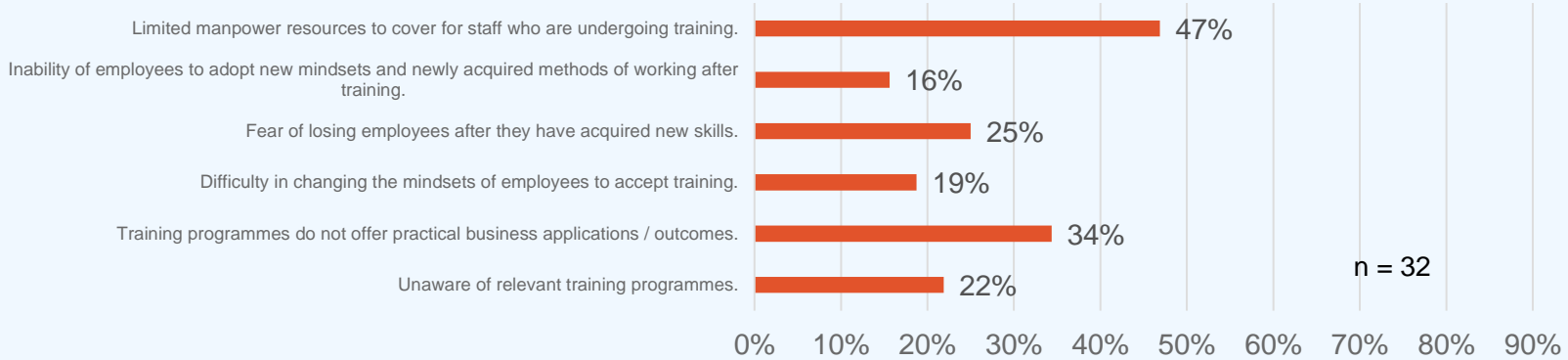


Q: What are the challenges faced when investing in training for your company's employees? (Select all that apply)

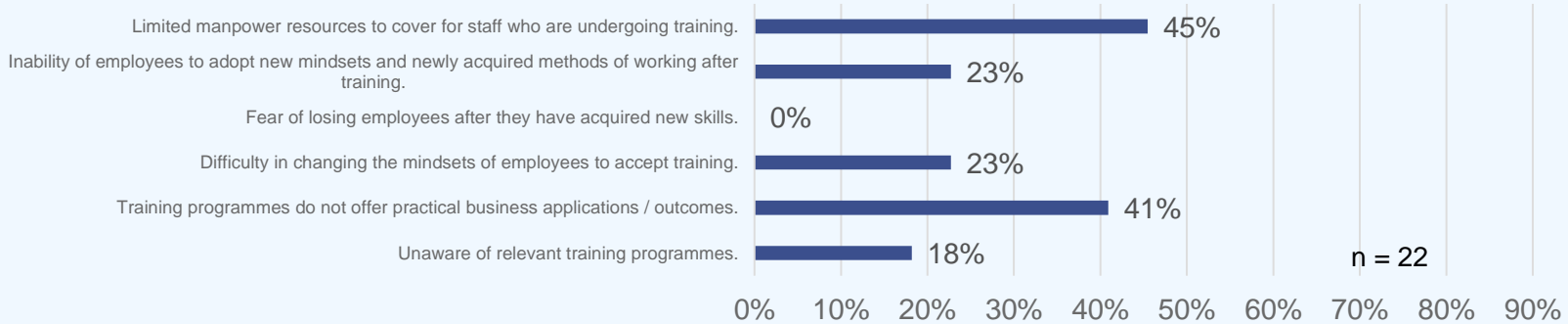


Sectoral challenges faced when investing in training for employees (3/6)

Information and Communications & Professional Services



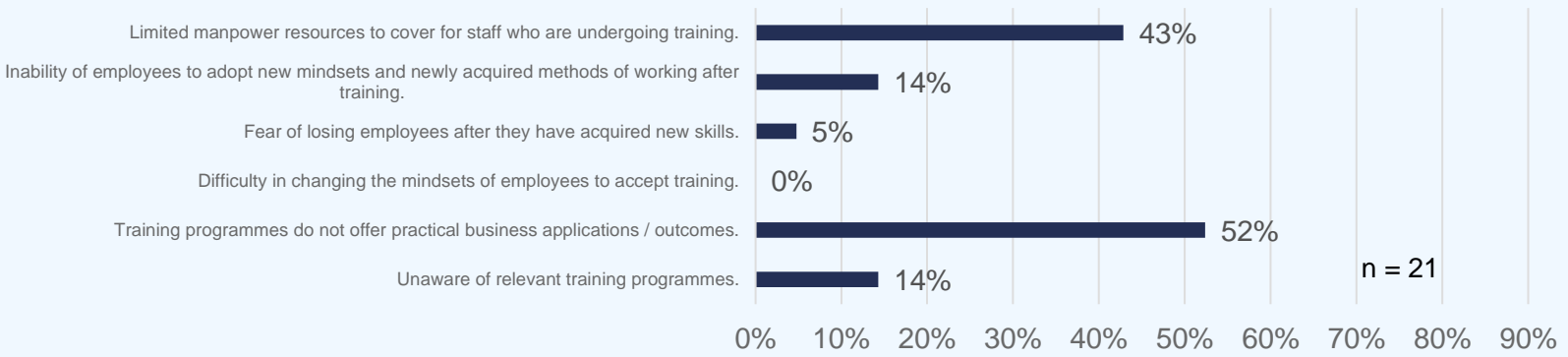
Logistics & Transportation



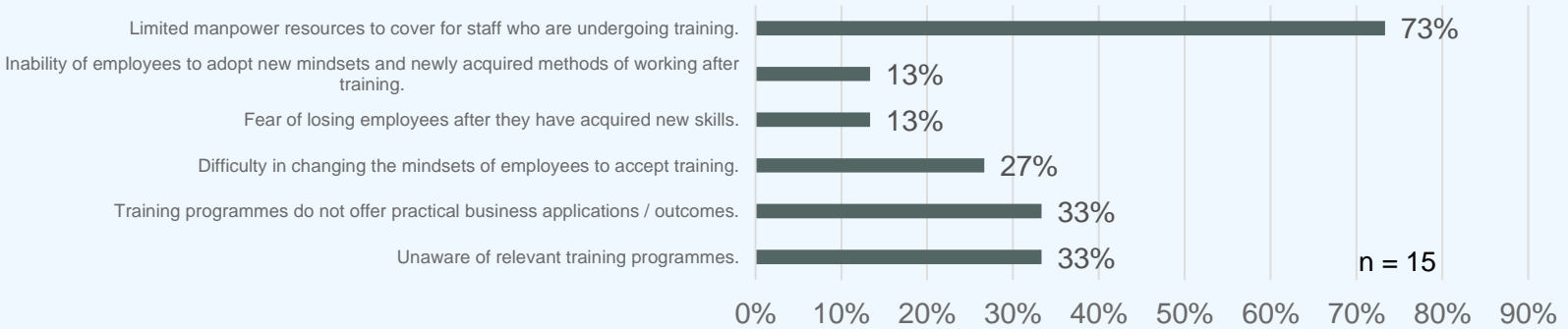
Q: What are the challenges faced when investing in training for your company's employees? (Select all that apply)

Sectoral challenges faced when investing in training for employees (4/6)

Banking, Finance, Insurance & Accounting



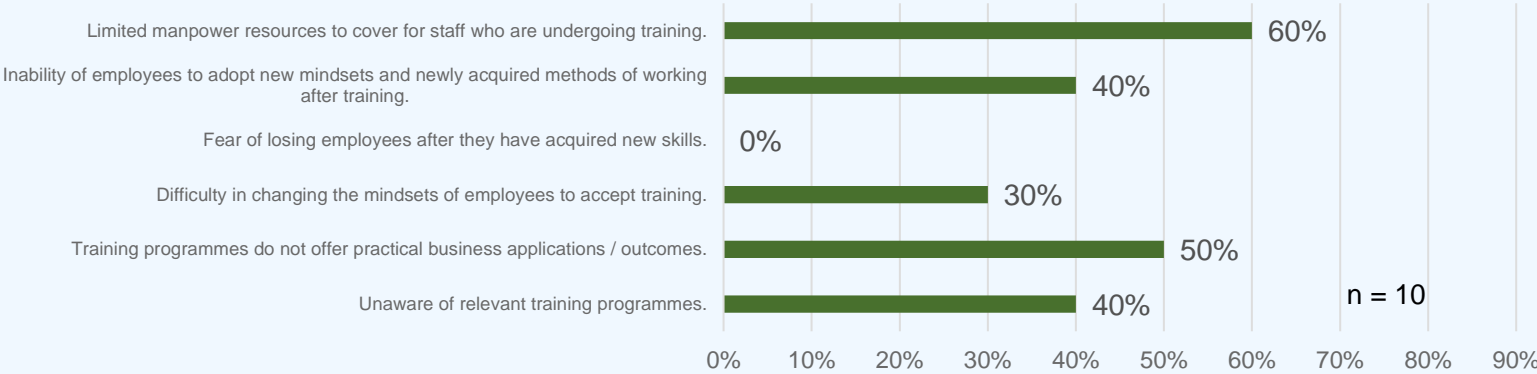
Other Services (e.g. Repair, Servicing, etc.)



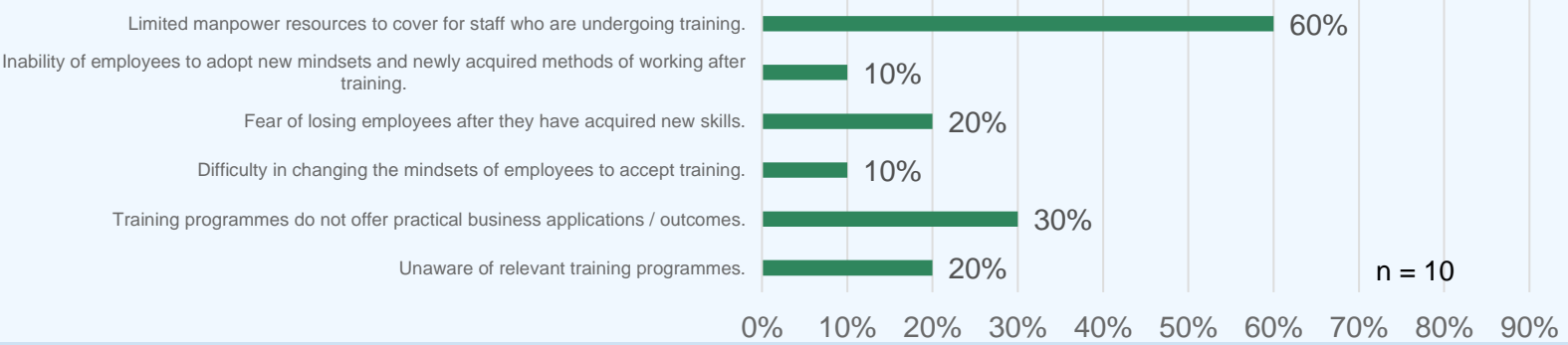
Q: What are the challenges faced when investing in training for your company's employees? (Select all that apply)

Sectoral challenges faced when investing in training for employees (5/6)

Health & Education



Others (e.g. Arts & Culture, Social Services, etc.)

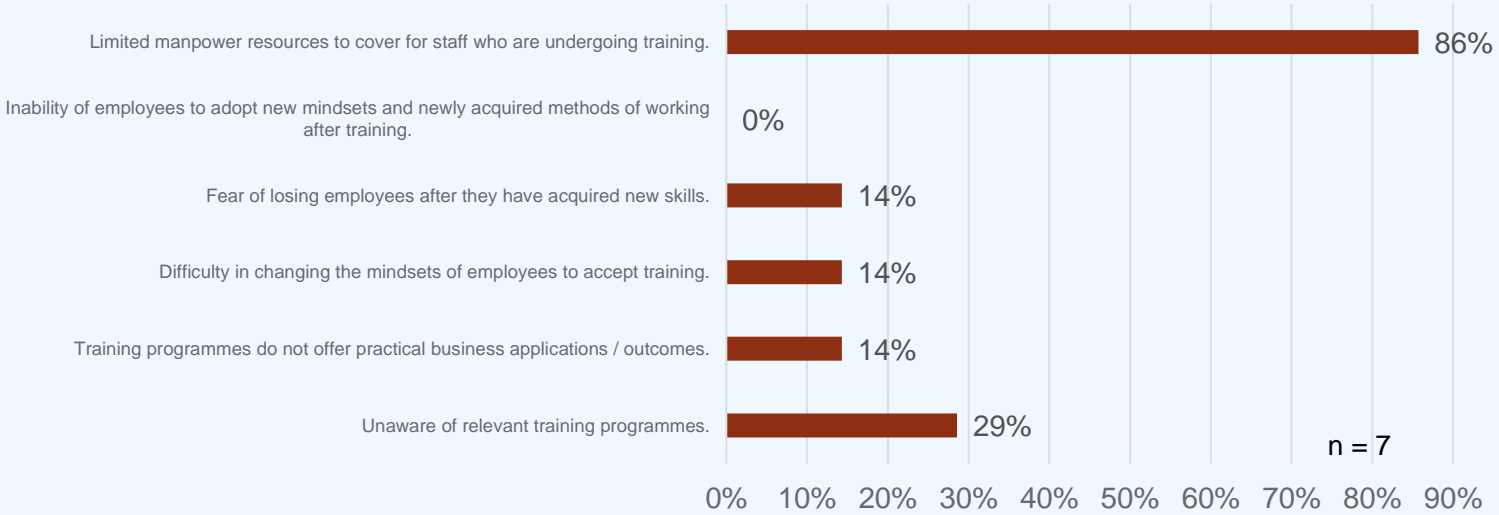


Q: What are the challenges faced when investing in training for your company's employees? (Select all that apply)



Sectoral challenges faced when investing in training for employees (6/6)

Real Estate



Q: What are the challenges faced when investing in training for your company's employees? (Select all that apply)



Thank You

If you need any clarification, kindly contact:
research@sbf.org.sg.