

## **Singapore Should Stay Open to Adjusting Foreign Worker Levels, Central Bank Head Says**

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Singapore should remain open to adjusting levels of foreign workers while not threatening job and wage opportunities for native residents, Monetary Authority of Singapore Managing Director Ravi Menon said.

“It is not about how many foreign workers industry wants or society can afford to have, but what number and kind of foreign workers we need to maximize the job and wage opportunities for Singaporeans,” Menon said in a speech at the Institute of Policy Studies’ annual Singapore Perspectives conference on Monday, according to a government transcript.

“We should increasingly be concerned about the skills of the foreign workers that we take in, rather than just the numbers,” he said.

Menon’s remarks focused on how looming demographic changes, including population aging and a decades-long decline in the fertility rate, will continue to tug on the economy. Singapore’s growth, which last year was reinvigorated by an unexpected pickup in global trade, could see longer-term struggles from the shrinking labor force and languishing productivity.

While striking an optimistic note on policy adjustments that can make a difference, he warned of the “demographic trilemma” that means that Singapore can only achieve two of three factors at any one time: zero net immigration, a stable foreign-worker share, and positive labor force growth.

“We may be able to soften these constraints and reach more balanced outcomes,” said Menon. “But the fundamental constraints and choices implied by the trilemma are real.”

The central bank chief outlined three achievable solutions for the government: more family-friendly workplace policies; balancing some net immigration, an increase in labor force and flexibility in the foreign worker share; and a focus on the size and type of the foreign workforce that will maximize job and wage opportunities for Singaporeans.