Foreigners are frenemies?

Rachel Chang and Cheryl Ong
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It began with a German woman. Until she became his boss, trading consultant Samuel Pang, 40, barely noticed the foreigners working in his industry.

In 2008, he quit his job, driven out by falling performance and morale in the department of his investment bank that the German was brought in to lead as a regional director, he charges.

Today, he still harbours lingering suspicions that foreigners are "being invited to fill up the jobs we can fill up, leaving us with no chance to climb up the corporate ladder".

It is a view shared by some other Singaporeans who have their own stories of foreigners edging them out of jobs.

This "them and us" sentiment is a recurring feature of conversations in Singapore, and the antipathy appears to be growing.

But it is hardly a clear-cut one - Pang, for all his "German housewife" baggage, has foreign friends and finds them humble and respectful of their adopted home.

This complex relationship with foreigners in the midst of Singaporeans is emblematic of a population that is still coming to terms with the effects of an influx of foreigners in recent years.

In the last decade, a period of rapid growth pulled the population up by a quarter to five million today.

The influx was particularly intense from 2006. Between 2006 and 2010, population growth averaged 3.2 per cent a year, compared to the 1.1 per cent it averaged in the first half of the decade.

Today, foreigners make up 26.8 per cent of the population, compared to 18.7 per cent in 2000 and 10 per cent in 1990. Among the resident population, the number of permanent residents has almost doubled in the last decade, from 287,500 in 2000 to 541,000 in 2010.

These increases catalysed anxieties about jobs, overcrowding and a reliance on cheap foreign labour.

A year ago, the hotly-contested General Election heightened anti-immigration sentiment to the point that one foreigner wrote to The Straits Times Forum page of being in "an atmosphere of loathing".

Last month, Insight commissioned a telephone survey of 400 Singaporeans to gauge where things stand when it comes to "us" and "them". What emerged was near unanimity on the country's need for foreigners, and a recognition of their role in the economy.

But how they fit into the Singapore workforce, and on what terms, remained issues of contention.

Resentment lingers over the strain on infrastructure that the population surge has caused. This was the top reason respondents cited when asked about the source of problems between locals and foreigners.

The perception that foreigners are taking away jobs from Singaporeans was the second-highest ranked reason, never mind that the unemployment rate is at a historic low of 2 per cent.

Significantly, it was the fear of economic competition, rather than racism or xenophobia, that seemed to define the resistance to more immigration.

Reasons for objecting to immigration like "they do not speak English" or that "they do not observe our social norms" limped behind overcrowding and job anxiety. Not one person among the respondents ranked "they make me feel unsafe in my neighbourhood" as a top reason.

Some 81 per cent of respondents accepted foreigners living in Singapore and 62 per cent counted them among their friends, with close to half socialising with foreign friends at least once a week.

Experts say that this picture gels with their empirical research. Despite the extremist fringe in some pockets of the Internet, racism or xenophobia does not appear to feature much in this debate, they say.

Dr Lai Ah Eng, a senior research fellow at the Asian Research Institute (ARI), emphasises that there is no history of xenophobia or organised forms of anti-foreign sentiment in Singapore the way there is in homogeneous societies in parts of Europe.

"It's not the people, but the policies," says Dr Leong Chan Hoong, a senior research fellow at the Institute of Policy Studies. "The message is not that we do not want foreign talent, but whether we can absorb them, and if Singaporeans will be disadvantaged in the process."

We are talented too

The central, and thorniest, issue in the immigration debate is where foreigners fit into the local economic hierarchy.

When asking respondents in what way the Government should keep the doors open, Insight defined foreigners broadly as "high-end" and "low-end". The former refers to the qualified professionals who come in mostly on employment passes (EPs), and to a lesser extent, S-Passes.

The latter are those on work permits - the transient mass of construction workers, cleaners and domestic helpers.

The majority of respondents preferred to keep the door open, but to slow the influx of all foreigners across the board. This reflects a general wariness at the pace of change over the past half-decade, say experts.

The second most preferred option among respondents was to keep the door open to low-end foreigners, but not high-end ones.

This was buttressed by respondents showing the most support, in another question, for foreigners coming in only to take the jobs that locals do not want.

"The majority of Singaporeans are in mid to high-end jobs," notes National University of Singapore sociologist Tan Ern Ser. "They benefit from having low-end foreign workers at lower costs, but they face competition from foreigners at the higher end."
Ang Mo Kio GRC MP Inderjit Singh sees two levels to the discomfort with "high-end" foreigners.

When it comes to the super-rich elite, locals see their plush lifestyles as beyond their reach: "You've been working for so long but cannot afford a house, and you read reports of foreigners buying high-end property and so on."

But, he qualifies, there is general acceptance that Singapore must be open to the Eduardo Saverins and the Piyush Guptas of the world if it is to maintain its international standing. One is a founder of Facebook, the other the head honcho of DBS.

But white-collar professionals resent working with, and for, "foreign talent" they consider to be not that talented. And the Government's message, that foreign professionals are here to pick up the slack as there are more jobs than workers, does not seem to have won many over.

Asked about foreigners' contributions to Singapore, 60 per cent agreed and strongly agreed that they take up jobs that Singaporeans do not want to do. Only 37 per cent agreed and strongly agreed that they "are needed here because there are more jobs than workers" - the least supported of five options.

But given that unemployment is at a historic low, what accounts for this perception of intense economic competition?

One reason experts suggest is that Singaporeans see foreigners as having priced them out of options like being a waiter, a salesgirl or call-centre operator. This extends upwards to mid-level professional jobs in engineering, draftsmanship and IT.

Immigrants from other Asian countries can stand lower wages than a Singaporean counterpart, and have no obligations like national service reservist training, notes Tampines GRC MP Baey Yam Keng. So, locals perceive a threat, even if they are gainfully employed themselves.

But some employers deny this picture of things, charging that such arguments are self-serving.

"A lot of people think that employers go for foreigners because they are cheaper," notes Leonard Tan, managing director of search engine firm Purple Click. "But actually we pay more for them.

"Their productivity is higher than locals, they are more driven and take work more seriously."

His bottom line: "I don't think it's a matter of foreigners taking away locals' jobs, but locals losing them."

Left out and left behind

Be that as it may, there are Singaporeans whose sense of economic besiegement stems not from wage or skills-based competition, but from the belief that, as Dr Lai puts it, "foreigners hire and promote their own".

Joshua Yim, chief executive of recruitment firm Achieve Group, recalls once being asked by an Indian boss to find a hire not just from India, but also from the same region in India.

Foreign supervisors who would rather employ candidates from their own countries comprised one-sixth of all complaints that Singapore's fair employment watchdog, the Tripartite Alliance for Fair Employment Practices (Tafep), received last year. It was the second most common type of complaint. The most common, said Tafep, was over job ads by companies saying they want to hire foreigners.

Tafep's response is to seek out those companies which complaints have been filed against, and remind the management that such practices are not acceptable. This has worked, emphasises Whampoa MP Heng Chee How, who is co-chairman of Tafep: "Everybody has played ball."

But given the unease over foreigners' perceived advantage over locals, is it time to harden the "soft touch" approach?

Several immigration experts have called for the Government to seriously examine a further step: Making employers show that they cannot find a Singaporean to fill the job before they turn to foreigners.

Countries like the United States, Australia and Britain have variations of this law. It usually involves the employer proving that after advertising for a position for a certain period of time, there were no eligible local takers. Of course, there are exemptions and different requirements for different sectors.

But the Government's aversion to such labour market intervention is longstanding. It has always maintained that persuasion, rather than legislation, is how it sees fit to deal with employment discrimination. This is out of concern that the ensuing labour market rigidity would actually hurt those the law is trying to help, as employers steer clear of the group completely.

In April, Minister of State for Manpower Tan Chuan-Jin said at a Tafep event that a 2001 study on anti-discrimination laws for the disabled in the US found that they had the effect of raising unemployment among the disabled.

But ARI's Dr Lai disagrees. 'It is time for us to look at local conditions and do local studies so that we are in a better position to consider laws and structures against discrimination in our own context."

Heng does not think that the evidence of discrimination against locals is conclusive enough to warrant such a move yet. Of complaints that foreigners favour their own, he offers this analogy: "What is the crime situation? Is it that you have been robbed, or is it that you have heard of people getting robbed and you are repeating hearsay? We mustdelve deeper when asking these questions."

Prominent businessmen like Phillip Overmyer, chief executive of the Singapore International Chamber of Commerce, share this view. He insists that there is no glass

ceiling for Singaporeans of merit in foreign firms, citing Lee Tzu Yang, who has risen to the position of chairman of Shell Singapore.

Overmyer also argues that making employers prove that they cannot hire a local before they can hire a foreigner will not work in Singapore because of its small domestic market. Unlike in the US or Britain, companies base themselves here not for the local business, but as the centre of their regional operations.

"So I want to hire someone to work in the Singapore office who knows the Chinese market, or the Australian market. They are likely to be Chinese or Australian," he notes. If MNCs no longer feel able to do this, they will leave Singapore, he cautions.

Institute of Policy Studies' immigration expert Yap Mui Teng acknowledges that such measures will indeed cost employers time and money. But she adds: "Personally, I think it's the least that employers should do, especially if they are benefiting from all kinds of government subsidies."

More info needed

Even if no new measures are taken, experts say that steps such as being more transparent in the way employment passes are granted - or not - may ameliorate the anxiety on the ground.

Over the past two years, firms that hire low-end work permit holders have been subjected to a prolonged tightening of screws: The levies they must pay for each worker are rising as the quota of foreign workers they are allowed to hire is falling.

These moves have put such pressure on employers of low-end workers that their manpower needs dominated parliamentary debate of the Budget Statement in March. The criteria at the higher end have also become stricter: for example, the income threshold for an EP has been raised from $2,800 to $3,000.

But given that the exact criteria to get an EP to begin with have never been made public, there is much less awareness that foreign professionals are also being curbed, noted observers.

"Last year, there were eight foreigners and two locals vying for one job. Now, there are two foreigners and two locals vying for it. The average Joe will not see the change," points out NUS sociologist Paulin Straughan.

In fact, the Ministry of Manpower declines to reveal even the distribution of EPs by sector.

Recruitment experts say they are concentrated in the IT, finance and engineering industries.

The oft-made call for more information on EP criteria and the profiles of EP holders has always been countered by the Government with the argument that more information might lead to abuse: People will "game" the system, tailoring their applications for the maximum chance of success.

IPS' Dr Leong Chan Hoong says this could be addressed with a policy caveat that "the authority has the right to accept or reject any applicant without an explicit explanation".

"Anyone with malicious intention can take advantage of the system regardless of whether the policies are spelt out clearly or not," he argues. "On the other hand, an opaque system can only undermine and erode public trust and confidence in the institution."

Easing the strain

Despite this all, Insight's survey also finds that the Government's efforts to address the strain of the foreign influx have not gone unnoticed. Asked if the Government puts Singapore citizens first, 65 per cent said yes - a figure, MPs point out, that is higher than the People's Action Party's national vote share of 60.1 per cent in last year's General Election.

Over the past three years, the Government has not just tightened the inflow of foreigners, but also sharpened distinctions between citizens and foreigners when it comes to health-care subsidies, housing privileges and school places.

New flats and public transport networks are being built; last week, National Development Minister Khaw Boon Wan said that public infrastructure provision would improve "significantly" in four to five years.

Those who profess anti- immigration anxiety say that is all they want: To see the deterioration they have felt in their quality of life reverse, and for things to return to the normal they remember.

"We used to be a country of three million. Now it's twice that. We are a small place," lamented security officer N. Suman, 54. "I am a Singapore-born Indian, but nowadays people ask me if I'm from India."

In the survey, 31 per cent of respondents wanted to close the doors to foreigners, a proportion which observers noted was not insubstantial.

Ang Mo Kio GRC MP Inderjit Singh took this as a sign of a desire for space and time for the nation to catch its breath.

"They are saying we should not add to the pot any more," he notes. "Let's stabilise it first, let's make it work. Then we move forward."