

S'pore population grows at slowest pace in 10 years Population hits 5.47 million, with fewer foreigners being hired

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Singapore's population grew at its slowest pace in 10 years for the 12 months ending this June, as fewer foreign workers were hired.

It crept up 1.3 per cent to 5.47 million people, including permanent residents and foreigners working here, according to a report released by the National Population and Talent Division (NPTD) yesterday.

In the previous year, the rise was 1.6 per cent.

The citizen population, however, continued to grow at the same pace as in the previous 12 months, rising almost 1 per cent to reach 3.34 million now.

But with Singaporeans living longer and having fewer babies, the population continues to age, noted the NPTD.

Those aged 65 and older form 12.4 per cent of the citizen population in June, up from 11.7 per cent a year earlier.

The new 1.3 per cent population growth is in line with the Government's projections in its White Paper on population, published in January last year, and is likely to continue, said Dr Kang Soon-Hock, head of SIM University's social science core.

Should it be maintained, economist Song Seng Wun calculates that the population will cross the six-million mark in 2022, eight years from now.

"This rate means Singapore would take 12 years to add one million people compared to the 10 years it would take previously," said Mr Song, of CIMB Research.

Experts attribute the slide to government policies aimed at reducing the inflow of foreigners.

The NPTD said as much, pointing out that the Government had taken "concrete steps... to slow the growth of our foreign workforce to a more sustainable pace".

But Bank of America Merrill Lynch economist Chua Hak Bin warned the reduced pace, coupled with Singapore's low birth rate and rising number of elderly people, could hurt the economy.

"The effects of the ageing population would be felt more keenly with the tightening of immigration policies leading to fewer younger people being allowed into Singapore on work passes," he said.

The slower foreign flow is seen mainly in the service sector, the NPTD's Population In Brief report shows.

As a result, foreign employment rose by just 3 per cent this time, compared with 5.9 per cent previously.

In turn, the non-resident population, made up mostly of foreign workers, climbed by only 2.9 per cent against 4 per cent before.

The rise in the number of elderly people has led to a further fall in the old-age support ratio, which is the number of citizens in the working-age band of 20 to 64 supporting one older citizen. It is now 5.2 versus 5.5 previously.

As for marriages, the annual numbers were 21,842 this June compared with 23,192 a year ago.

Birth figures were similarly disappointing across all ethnic groups.

The fertility rate fell to 1.19 last year from 1.29 in the Dragon Year, way below the replacement rate of 2.1 per cent.

Coupled with the fact that Singapore's productivity drive has not delivered "material gains", these could weigh on growth, said Dr Chua.

National University of Singapore sociologist Tan Ern Ser said a balance has to be struck between the need for a vibrant economy, a liveable environment, and enough resources to address problems of an ageing population.

If Singaporeans want to maintain the present standard of living, there must be enough people - whether local or foreign - to do jobs where there are not enough workers, like in eldercare, to sustain "some minimal level of economic growth", he said.

"There are trade-offs and we have to make difficult choices. We can't always have our cake and eat it, sadly," he added.

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