

MAS' Ravi Menon: Immigration and the intake of foreign workers, 'one of the more effective ways' to address workforce shortage

We have to continue to depend on foreigners to fill the growing vacancies for technology jobs over the next few years, he said.

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Singapore — In a lecture at the [Institute of Policy Studies](#) at the Lee Kuan Yew School of Public Policy on Wednesday (July 7), MAS' Ravi Menon called immigration and the intake of foreign workers "one of the more effective ways" of dealing with the decline in the labour force.

Mr Menon, the Managing Director of the Monetary Authority of Singapore (MAS) since 2011, said that although advances in automation, a higher number of women entering the workforce, and raising the [age](#) of retirement are some of the factors that will [help](#) Singapore's labour shortfall, even these cannot offset the effects of demographics.

The MAS director is quoted as saying, "Immigration and intake of foreign workers is one of the more effective ways to stretch out the effects of sharp labour force decline. It cannot [be](#) a permanent solution because eventually there will be physical limits to the size of population that Singapore can accommodate."

Mr Menon's speech, entitled "[The Four Horsemen](#)," tackled the problems of rising inequality, ageing demographics, technological disruption, and climate change as the biggest challenges the world faces today, with a country's ability to cope with an endemic [Covid-19 pandemic](#) as a possible fifth horseman.

He said that these challenges "will together precipitate the biggest economic and societal transformation the world has seen since the Industrial Revolution."

This is not the first time that the MAS director underlined that foreign talent is needed to fill in gaps in the labour force.

In a [speech](#) last May, he pointed out that the "competition for tech talent is economy-wide as more sectors embark on digitalisation" and added that there are not enough tech graduates to fill vacancies.

THE MAS DIRECTOR CALLED THE SHORTAGE OF TECH TALENT "SEVERE."

And because of the large demand and small supply of local tech workers, Mr Menon added that “we have to continue to depend on [foreigners](#) to fill the growing vacancies for technology jobs over the next few years”.

However, these statements of Mr Menon have come under criticism.

Entrepreneur and politician Kumaran Pillai said in a [Facebook post](#) that Mr Menon’s remarks should be taken with a “pinch of salt: and that the focus should instead be on what can be done to address the issue.

Mr Pillai acknowledged that this is a complex problem, adding that he is “acutely aware of the problems faced by the industry”.

However, he added that while talent migration is a global phenomenon, it is uncertain whether it will continue on the same scale after the pandemic.

Furthermore, Mr Pillai wrote that [remote work](#) has become part of daily life and “no doubt, businesses will look at ways of using and accessing [human](#) capital in the same way i.e. outsourcing work to other countries is definitely on the cards”. /TISG