

Netizens support MAS chief's suggestion to do away with PMET classifications

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Monetary Authority of Singapore (MAS) managing director Ravi Menon said last Thursday (22 July) that the Government should first be doing away with the professional, managerial, executive, and technical (PMET) job categories to professionalise all jobs.

Speaking at the Institute of Policy Studies (IPS) at the Lee Kuan Yew School of Public Policy, Mr Menon noted that people ought to question the premise that all Singaporeans should aim to take up PMET jobs.

“If we can’t abolish it, then at least drop the ‘P’ from the category: it suggests other jobs are not professional. We should question the premise that all Singaporeans should aim to take up PMET jobs,” he remarked, as quoted by [Straits Times](#).

Mr Menon opined that social and vocational skills must be as equally valued as academic intelligence for Singapore to be an “inclusive society”.

“Any population would house a distribution of skill sets, requiring a diversity of pathways that can lead to different types of excellence,” he said, citing how skilled trades in European countries provide a middle-class lifestyle for many workers.

One out of three low-wage service jobs are taken up by cheap foreign labour, Mr Menon estimated, highlighting that such a situation “cannot be good” for local wages.

To tackle this, he suggested tightening the intake of low-skilled foreign labour progressively over a few years.

“The demand for many domestic services like cleaning, maintenance, and cooking is inelastic, and wages will have to go up if the number of foreign workers is reduced.

“The increase in wages, coupled with improvements in work conditions and prospects for a meaningful career should gradually attract Singaporeans into these domestic services,” Mr Menon explained.

The transition from a low-wage to a high-wage economy will be challenging, he said, pointing out that firms that rely excessively on low-cost labour will have to exit.

Mr Menon added that there may have to be some consolidation in industries such as retail and food and beverage, and there could be local job losses in the initial phase.

While he had earlier suggested raising the minimum qualifying salary for S Pass holders and Employment Pass (EP) holders over time – with the minimum qualifying salary for S Pass holders pegged somewhere closer to the median monthly income, or around \$4,500 – this does not mean that S Pass workers should be “drastically curtailed”.

Mr Menon outlined two possible effects when S Pass holders are available in large numbers and paid around 30 per cent less than locals: First, local wages are likely being depressed; and second, some ITE and polytechnic graduates may be competed out of these jobs.

“Why not pay S Pass workers closer to the local median and let the market settle the employment profile? In some occupations, we might see an increase in local employment at better wages; in other occupations, where Singaporeans are unable or unwilling to enter, we will continue to employ the S Pass holders,” he said.

Mr Menon added that education and healthcare would have scope to reclaim local jobs at good wages.

According to ST’s report, MAS estimated both sectors have an elasticity of substitution of 1.5. This means that if the wages of foreign workers in healthcare or education increase by 10 per cent, the demand for local workers as substitutes will increase by 15 per cent.

Mr Menon said that the key question for Singapore should be on whether it wants to create a dual economy with high inequality, or a more inclusive society with higher wages but also higher costs.

“The Nordic countries have strict limits on low wage foreign workers, which has facilitated a more equitable income distribution, low unemployment, and a sustained commitment to productivity and innovation.

“If Singapore wants to be a bit more like the Nordic countries, it is not just government policies that would need to be adjusted but also the mindsets of businesses, citizens, and workers.

“Firms must reduce their reliance on cheap labour; citizens must be prepared to pay more for better quality services; and workers must be open to a greater variety of jobs,” he asserted.

Netizens support Ravi Menon’s ideas to do away with PMET classifications, some emphasised salary issue

Penning their thoughts under the comments section of ST's Facebook post on the matter, the majority of netizens agreed with Mr Menon's ideas to do away with PMET job categories, noting that there should not be discrimination in any professions.

One netizen wrote: "All these words PMET and foreign talents should be amended. All professions are professional in itself ...so why discriminate ...also there are local talents too. Just say foreign talents as foreign workers will do."

"What he meant is to drop the P and make all equal. afterall arent we are all 'worker'.why need to categorise the worker population and in some way it does have a negative impact on certain segment of the workforce, at least on the perception of todays and even yesteryear generation.." said another netizen.

However, several other netizens pointed out that it is the salary that Singaporeans are more concerned about, rather than the "superficial title" of professional.