

LABOUR TURNOVER, REDUNDANCY, JOB VACANCY AND EMPLOYMENT SERVICE

Source of Data

Statistics on labour turnover, redundancy and job vacancy are compiled from establishment surveys conducted by the Manpower Research and Statistics Department of the Ministry of Manpower. Before 2006, the surveys cover private sector establishments each with at least 25 employees. From 2006 onwards, the surveys also include the public sector comprising government ministries, organs of state and statutory boards.

Statistics on job seekers attended to and placed are compiled by the Singapore Workforce Development Agency (WDA). Singapore citizens and permanent residents who seek assistance to find employment, can register with the career centres operated by WDA and its partners, comprising the Community Development Councils and Employment and Employability Institute (e2i).

Concepts and Definitions

Average monthly resignation/recruitment rate for a year is the average of the monthly rates during the 4 quarters in the year. The monthly rate during a quarter is defined as the average number of

persons who resigned/ who were recruited in a month during the quarter divided by the average number of employees in the establishment. Resignation refers to the termination of employment initiated by the employee.

The use of average monthly rate is preferred to the cumulative annual rate as the latter is liable to misinterpretation. For example, the annual resignation rate obtained by dividing the **total** number of resignations during the year by the **average** employment during the year could amount to 40 per 100 employees. This might imply that 40% of all employees in January voluntarily left their jobs by the end of December. This is probably not the case as many jobs in a given establishment are vacated and refilled more than once during the year. Over shorter periods of time, the resignation rates have less repetitive counting of employees holding the same jobs.

A **worker made redundant** refers to an employee whose employment was terminated by his employer due to retrenchment or early release of contract due to redundancy.

A **retrenched worker** refers to a permanent employee whose employment was terminated by his employer due to redundancy.

Early release of a contract worker refers to an employee on term contract which was terminated prematurely because of redundancy.

Job vacancy rate for a year is the average of the rates obtained at quarterly intervals in the year. The job vacancy rate is defined as the total number of job vacancies divided by the total demand for labour at the end of the reference quarter. The total demand for labour is defined as the sum of the number of employees and job vacancies at the end of the reference quarter.

To improve the estimation of job vacancy rate, a new imputation methodology was introduced in Q1 2010. Data spanning back to 2006 have been revised using this methodology. Revisions to top-line figures ranged from an increase of 0.1%-point to 0.2%-point.

Job vacancy to unemployed person ratio is calculated by taking the ratio of the estimates of the total number of job vacancies for the whole economy to the total number of unemployed persons.

To improve the estimation of job vacancies to unemployed persons ratio, a new imputation methodology was introduced in Q1 2010. Data spanning back to 2006 have been revised using this methodology.

The seasonally adjusted job vacancies to unemployed persons ratio has also been revised using the latest set of seasonal factors, updated in line with standard adjustment procedure. The revision is done once a year taking into account observations for the latest available year.

Revisions to the job vacancies to unemployed persons ratio resulted in adjustments ranging from -0.01 to +0.16.