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LABOUR MARKET REPORT FOR THE FIRST QUARTER OF 2026

On 15 June 2026, the Ministry of Manpower (“**MOM**”) released the Labour Market Report for the first quarter of 2026. The key findings are set out below:

- a. Total employment increased by 9,400, marking the eighteenth (18th) consecutive quarter of employment growth since the fourth quarter of 2021. Resident employment grew by 5,400, while non-resident employment growth moderated. Resident employment gains were driven mainly by the Administrative & Support Services and Transportation & Storage sectors, while non-resident employment growth was supported by the Construction and manufacturing sectors;
- b. Unemployment rates remained low and stable in March 2026, with the overall unemployment rate at 2.0%, while the resident and citizen unemployment rates stood at 2.9% and 3.1% respectively. The resident long-term unemployment rate remained unchanged at 0.9%;

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- c. Retrenchments remained within non-recessionary levels, with 3,830 employees retrenched in the first quarter of 2026, compared to 3,690 in the previous quarter. Retrenchments continued to be driven largely by firm restructuring and reorganisation, particularly in the Manufacturing, Financial Services and Professional Services sectors. Encouragingly, the resident re-entry rate into employment within six (6) months after retrenchment improved from 57.4% in the fourth quarter of 2025 to 60.7% in the first quarter of 2026; and
- d. Labour demand remained resilient, with 73,300 job vacancies recorded in March 2026. There continued to be more job vacancies than unemployed persons, with a vacancy-to-unemployed ratio of 1.46.

Looking ahead, MOM expects Singapore's labour market to remain resilient despite heightened global economic uncertainty and geopolitical tensions. However, employers may adopt a more cautious approach towards hiring and wage increases should external economic conditions weaken further. MOM also highlighted the various government initiatives available to support employers and workers, including workforce transformation grants, career conversion programmes, SkillsFuture initiatives and employment support schemes.

The full report may be accessed at this link:
https://stats.mom.gov.sg/iMAS_PdfLibrary/mrds-Labour-Market-Report-1Q-2026.pdf

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THE MINISTRY OF MANPOWER INVESTIGATES COMPANIES OVER UNPAID WAGES OWED TO MIGRANT WORKERS

The Ministry of Manpower (“**MOM**”) is investigating KPA Engineering and SK Industries after more than one hundred (100) migrant workers sought assistance on 22 June 2026 over alleged unpaid salaries and housing issues. According to the workers, they had not received their salaries for approximately three (3) months. The workers approached MOM’s Services Centre after being unable to contact their employers. MOM and the Tripartite Alliance for Dispute Management (“**TADM**”) provided immediate assistance to the affected workers, including engaging the employers, facilitating salary claims, and ensuring that the workers had access to appropriate housing and meals.

Affected workers were also informed that they could seek alternative employment while their cases were being addressed. The Migrant Workers’ Centre (“**MWC**”) also stepped in to provide food, transportation assistance and temporary shelter where required. In addition, MWC assisted the affected workers in pursuing their salary claims through TADM and engaged with more than three hundred (300) workers at the affected dormitory to understand their concerns and provide support. MOM stated that it would take the necessary enforcement action should its investigations find that the companies had breached the Employment Act 1968 or the Employment of Foreign Manpower Act 1990. Employers found to have contravened these statutory obligations may face penalties of between S\$3,000 and S\$15,000 for each charge, imprisonment for up to six (6) months, or both.

This incident serves as a reminder that employers are required to pay salaries fully and on time and to comply with their statutory obligations towards their employees.

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Should you have any queries as to how this update may affect you or your organisation or require further information, please do not hesitate to email us.



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This newsletter is intended to discuss the Employment Law Updates, and it is not intended to be comprehensive nor should it be construed as legal advice. This newsletter is updated as of 01 July 2026.

ABOUT GATEWAY LAW CORPORATION:

Gateway Law is an Asia-Pacific regional full service legal practice with strengths in the areas of intellectual property, franchising, technology, media (and entertainment), telecommunications, data protection and cybersecurity as well as employment and immigration. In addition to our niche areas, Gateway also provides services in the general areas of litigation and dispute resolution, corporate and commercial law, real estate conveyancing and advisory, medical and family law.

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