

More grads suffer underemployment

Rate falls for all here except degree holders despite tight job market

By RACHAEL BOON

MORE Singapore workers are getting jobs that match their skills, bar one group: degree holders.

The proportion of university graduates who have jobs but are “underemployed” inched up last year from the year before, according to the latest figures from the Ministry of Manpower (MOM).

For all other workers, the underemployment rate fell.

Unlike the unemployed, those who are underemployed have some form of work, but not as much – or not as high-paying – as what they are qualified for.

MOM defines an underemployed person as someone aged 15 and above who normally works less than 35 hours a week, but is willing and available to engage in more work. This covers those who are looking for full-time work but can land only part-time gigs.

Underemployment also refers to people who are highly skilled, but working in low-paying or low-skilled jobs.

Generally, underemployment figures drop as the educational level rises. On the whole, Singapore’s underemployment rate fell from 4.6 per cent in 2011 to 4.2 per cent last year.

The glaring exception are degree holders, for whom the underemployment rate has held steady and even climbed, despite the tight job market.

Some 2.3 per cent of graduates were underemployed last year as a proportion of all employed workers, up from 2.2 per cent in 2012 and drawing level with 2011.

Human resource players point to rapid changes in the economy and complacency among mid-level workers as some reasons for the

underemployment of graduates.

As economic sectors diminish in importance and new ones emerge, jobs are still being created for graduates – but they require new skills, and mid-career workers are not upgrading themselves fast enough, say experts.

Many professionals, managers, executives and technicians (PMETs) who are retrenched are unable to fit into new jobs. Left with no choice, they take on lower-level, lower-paying jobs.

Mr Erman Tan, president of the Singapore Human Resources Institute, likened the mindset to former star companies like BlackBerry or Nokia.

He said: “A lot of PMETs are... very comfortable where they are, which is part of the reason they are not motivated to learn, unlearn and relearn.”

Mr Max Lee (not his real name) is one such example.

The former vice-president in his 40s was doing well in the electronics sector – with a regional management role in sales and marketing, coupled with a \$20,000 monthly salary – until the industry’s decline forced his company to restructure two years ago.

His role was made redundant

overnight and he was forced to move into a property-related role, doing corporate planning.

The skills he had honed over the years were irrelevant in his new job, while his monthly salary fell to \$8,000, a far cry from what he used to earn.

His case highlights the small but growing problem of graduate underemployment in Singapore, to which the Government is paying close attention.

In March, Manpower Minister Tan Chuan-Jin said that a graduate glut could result in “overeducated and underemployed” workers, as seen in South Korea and Taiwan.

Human resource experts have constantly reiterated that employees should take charge of their career growth in the organisation to ensure their skills stay relevant.

While employers and employees should share the responsibility for training and upgrading, workers must take the initiative to keep their skills up to date, said Mr Paul Heng, managing director of Next Career Consulting Group.

If their training is not subsidised by their companies, they should fork out money for it themselves, he added.

“Employees are still not prepared to pay for their own training and upgrading. Some are ignorant of the need to.”

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UNDEREMPLOYMENT RATES

Those with
degrees

2013
2.3%

2012
2.2%

Those with diplomas
and professional
qualifications

2013
2.9%

2011
3%

Those with
post-secondary
education

2013
3.9%

2011
4.7%