

## Demographic trends will impact economic growth: S Iswaran

By Saifulbahri Ismail | Posted: 03 September 2012 2309 hrs

SINGAPORE : Minister in the Prime Minister's Office, S Iswaran, has said Singapore's demographic trends indicate that economic growth will be more difficult to achieve in future.

Mr Iswaran, who is also the Second Minister for Trade and Industry, was speaking at a dialogue at the Singapore Management University on Monday evening.

He noted that as the economy matures, Singapore's long-term sustainable annual economic growth will range between 3 and 5 per cent.

Mr Iswaran said the workforce is ageing and shrinking. Thus, Singapore needs to raise its labour force participation rate, boost productivity and employ foreign manpower judiciously.

He pointed out that Singapore will need growth to create more opportunities to meet the rising aspirations of Singaporeans.

Mr Iswaran said: "If opportunities dwindle, the consequences can be quite austere. Talented and high-skilled Singaporeans are mobile; some will almost certainly seek out opportunities in more vibrant economies and cities. This will not only be in traditional hubs in the West, but also in up-and-coming cities in fast growing regions like Asia. A loss of local talent also means a loss of the opportunities they could have helped create."

- CNA/ms



S Iswaran (file picture)