

Financial Health for the Future of Work in Singapore



Today, changes in the world of work have led to increased demand for new and accessible financial products and services that can meet changing user needs. Financial institutions in Singapore have the opportunity to support these efforts by bolstering workers' ability to cope with the threat of job displacement.

The right financial tools can also empower Singaporeans to participate in reskilling initiatives and to take advantage of income-earning opportunities that are provided by digitalization.

Scan the QR code below to learn more:



In Singapore, increasingly more workers pursue jobs provided by the platform economy to take advantage of the flexibility and independence that the sector affords.

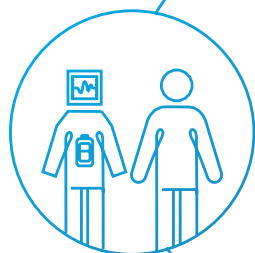
88% of Singapore's platform workers work with international clients who contribute 43% of their business.

On average, Singaporean freelance workers seem to lead financially healthy lives. Nearly three-quarters (73%) of them said that they feel that they have control over their monthly income – 16 percentage points higher than survey respondents who do not work on online platforms.

Platform workers are also more financially resilient - 77% of them said that they can cover three or more months of expenses with their savings in the event of losing their main source of income.



Technological developments such as automation, machine learning and artificial intelligence are going to cause more job churn, and workers will need financial resilience to weather the shock of losing their job.



77% of Singaporean believe that their jobs will be highly impacted by new or changing technology in the next five years. This is seven percentage points more than the global average of 70%.

34% of workers in highly automatable jobs reported that they would be unable to cover 3 months of expenses with their savings if they lost their main source of income - 11 percentage points higher than those with jobs at low risk of automation.

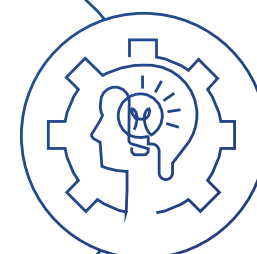
54% of workers in highly automatable jobs had also paid a bill late and incurred additional fees or interest in the previous year. Amongst workers in jobs at low risk of automation, only 34% had done so.

Entrepreneurship will be an increasingly important path for income generation, and these small business owners need better financial management tools.

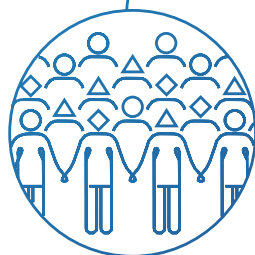
Small and medium enterprises constitute 99% of all businesses in the country, contributing 48% of Singapore's GDP and employing 72% of its labour force.

65% of entrepreneurs reported having a consistent income each month. Globally, only 46% of entrepreneurs do.

57% of all Singaporean small business owners said that they have paid a bill late and incurred additional fees or interest as a result in the past year.



Socio-demographic changes are driving demand for greater flexibility in the workplace and digital financial services need to evolve to help support flexibility in the future.



Nearly 80% of both millennials and Gen X-ers stated that they make a consistent income each month and that they are able to cover all their expenses each month with their current income.

Millennials are also more confident about their ability to increase their income over time – with 66% of them saying that they would be able to do so, in contrast with only 46% of Gen X-ers expressing similar optimism.

75% of the female respondents stated that they expect their jobs to be impacted by new or changing technology in the next five years, yet only 65% have taken measures to upgrade existing skills or learn new ones to remain competitive. In comparison, 80% of men had taken such initiatives to future proof their jobs.

References:

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3. "PayPal & Freelancers Singapore," October 2017. This analysis is based on an online survey of 300 Singaporean freelancers conducted in Singapore in October 2017.
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