



新加坡建築商公會有限公司
THE SINGAPORE CONTRACTORS ASSOCIATION LTD
Building Our Nation Together

53rd ASEAN CONSTRUCTORS FEDERATION COUNCIL MEETING

COUNTRY REPORT SINGAPORE

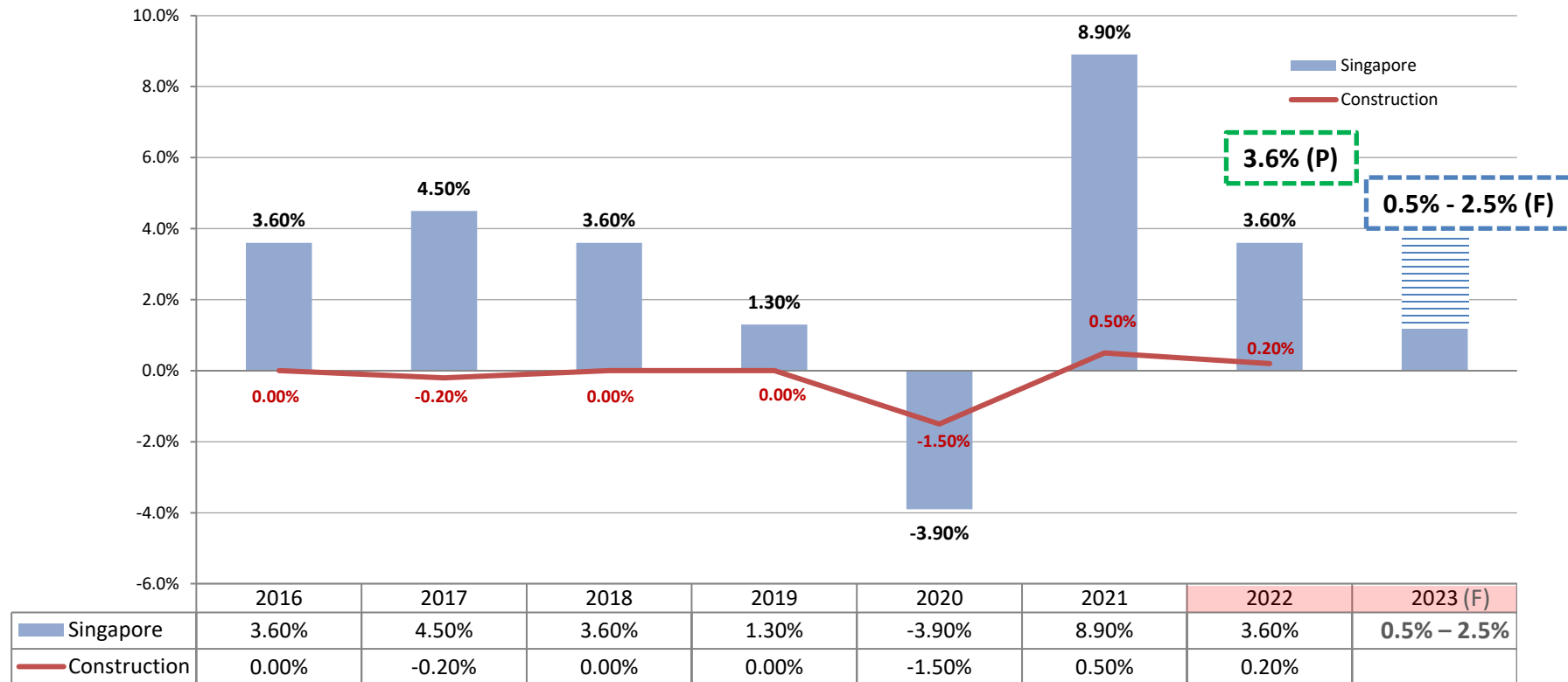
2023

Agenda

- **Economic Performance**
- **Construction Demand: Contracts Awarded**
- **Construction Demand by Sector**
- **Construction Material Demand & Prices**
- **Pipeline of projects employing Design for Manufacturing Assembly Technologies (DfMA)**
- **Employment in the Construction Sector**
- **Industry Challenges**
- **Conclusion**



Economic Performance 2022 / 2023



Source: Ministry of Trade and Industry. Data updated 13/02/2023.

(P) = Preliminary, (F) = Forecast

Economic Performance

FORECAST
2022 GDP
3.0% - 4.0%

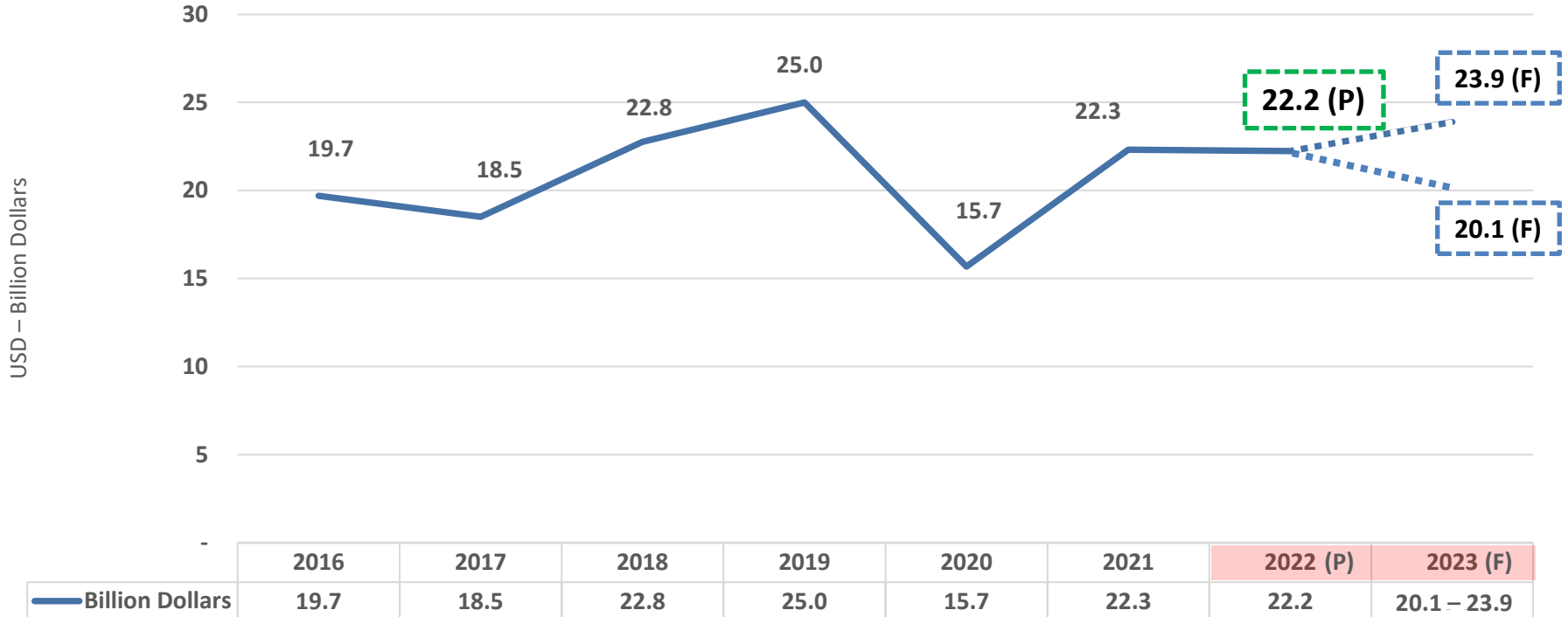
ACTUAL
2022 GDP
3.6%

FORECAST 2023 GDP
0.5% - 2.5%

Source: Ministry of Trade and Industry Press Release dated 13/02/2023.



Construction Demand 2022 / 2023



Source: Building & Construction Authority Press Release dated 12 January 2023
 USD:SGD = 1.34 (Exchange rate as of 6 March 2023)

(P) = Preliminary, (F) = Forecast

Construction Demand : Contracts Awarded

**FORECAST
2022 (USD)**

**20.1B
23.9B**

**PRELIMINARY
2022 (USD)**

22.2B

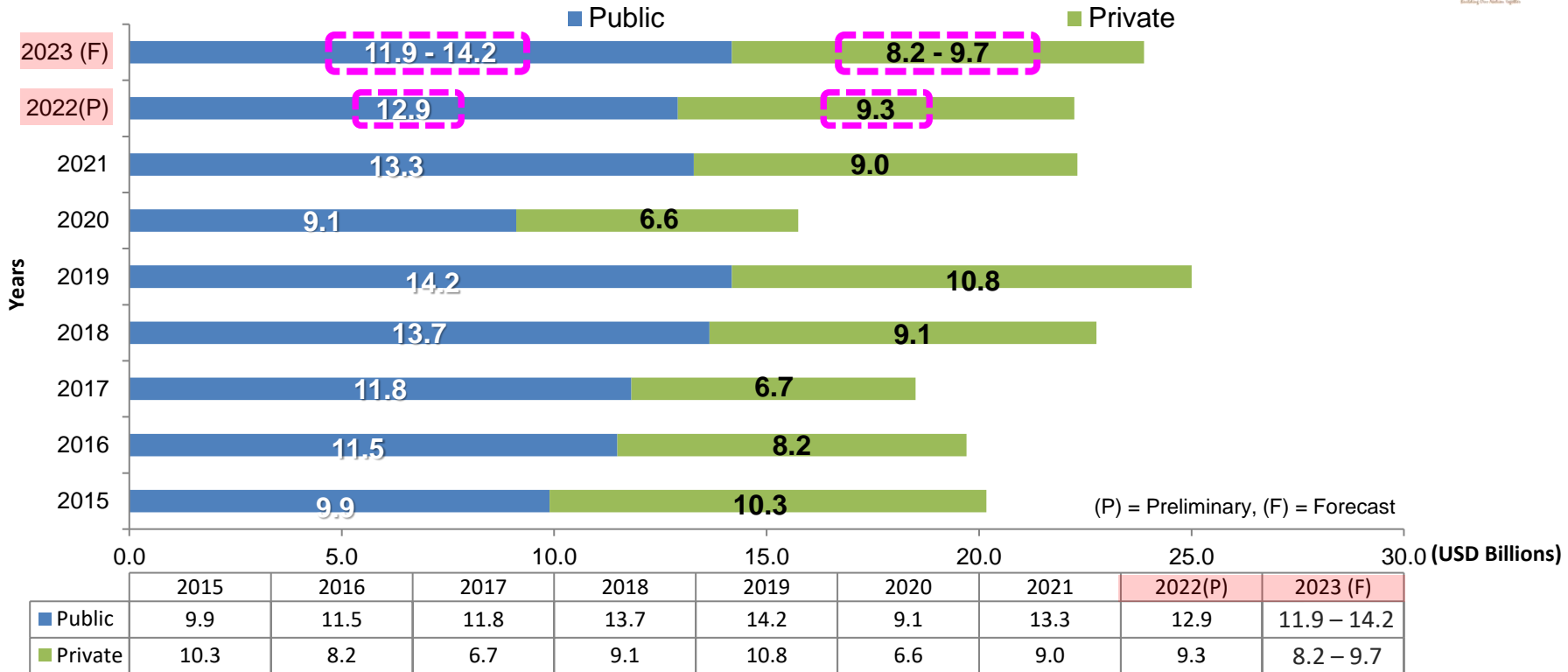
FORECAST 2023 (USD)

20.1B- 23.9B



Source: Building & Construction Authority Press Release dated 12 January 2023

Construction Demand (Public / Private projects) 2022(P) / 2023(F)



Source: Building & Construction Authority, Construction InfoNet dated 3 February 2023 USD:SGD = 1.34 (Exchange rate as of 6 March 2023)

2022 Forecast (USD)
20.1B to 23.9B

2022 Total Demand (USD)
22.2B

Public Sector
USD 12.9B

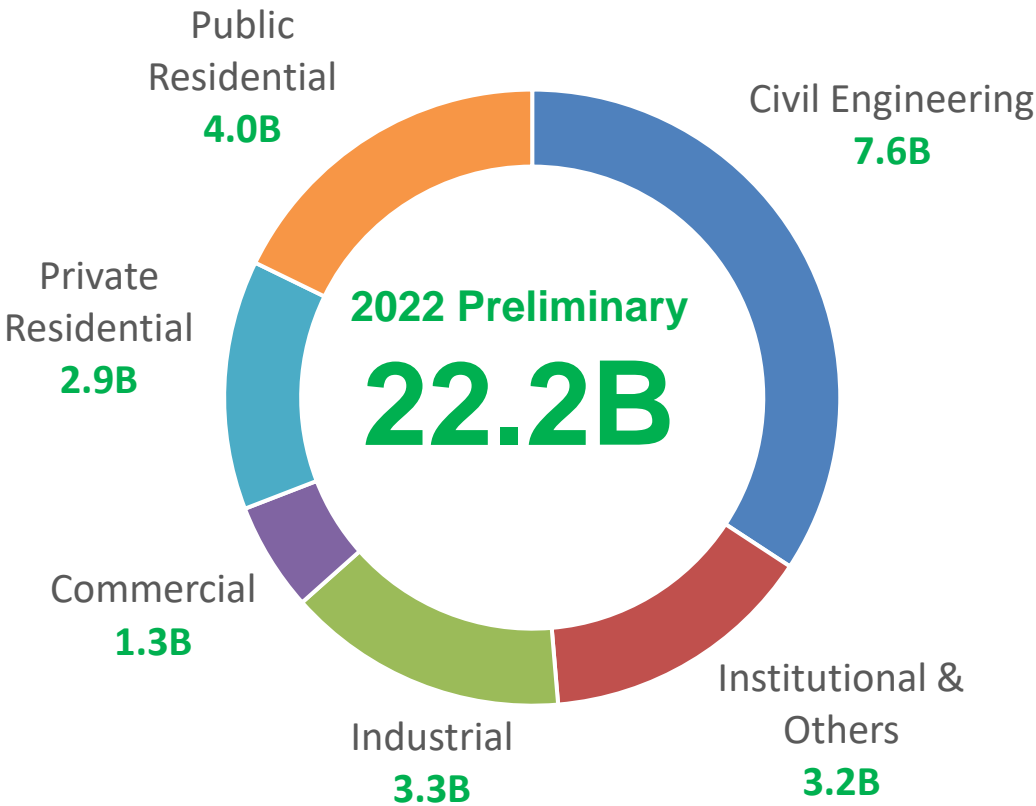
Private Sector
USD 9.3B

2023 Forecast (USD)
20.1B to 23.9B

Public Sector
USD 11.9B to
USD 14.2B

Private Sector
USD 8.2B to
USD 9.7B

Preliminary Construction Demand 2022 (P) by Development Types

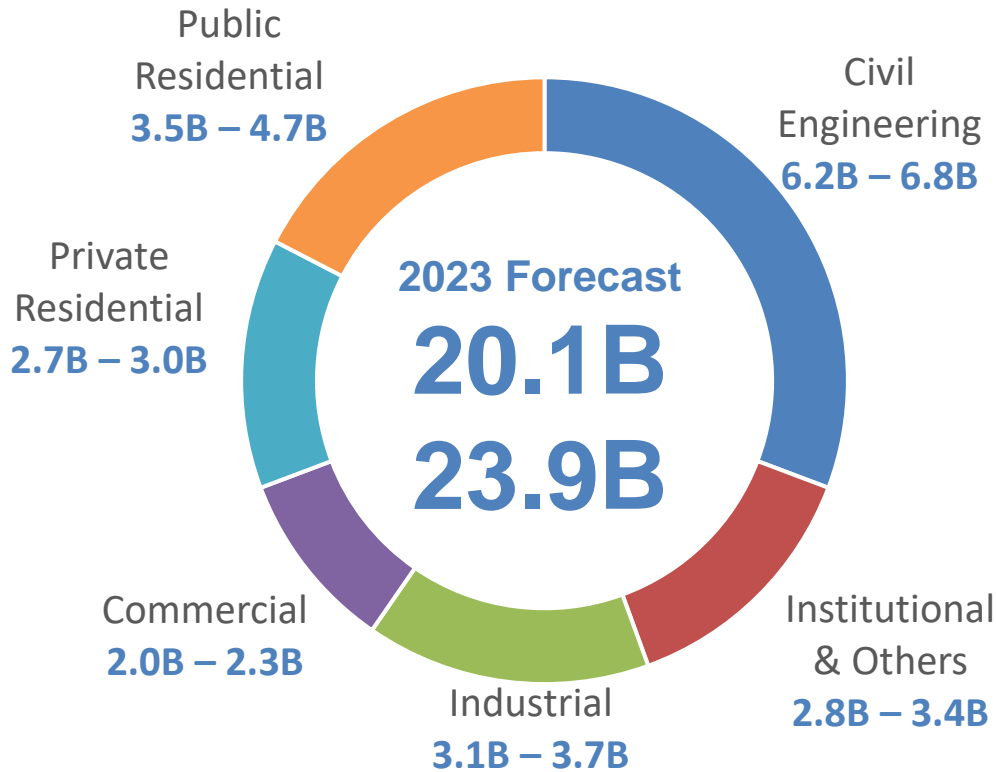


Development Types	2022 Forecast(F) (USD)	2022 Preliminary(P) (USD)
Civil Engineering	6.7B 8.1B	7.6B
Institutional & Others	2.7B 3.3B	3.2B
Industrial	2.8B 3.3B	3.3B
Commercial	1.9B 2.3B	1.3B
Private Residential	2.6B 3.0B	2.9B
Public Residential	3.6B 4.0B	4.0B

(P) = Preliminary, (F) = Forecast



Forecast Construction Demand 2023 (F) by Development Types



Development Types	2023 Forecast (F) (USD)
Civil Engineering	6.2B 6.8B
Institutional & Others	2.8B 3.4B
Industrial	3.1B 3.7B
Commercial	2.0B 2.3B
Private Residential	2.7B 3.0B
Public Residential	3.5B 4.7B

(P) = Preliminary, (F) = Forecast



Major Projects 2022 / 2023



Source: Straits Times

Jurong East Integrated Transport Hub

Key Facts

Contract Sum: \$477.4 million (USD 356.27M)

Expected completion: 2027



Source: CDL

Redevelopment of former Fuji Xerox Towers at 80 Anson Rd
(City Developments Limited)



Source: Straits Times

Tuas Water Reclamation Plant

Key Facts

Contract Sum: \$200 million (USD 149.25M) (First module)

Expected completion: 2025



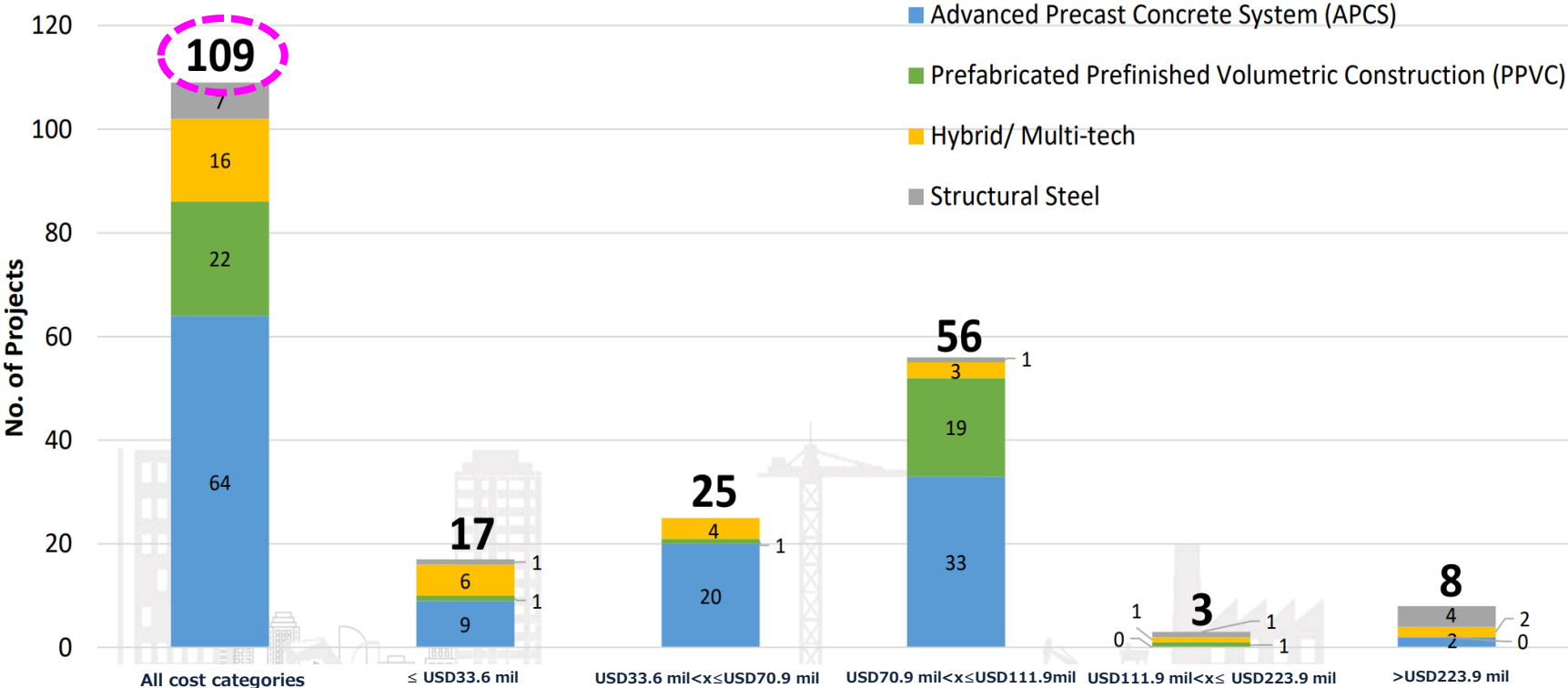
Source: Business Times

Development of new advanced semi-manufacturing facility (Globalfoundries)



Pipeline of projects employing Design for Manufacturing Assembly Technologies (DfMA)

(Construction tenders expected to be called between Jan 2022 and Dec 2023)

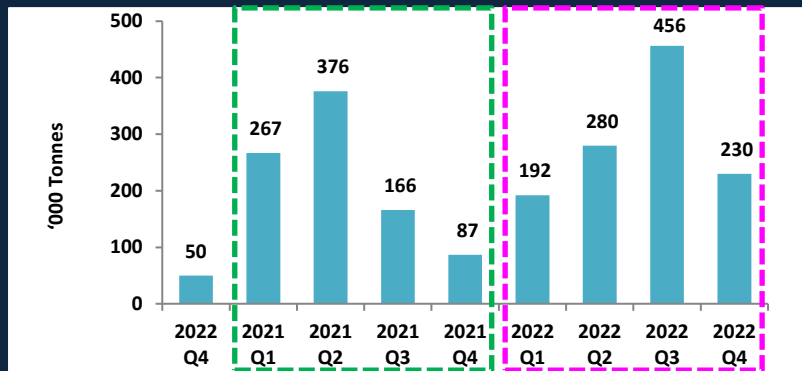


Source: Building & Construction Authority
 USD:SGD = 1.34 (Exchange rate as of 6 March 2023)



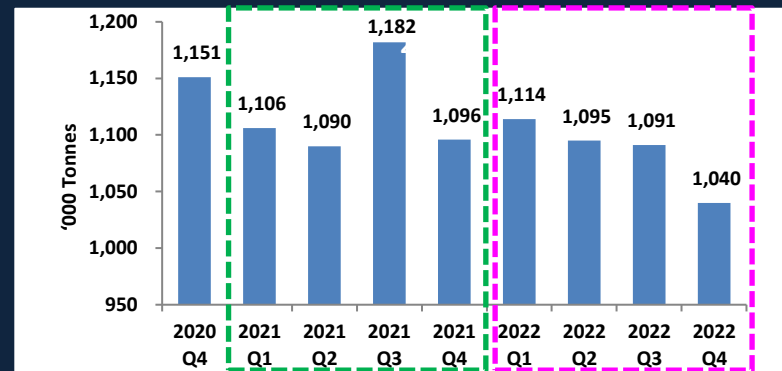
Demand for Construction Materials in 2021/2022

Steel Bars ('000 Tonnes)



2021	896 Tons	2022	1,158 Tons (+29%)
Total Demand		Total Demand	

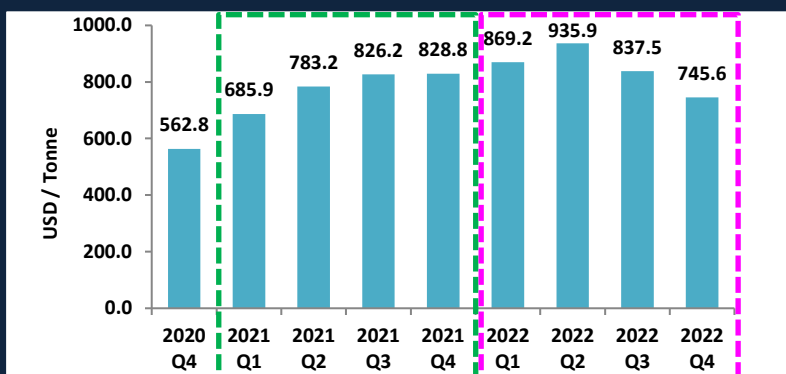
Cement ('000 Tonnes)



2021	4,474 Tons	2022	4,340 Tons (-3%)
Total Demand		Total Demand	

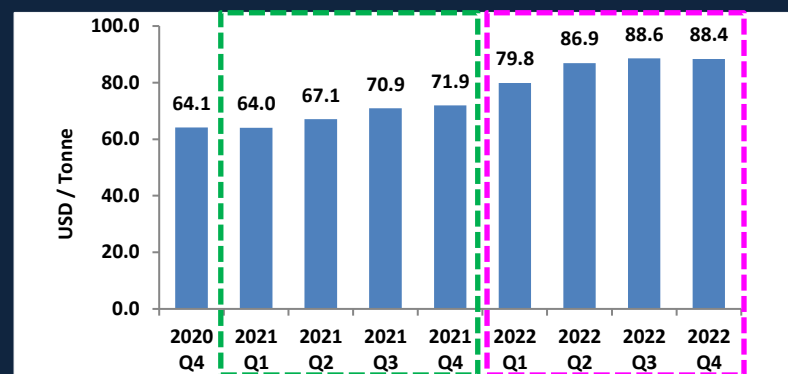
Price for Construction Materials in 2021/2022

Steel Bars (USD/Tonne)



2021	USD 781.0/T	2022	USD 847.1(+8.5%)
Average		Average	

Cement (USD/Tonne)

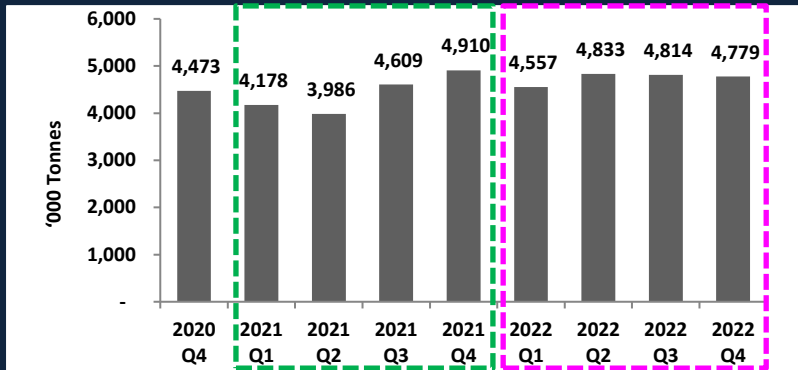


2021	USD 68.5 / T	2022	USD 85.9/T (+25.4%)
Total Demand		Total Demand	



Demand for Construction Materials in 2021/2022

Granite ('000 Tonnes)



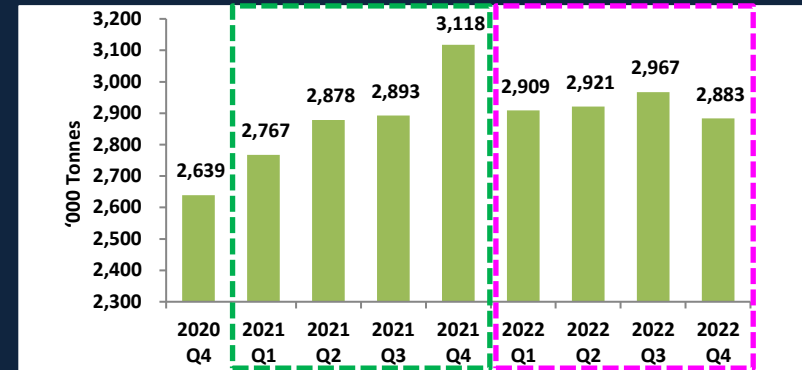
2021
Total Demand

17,683 Tons

2022
Total Demand

18,983 Tons (+7.4%)

Ready mixed concrete ('000 cubic metres)



2021
Total Demand

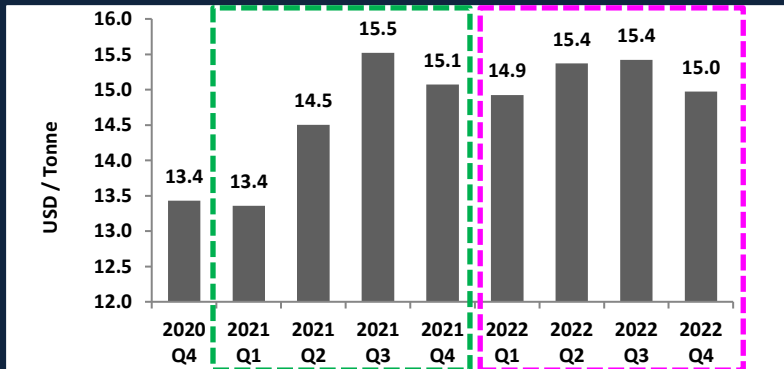
11,656 Tons

2022
Total Demand

11,680 Tons (+0.2%)

Price for Construction Materials in 2021/2022

Granite (USD/Tonne)



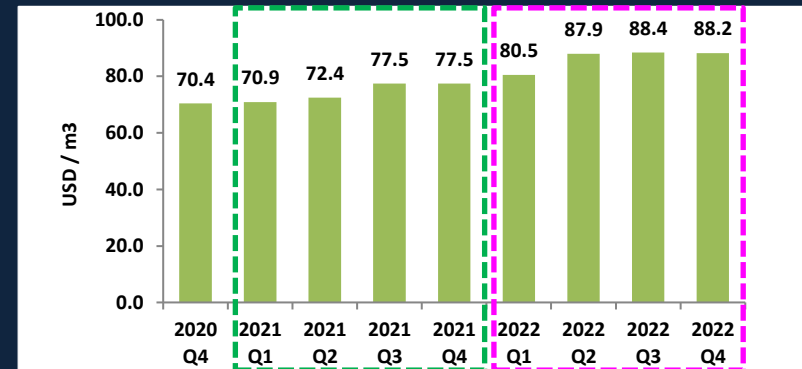
2021
Average

USD 14.6/T

2022
Average

USD 15.2(+4.1%)

Ready mixed concrete (USD / cubic metre)



2021
Total Demand

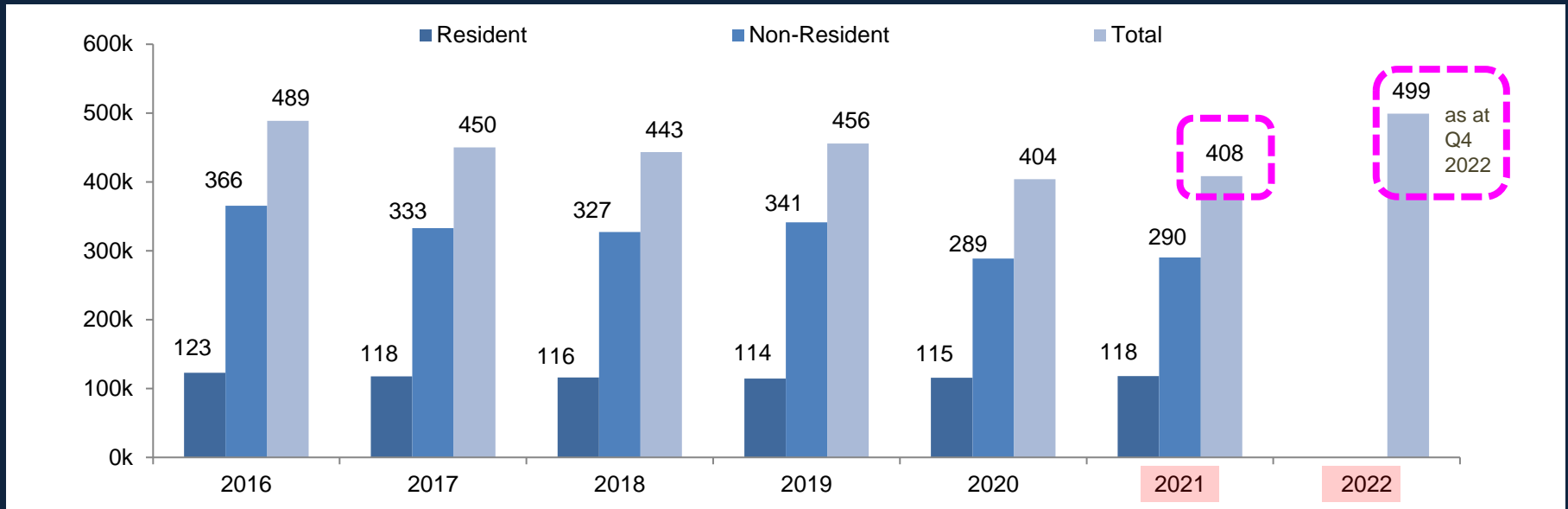
USD 74.6 / T

2022
Total Demand

USD 86.3/T (+15.7%)



Employment in Construction (in '000s)



Source: Ministry of Manpower. Resident refers to Singapore Citizens and Permanent Residents.

	Resident ('000)	Non-Resident ('000)	Total ('000)
2016	123	366	489
2017	118	333	450
2018	116	327	443
2019	114	341	456
2020	115	289	404
2021	118	290	408
2022	data not available	data not available	499*

***Total employment grew by 91,400 in 2022 as the economy continued to recover.**

Source: Ministry of Manpower Q3 2022 Labour Market Report dated 15 December 2022 & Advance Report 2022 dated 31 January 2023



Industry Challenges

Global Shortage of Talents

1. Shortage of skilled workers

- Experience workers returning to home countries
- Comparable salaries in home countries or other regions



2. Tightening of foreign workforce quota

- Reduction of companies' foreign workers dependency ratio ceiling (DRC) from 1:7 to 1:5 from 2024



3. Difficulties in attracting / retaining Singaporeans

- Impression of long working hours and demanding working environment.



- Exploring foreign workers from alternative source countries (i.e. Myanmar, Vietnam etc)

- Directing significant resources to ongoing efforts such as job redesign, workforce upskilling, and digital transformation and automation.

- Development of industry wide skills framework and accreditation schemes to professionalise job roles in the construction industry.

Industry Challenges

Escalating Cost Pressure for Businesses



1. Global inflationary climate

- High inflation rate driving up interests rates

- **Push for collaborative contracting for construction projects to have more equitable risks allocation amongst all stakeholders.**



2. Material price fluctuations & Supply chain disruptions

- Volatile material prices and supply due to global events

- **Building up a sustainable strategy for supply of critical construction materials and components.**



Forecast for 2024 to 2027

Average Annual Demand
2024 to 2027 (USD)

18.7 B
to
23.9B*

Public
Sector
10.4B
to
13.4B

Private
Sector
8.2B
to
10.4B

*The projection excludes Changi Airport Terminal 5 development and its associated infrastructure projects as well as the expansion of the two Integrated Resorts due to the uncertainty of the global pandemic that could affect construction schedules of such large projects.



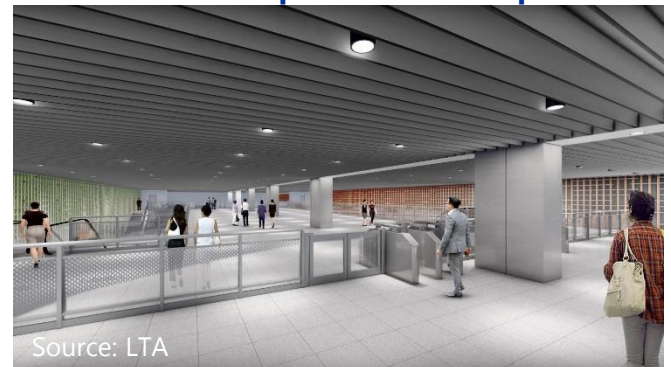
Source: Sport Singapore

Toa Payoh Integrated Development



Source: MOH

Alexandra Hospital Redevelopment



Source: LTA

Cross Island Line (Phase 2 & 3)

Conclusion

- With the many uncertainties globally, Singapore has adopted a conservative stance with the projected economy growth of 0.5% to 2.5% in 2023.
- Despite the challenges and uncertainties ahead, the construction industry performance is expected to continue its growth due to the steady pipeline of projects in 2023.
- The construction industry in Singapore is going through a rapid transition to uplift its image and further improve buildability and productivity.
- SCAL together with the relevant agencies will continue lead the industry to chart the future of construction.

