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SINGAPORE SMEs AFFECTED BY ECONOMIC SLOWDOWN

The Philippine Embassy in Singapore has reported on the effect of the economic slowdown on the city-state's small and medium enterprises (SMEs). Citing a news article entitled "Budget list: SMEs wants tools to fight fires," published by the Straits Times in its 09 March 2016 issue, the Post reported that SMEs in Singapore are turning to the government for help and relief from the economic slowdown and rising cost of doing businesses in the country.

It also mentioned the concern of business organizations on manpower costs that need to be addressed by the government as well as the possible freeze on foreign workers' levy hike, particularly for those companies, which are keen to restructure but are unable to find enough suitable Singaporeans to employ, be given some leeway to hire more foreign workers.

The report also includes the following list of proposed measures that the government can consider to help businesses survive the current economic downturn:

- Giving business expansion grants for SMEs that wish to expand overseas;
- Setting up overseas incubation centers to help Singapore start-ups establish overseas;
- Extending the Productivity and Innovations Credit (PIC) Scheme beyond 2018; and
- Making the process for changing as business model and innovation easier for SMEs to qualify and apply.

The Post believed that Singapore's drive for internationalization could also increase the possibility that Singaporean companies would seriously consider the Philippines not only as a large overseas market for its goods and services, but also the best location to build start-ups and expand globally. This would attract more investments from Singapore and create high-value goods and services.

Source: DFA, Philippine Embassy-Singapore

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