Local electronics sector needs more manpower over next few years

By Praveen Parameswaran, Channel NewsAsia | Posted: 27 December 2006 1955 hrs

SINGAPORE: There are signs of an impending manpower crunch in the local electronics sector as a large number of global players have announced plans to open new facilities in Singapore.

And they are expected to create some 4,600 jobs annually over the next few years.

The challenge is in making sure there will be enough talent to fill positions in these new plants.

Growing global demand for consumer electronics has led semiconductor and hard disc drive companies to ramp up production.

To increase capacity, many firms have made plans to open new plants – and Singapore has managed to attract some of these investments.

A joint venture between Samsung Electronics and SanDisk is pumping over $3.5 billion to build a 300mm wafer plant here, while hard disc drive maker Seagate has signed an agreement with Singapore to build a $850 million factory.

IM Flash, a joint venture between Intel Corp and Micron Technology, is also building a $4.6 billion plant to produce components used in iPods.

Lim Swee Nian, Director, Electronics Cluster – EDB, said: "2007, 2008 onwards, depends on the stages of the development. I think they will need to recruit or they will need the manpower. Based on these estimates, we forecast within the next few years, an average every year, they should open up about 4,600 new jobs, about half of which are for technicians and engineers and the rest will be for operators."

The EDB has already swung into action, trying to help companies find the right people to fill these positions.

Lim Swee Nian said: "We encourage companies who already have existing operations in Singapore if they know their plans, we encourage them to hire ahead of time, so that they can train them. For companies who are first time in Singapore or set up new operations in Singapore, what we do is we encourage them to employ them in advance and send them for training in their host country or other similar facilities in other parts of the world, while their factory in Singapore is under construction, so by the time it's ready, the manpower is ready."

Local universities and polytechnics have also been roped in to help pre-empt a possible manpower shortage.

The Nanyang Technological University, for example, is planning to double the student intake in its microelectronics department from about 130, to about 300 per year.

There is some concern schools will find it tough to attract students back to studies relating to the electronics sector.

This is because many were discouraged by the recent downturn in the semiconductor and hard disc drive industries.

But NTU remains positive students will respond to the latest industry trends.

Kam Chan Hin, Professor and Chair of School of Electrical and Electronic Engineering, NTU, said: "The demand is very strong and there are good jobs out there. Students will always respond to that. They know about this explosive demand in portable electronics, lots of new applications coming, and also they get to hear of so often the new company, wafer fab company sinking in million US dollars to set up a plant. So I think they can read all these signs and they go in for it."

It is not only the semiconductor and hard disk drive industries which are expected to produce new job openings.

Manpower demand is expected to spill over into related areas like computer engineering and telecommunications. - CNA/CH