

MEDIA ADVISORY

SCCCI's Annual Business Survey 2021

SCCCI's Annual Business Survey 2021 is conducted against the backdrop as Singapore paves its way towards COVID-resilience. The survey garnered feedback from 1,058 respondents, of which 92% are SMEs. This survey was conducted between 10 June and 11 August 2021.

SCCCI President Roland Ng said, "As we transit into the new normal, businesses should be more proactive and less-reliance on Government assistance. They should stay nimble and adaptable, keep on track in their transformation journey. These are the essential qualities to survive and thrive in the constantly evolving economic landscape."

"It is crucial for Singapore companies to venture overseas. Physical trips are essential in strengthening connections and building mutual trust with foreign authorities and business partners. Therefore, quarantine requirements should not be a deterring factor to postpone cross-border travel. With proper planning, business owners may leverage on technology to stay connected and work efficiently with Singapore office during quarantine."

Citing his personal experience, Roland Ng indicated that he had travelled to China four times during pandemic. During his time in China, Mr Ng represented SCCCI in strengthening the relationship with Chinese officials and businesses owners while helping Singapore enterprises to establish business connections, as well as assisting China companies to enter Singapore/South East Asian markets.

Key survey findings include:

1. There are close to 75% of respondents projected their revenue to remain stagnant or decline in 2021. As compared to 2020, there is a significant 28.5% increase of respondents experiencing cost escalation.
2. 40% of respondents are projecting losses in 2021. 60% of the respondents expected to take 2 years or more for their businesses to be recovered to pre-COVID level.
3. 55.6% of the respondents named rising business cost as top business concern, followed by availability of suitable manpower (50.4%) and adaptation to COVID safe management measures (43.9%).

4. Close to 60% of respondents are maintaining their workforce. The Jobs Support Scheme, SGUnited Jobs Package and Jobs Growth Incentive helped SMEs to preserve jobs or even expand hiring.
5. Rising manpower cost (including the cost of foreign workers) is the biggest manpower challenge to respondent, while unable to recruit local staff with right skill comes second. To tackle manpower challenges, businesses are transforming, automating or digitalising.
6. Close to 70% respondents have tapped on government schemes to address COVID-19 challenges. COVID-19 accelerated the rise of the digital economy, Government schemes that help business to digitalise and adopt technology solutions are the most helpful assistance cited by the survey respondents.
7. Notwithstanding COVID-19, 59.7% of respondents indicated they plan to venture overseas, compared to 50.7% in 2020. Business travel remains very important however 40% respondents slowed down their internationalisation efforts due to travel restrictions.
8. 70% of respondents indicated that their digitalisation efforts have shown results from a small to moderate extent.

In tandem with the survey findings, Chamber put forth five recommendations:

1. Have a balanced approach towards local and foreign manpower recognising that foreign workers complement local workforce.
2. Continue to support businesses in the transition towards a COVID-19 resilient economy.
3. Put in place measures to further facilitate expedient business travel.
4. Provide more assistance to SMEs on sustainability so that they can reap new opportunities.
5. Provide more funding support to local trade associations to undertake initiatives with industry-wide impact.

Full details of the complete survey findings and recommendations are enclosed in the attachment for reference.

For further enquiries, please contact:

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About Singapore Chinese Chamber of Commerce & Industry

Established in 1906, the Singapore Chinese Chamber of Commerce & Industry (SCCCI) is an internationally renowned business organisation and the apex body of the Chinese business community in Singapore. It is the founder of the biennial World Chinese Entrepreneurs Convention, a global business convention. It plays a key and pro-active role in representing the interests of the local business community.

The SCCCI has a membership network comprising 5,000 corporate members and has more than 160 trade association members, representing over 40,000 companies including large financial and business organisations, multinational corporations, government-linked companies, and small and medium enterprises from a wide spectrum of trades and industries. These members together provide vast resources and opportunities which enable the SCCCI to develop an influential global Chinese business network for business, education, culture and community development. In return, they share a strong sense of pride and identity together and benefit immensely from the SCCCI's membership services, facilities and activities.