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Recent Economic Developments in Singapore

With the exception of a deep water harbour, an industrious labour force and strategic location, Singapore has few natural resources.

Like Canada, Singapore has a relatively small domestic market and is one of the world's most export-dependent countries. With its total trade amounting to over three times its GDP, Singapore is vulnerable to the vagaries of the international marketplace and external economic fluctuations.

The Singaporean government has effectively managed the economy within such a volatile environment through the promotion of policies which are supportive of the free enterprise system and are favourable towards domestic and foreign investment.

Prior to 1985, Singapore experienced very attractive GDP growth rates, which led to the second highest standard of living in Asia after Japan. In 1985 however, GDP growth contracted by 1.8 percent and Singapore experienced its first economic downturn. Following the imposition of a series of cost cutting measures, including a wage restraint program, the economy began to revive with growth averaging around 9 percent in the following few years. In 1988 GDP growth posted its best performance in 15 years at 11.1 percent, although it slowed to 9.2 percent in 1989, 8.3 percent in 1990 and to 6.7 percent in 1991. (The Economic Growth, Table (I), in the Preface, provides a comparative picture of Singapore's economic growth performance over 3 years in relation to other countries.)

TABLE IV

ASEAN ECONOMIES AT A GLANCE

(IN \$US) 1991

	POP (M)	POP. GROWTH	GDP GROWTH	GNP PER CAPITA	EXPORTS (B)	FOREIGN DEBT(B)	INFLATION CPI	CURRENT ACCT(M)
BRUNEI	.3	2.8%	4.5%	\$18,000	\$2.2	0	2.3%	\$500
INDONESIA	183.0	1.8%	6.2%	\$605	\$28.9	\$67.9	9.2%	-\$2,400
MALAYSIA	18.2	2.3%	8.8%	\$2,465	\$34.7	\$19.5	4.4%	-\$1,672
PHILIPPINES	63.6	2.3%	0%	\$725	\$8.9	\$30.4	18.7%	-\$2,700
SINGAPORE	2.7	1.1%	6.7%	\$12,285	\$62.5	0	3.4%	\$2,350
THAILAND	57.3	1.4%	7.9%	\$1,605	\$28.4	\$25.9	6.0%	-\$7,953
ASEAN	325.1				\$165.6			
CANADA	26.9	.8%	-0.2%	\$21,750	\$127.8	\$149	4.4%	-\$18,718

NOTE:

M = Millions

B = Billions

CPI = Consumer Price Index

GDP = value of all goods and services produced in a country in one year

GNP per capita = GDP + or - surplus or deficit in trade / population

Current Account = surplus or deficit in trade

Source: Asia Week Magazine

IMF Direction of Trade

IMF International Financial Statistics Monthly

World Bank