

OPENING REMARKS BY MS SIM ANN, SENIOR MINISTER OF STATE, MINISTRY OF TRADE AND INDUSTRY & MINISTRY OF CULTURE, COMMUNITY AND YOUTH, AT THE 4TH TRADE ASSOCIATION CONGRESS, ON FRIDAY, 23 SEPTEMBER 2016, 9.10AM, AT THE RAFFLES CITY CONVENTION CENTRE

Mr Thomas Chua, President, Singapore Chinese Chamber of Commerce and Industry

Distinguished guests,

Ladies and gentlemen,

Good morning,

1. It is my pleasure to join you here this morning for SCCCI's 4th Trade Association Congress. This year is SCCCI's 110th Anniversary, and the chamber has organised many events throughout the year to mark this important milestone, culminating in a Gala Dinner this evening. I would like to congratulate the chamber for the good work that it has done, and wish it every success in the future.

Opportunities in the Future Economy

2. The theme of today's Congress is "Leading Industry Development in the Future Economy". While there are short-term challenges from the slowing global economy, the prospects in the longer term continue to be promising, with opportunities that Singapore businesses can leverage on for growth. In the immediate region, the middle class population in Southeast Asia is expected to more than double to 400 million by 2020¹. The recent establishment of the ASEAN Economic Community will provide greater opportunities for our companies to access this fast growing market. The Trans-Pacific Partnership (TPP) and the Regional Comprehensive Economic Partnership (RCEP) will further promote trade flows regionally and globally when they are implemented.
3. In terms of sectors, we are seeing exciting developments in areas such as advanced manufacturing, healthcare and biomedical sciences, urban solutions and the digital economy. Technology advancements, e-commerce and new innovative business models have provided the opportunity for companies to be more productive, grow revenue and cut costs, and potentially become disruptors even in traditional sectors. All these present potential sources of growth for enterprises which are ready to seize the opportunities.

Role of TACs

4. TACs have played a critical role in both enterprise and industry development for many years, and will continue to be important intermediaries between government and SMEs, playing key roles to uplift their industry and member enterprises. Since 2005, the Local Enterprise and Association Development (LEAD) programme by SPRING Singapore has supported 35 TACs to drive more than 180 industry upgrading projects benefitting

¹ ASEAN 2015: Seeing Around The Corner In a New Asian Landscape by Nielsen

over 40,000 SMEs. These projects range from leading sectoral capability building projects to facilitating international market access for SMEs.

5. Technology and innovation will increasingly be a key differentiator in the future economy. TACs can play a leadership role in identifying and implementing projects which enable a significant proportion of their members to make a step shift in productivity and competitiveness through technology adoption. An example of a TAC which has taken the initiative to drive productivity for their sector through the adoption of technology is SCCCI's trade association member, the Singapore School Transport Association (SSTA). Working closely with the A*STAR Singapore Institute of Manufacturing Technology (SIMTech), SSTA developed a School Bus Management System to address various challenges faced by the predominately one-man school bus operators that form the industry. This new technology automates the student attendance-taking process and monitors the behaviour of passengers and drivers – ultimately enabling operators to focus on the safety and efficiency of their services. The association has successfully completed a pilot run of the technology with 20 buses in December last year and is now planning to roll out the solution across the school transport sector.
6. As we prepare for the future economy, TACs will need to ensure that they have the requisite capabilities in order to be effective in driving the next phase of business and industry transformation. The Committee on the Future Economy, which I have had the pleasure of working with some of you in the audience on, has discussed the need to strengthen and empower strong TACs as partners to support SME transformation. To enable TACs that are involved in driving sector-wide initiatives to do more for their industries, the Government introduced the LEAD+ programme at Budget 2016 which supports TACs in their efforts to upgrade themselves and enhance their capabilities to serve their members. The Government will continue to empower stronger TACs to play a bigger and more active role in spearheading industry and enterprise transformation.

SCCCI's Role in Enterprise and Industry Development

7. SCCCI has made significant contributions in helping SMEs in their upgrading journey. As the voice of the Chinese business community, SCCCI has taken steps to drive upgrading amongst SMEs through its three SME Centres. The centres have collectively advised more than 7,000 cases in the last two years and continue to assist more SMEs in various capability development areas.
8. One example is Skylace Language School, which focuses on Chinese language learning. The company worked with the SME Centre@SCCCI on a productivity solution project supported by SPRING's Innovation and Capability Voucher. Skylace deployed a tablet-based, e-learning solution which provided students with a tailored learning experience that matches their individual learning pace and automated the tedious, paper-based assessment process. As a result, Skylace's teachers now spend 15% less time processing assignments. With the time savings, Skylace's teachers are better able to assess and keep track of their students' progress more efficiently, and dedicate more time to coach students.
9. SCCCI has also supported its TAC members and their industries with the introduction of the Trade Association (TA) Hub initiative in 2015. In fact, the concept of the TA Hub was

first mooted 2 years ago at the 3rd edition of this Congress. The development of the TA Hub at Jurong Town Hall is in progress and expected to commence operations early next year.

10. The TA Hub will offer shared secretariat services, facilities and affordable rental rates to trade associations, freeing up their time and resources to develop programmes and activities to help their member companies transform and improve productivity through job redesign, industry rebranding and technology adoption. SCCC will already recruited a Productivity Director for the TA Hub and is facilitating industry meetings to explore cross-sector collaboration opportunities.

Trade Association Committee

11. To ensure the TA Hub goes beyond just the physical co-location of trade associations, and achieves its objective of upgrading TACs, SCCC will set up a Trade Association Committee as a platform to drive the development of trade associations. I would like to thank SCCC for inviting me to be the Advisor to the Committee, and I look forward to it serving as a platform to harness collective efforts to strengthen our TACs and support the growth of local industries and enterprises in Singapore.
12. This committee aims to foster collaboration between various TACs and strengthen TACs' secretariat capabilities and internal processes so that they are equipped to address the needs and interests of their industry.
13. The TA Committee will also serve as the representative voice of TACs in Singapore and facilitate the gathering of ground sentiments and feedback between the TAC community and the Government. SCCC will announce more details of the TA Committee at a later date.

Conclusion

14. Succeeding in the future economy will require businesses to continue to seize growth opportunities, through leveraging innovation and technology, as well as internationalisation. The Government will continue to work closely and support the business community, in particular forward-looking SMEs, through various initiatives. We encourage companies to also work closely with the TACs in their transformation and growth journey.
15. I hope you will use the Congress today as an opportunity to build networks, exchange ideas and find partners for collaboration. I wish all of you an enriching and fruitful event. Thank you.