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Singapore Government

PRESS RELEASE

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OPENING ADDRESS BY DR LEE BOON YANG, MINISTER FOR MANPOWER AT CAREER CLEANROOM 99 ON  
TUESDAY 12 JAN 1999, 10.00AM AT THE SINGAPORE INTERNATIONAL CONVENTION & EXHIBITION  
CENTRE

Distinguished guests,  
Ladies and Gentlemen,

Introduction

1998 was a difficult year for the Singapore economy. Demand for our goods and services fell as our regional trading partners succumbed to the currency and economic crisis. Many companies suffered falling prices and profit margins. Some industries, such as electronics, experienced a cyclical global downturn. As a result, the economy contracted 1.5% in the 4th quarter of 1998. This followed the contraction in the 3rd quarter and signaled that Singapore is in a recession.

Review and Outlook of the Employment Situation  
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2. The economic downturn has brought about a worsening of the employment situation. Many workers were laid off. The number of job vacancies shrank. Job seekers found it harder to find new jobs. For the first 9 months of 1998, a total of 21,000 workers were retrenched. The unemployment rate rose to 4.5% in Sep 98 on a seasonally adjusted basis. Preliminary data gathered by the Ministry showed that retrenchment for the 4th quarter of 1998 was about 6000. Total retrenchment for the year is likely to be about 27,000. This is much more than the 20,000 workers retrenched in the last recession in 1985.

3. Looking ahead, what can we expect for 1999? Over the past week, market sentiments in Asian economies appeared to have improved. For Singapore, the November cost-cutting package had also significantly reduced business costs. These are positive signs. However, it would be premature to assume that the storm is entirely over and recovery is round the corner.

4. To a large extent, our economic prospects this year will depend on economic recovery in neighbouring countries. However, it will take the regional economies time to restore confidence and return to growth. 1999 could be another difficult year for us. We must be prepared for employment creation to remain low. It is however difficult at this juncture to make numerical projections as the employment situation will depend on the economic prospect, which is still uncertain.

#### Initiatives by the Ministry of Manpower

5. To cope with the poor employment situation, the Manpower Ministry has, over the past year, introduced many measures to help retrenched workers. Today's industry fair is another initiative to help job seekers. Industry fairs will supplement other employment facilitation events, such as community job fairs and employment facilitation workshops. We will continue to seek out job openings for registrants with our Employment Service Department. We will also continue to offer job referral assistance to workers faced with retrenchment.

6. Our challenge is not unlike that of the matchmaker. We can find job vacancies. We can assist, advise and counsel both job seekers and employers. We can introduce them to each other or create opportunities for them to get together, such as today's industry fair. But like matchmaking, the final outcome would depend on the job seeker and the employer themselves. It would depend on whether they take to each other and can make the necessary adjustments to accommodate each other's expectations. We have been able to refer more than 80% of job registrants with at least one job referral. But there continues to be few "marriages" because of the gap in expectations between the employers and job seekers. This outcome has also been experienced by other groups helping the unemployed, eg NTUC and CDCs.

#### Messages for Job Seekers and Employers

7. Some job seekers coming to the Ministry for assistance are still choosy about jobs. They expect to get jobs which pay as much as their old jobs. Others would only consider workplaces which are convenient to their homes. Many reject shift work or new work environment. In a recession, job seekers must moderate expectations and consider taking up jobs that may not fully meet their entire wish list. Job seekers should be flexible and adaptable to try out new industries and new work environments. They should not shun new jobs because it would involve re-training.

8. Recently, I read in the Straits Times that some union officials, who have been assisting retrenched workers, have noticed a change in workers' attitude. Some retrenched workers have begun to show signs of being less choosy. I hope that these observations are accurate, and that the trend will continue. Despite the recession,

jobs are still available. Those who are willing to moderate expectations and change their mindsets will be well positioned to find new jobs.

9. Aside from job seekers, employers too need to change their mindset if they want to fill their vacancies. For example, they should be more open to employing mature workers for new jobs. Companies, which have done so, have benefited. They gained mature workers who are more responsible and careful in carrying out their work, and are also more loyal to the company. Employers should also be more ready to employ less experienced workers. They can tap on the Skills Redevelopment Program with the Government's financial support to re-train or upgrade the skills of new workers.

#### Career Cleanroom '99

10. While we should try our best to address the immediate concerns brought about by the economic crisis, we should also look beyond the storm clouds and into the future. The key to our continued success and prosperity is to transform Singapore into a knowledge economy, with manufacturing and services as the twin engines of growth. To realize this vision, it is crucial that we have trained and skilled workers ready to support both existing and new companies in a knowledge economy. Workers must also reposition themselves for careers in the new high growth industries and emerging work environments which will boost our competitiveness.

11. One such emerging work environment which will become important in the future is the cleanroom. Many people associate cleanrooms with wafer fabrication plants. In reality, besides wafer fabrication plants, cleanrooms are being utilised in many other high value-added industries. Examples include the disk drive, disk media, precision engineering and pharmaceutical industries. Although the number of cleanroom jobs from these industries may be relatively small today compared to the wafer fabrication industry, the numbers are growing. The use of cleanrooms will increase in the future, as will the demand for cleanroom workers. I have been told that, in today's event alone, there are a total of some 500 job vacancies offered by 9 participating companies.

12. One of the key factors for attracting such companies to locate their operations in Singapore is the availability of local workers keen to work in cleanrooms. I understand however from the Ministry's Employment Facilitation Team and companies operating cleanrooms that, despite such bright prospects and higher starting salaries, take-up rates among locals have been low. This could be due to a reluctance to accept a new work environment. But a lot of it also has to do with a lack of awareness and misperceptions about cleanrooms. The main objective of today's event therefore is to raise our workforce's awareness of the cleanroom work environment and to correct misperceptions. There are misperceptions at the most basic level. Contrary to popular belief, workers have to put on suits in the cleanroom not to protect themselves against dangerous machines, products or gases. Workers have to suit up to protect the products from being contaminated by unwanted particles generated or carried by their bodies. Workers are not likely to fall sick more often just because they work in a cleanroom.

13. Career Cleanroom '99 will be the first in a series of industry fairs that will focus on a specific sector or work environment. The Ministry intends to hold an industry fair once every two to three months. We are currently in discussions with our partners, EDB, NTUC and SNEF on the other sectors to be targeted for future fairs.

14. In conclusion, may I wish everyone good health and success for the year ahead. While our problems are not over, let us remain united in our purpose and determination to work harder. We will ride out the worst of the economic crisis and emerge more competitive.

15. On that note, I am pleased to declare Career Cleanroom '99 open.

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