

I by19990807d

To:

cc: (bcc: NHB NASReg/NHB/SINGOV)

Subject: (EMBARGOED) Speech by Mr Lee Boon Yang, 7 Aug 99, 10.30 AM

Singapore Government

PRESS RELEASE

Media Division, Ministry of Information and the Arts, #36-00 PSA Building, 460
Alexandra Road, Singapore 119963. Tel: 3757794/5

=====

EMBARGO INSTRUCTIONS

The attached press release/speech is EMBARGOED UNTIL AFTER DELIVERY.

Please check against delivery.

For assistance call 3757795

=====

SPRINTER 3.0, Singapore's Press Releases on the Internet, is located at:

<http://www.gov.sg/sprinter/>

=====

TO BE EMBARGOED TILL AFTER DELIVERY

PLEASE CHECK AGAINST DELIVERY

SPEECH BY DR LEE BOON YANG
MINISTER FOR MANPOWER

AT THE MINISTRY OF MANPOWER'S
1999 NATIONAL DAY OBSERVANCE CEREMONY
ON SATURDAY, 7 AUGUST 99 AT 10.30AM
MINISTRY OF MANPOWER LOBBY, GROUND FLOOR

Good morning, fellow colleagues, ladies and gentlemen.

1 On Monday, we will be celebrating our 34th National Day. Last year, when we gathered for a similar National Day Observance Ceremony, my message was for Singaporeans to remain united in the face of difficult times. We had to prepare Singapore for a recession. We took stock of our situation and implemented tough but necessary cost cutting measures such as the CPF and wage cuts to regain economic competitiveness and to reduce unemployment. Singaporeans responded with full commitment and acceptance of the need to make adjustments. This response had helped us to overcome the challenges.

2 As a people we have weathered the crisis well. Government was able to make major structural changes to reduce business cost by cutting rates and levies and giving tax rebates because of recent budget surpluses. These measures together with wage and CPF cut had helped us to emerge quickly from the recession. The economic recovery had thus come about sooner than expected. This is a good indication of the resilience of Singaporeans and our ability to pull together when the need arises. The theme for this year's National Day celebration is "Our People". This is thus very apt. It is our people who have made our country what it is, and it will be our people who will power Singapore into the next millennium.

3 This year, the World Economic Forum's Global Competitiveness Report judged Singapore to be the world's most competitive economy, followed by the United States and Hong Kong. This is the fourth time Singapore has topped the WEF's rankings, despite the fact that we were hit by the regional economic crisis.

4 The Asia Competitiveness Report 1999 also vouched that Singapore would emerge among the least damaged by the financial crisis. The report said that this was because Singapore had wisely chosen to push ahead with its long-term strategic vision of improving the competitiveness of its technology and telecommunications sector.

5 The report added that our reforms in the financial markets and cost cutting in the public and private sectors would augur well for Singapore. Our national determination to regain competitiveness has sent strong signals to investors. Coupled with the flexible exchange rate, strong education system and a stable political environment, we have succeeded to restore business and investors' confidence in Singapore.

6 In the light of the faster than expected recovery, Government is likely to further revise the forecast of Singapore's growth. We are likely to do better than the 0 to 2% predicted in May this year. While we celebrate our National Day, we should not become too complacent about economic recovery. While there are clear signs of economic recovery, a full-fledged recovery may still be some way off. Despite most regional economies bottoming out, there are still areas of uncertainty manifested in the slowdown in China, the pace of recovery in Japan, political succession situation in Indonesia and tension in the Taiwan Straits. Beyond the region too, the economies in the US and Europe are expected to slow down. We must therefore remain cautiously optimistic as Singapore is vulnerable to the external development and the strength of our recovery is dependent on the region's economic well being and global market remaining strong.

7 We must therefore continue to press on with our efforts to enhance

l by19990807d

competitiveness. We must bear in mind that once our regional economies recover, they will become more efficient and more competitive. We will face heightened competition.

8 That is why we must push ahead with measures to build up our comparative advantage. Because of our limited manpower, we cannot compete successfully in many labour intensive areas. Hence we have to shift into a knowledge based economy. This is where knowledge, skills and innovation will be the key factors of success and not access to labour or natural resources.

9 To prepare our workforce for the knowledge based economy, we will have to invest heavily in education and training of our workforce. In the past year, many of you were deeply immersed in working out a national manpower strategy for Singapore. I am pleased to note that we have finalized the ideas and plan of action in the Manpower 21 Report. We will be ready to launch this Report by the end of August. M21 will make specific recommendations on how to cope with the new and growing demand for skilled workers and how to ensure that workers who need skill upgrading are able to do so.

10 We are barely four months away from the new millennium. As the Ministry of Manpower, let us resolve on this last National Day of the 20th Century, to provide the best leadership and guidance for our national manpower efforts in the new 21st Century. As staff of the Ministry, each and everyone of us plays an important role in helping to achieve our vision and goals. We have made progress since the Ministry was created less than 1½ year ago. But there still remains much to be done in the days ahead.

11 I envisage that in the new millennium, we will focus even more on partnerships within the public service and with the private sector to meet the new demands of the KBE. We cannot do it alone and must adopt a new collaborative paradigm. As a Ministry, we must also align ourselves with the vision of Singapore 21. We will embrace S21's vision of greater collaboration and consultation in all that we do because the public service is about servicing the public and the nation. Together we will make the difference. Together we will make Singapore our best home.

National Archives of Singapore

12 I wish everyone here a meaningful National Day. Thank you.