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Singapore Government

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**SPEECH BY MR OTHMAN HARON EUSOFE
MINISTER OF STATE FOR MANPOWER
AT THE MACQUARIE UNIVERSITY'S ANNUAL CONVOCATION
ON THURSDAY, 1 JUNE 2000 AT 7.00 PM
AT THE WESTIN STAMFORD HOTEL**

National Archives of Singapore

Emeritus Professor Di Yerbury
Vice Chancellor, Macquarie University,

Members of the University,

Graduates

Distinguished Guests

Ladies and Gentlemen

Good Evening

1 It is my pleasure to join you for the Macquarie University's Annual Convocation Ceremony. My congratulations to all graduands on successfully completing your courses of study. Your graduation will indeed be a source of pride and joy to your families.

A New Economic Paradigm

2 This is indeed an exciting time to graduate. We have heard a lot about the New Economy and the myriad of opportunities that it offers. Many enterprising people have been caught up with the dot-com fever. I am sure, for some of you at least, the thought of being part of this exciting new business venture would have crossed your minds. It is encouraging that more Singaporeans are prepared to try new business ideas and take entrepreneurial risks. But it is useful to remind ourselves what the New Economy is really about. Fundamentally, it is about knowledge and talent. It is about creativity, innovation and a positive propensity to market new and better ideas.

3 In what we now call the "Old Economy", labour was simply a factor of production. Competitive advantage was secured by having more resources, cheaper labour and better machines. In the New Economy, people, ideas and capabilities are the key source of wealth and opportunity. The creation, application and distribution of knowledge have become central to enhancing productivity and economic growth. Education and manpower development makes the difference to bolster the economy's competitive edge. This means that you will benefit most from the New Economy if you are able to learn, create and deploy new knowledge. This will be a challenge not just for graduates and post-graduates like yourselves, but for the entire workforce, whether a clean room operator in a wafer-fab factory or a finance executive in the bank.

4 Hence, for Singapore to thrive in the New Economy, we must develop our human and intellectual capital as a competitive advantage. This is the premise on which the Government launched Manpower 21 last year as the Blueprint to make Singapore a Talent Capital. This evening I shall focus on one of the key areas addressed by Manpower 21: The Challenge of Lifelong Learning.

The Importance of Lifelong Learning

5 Perhaps the greatest challenge Singapore faces in developing a World Class workforce is to foster a culture of lifelong learning. This requires a mindset change. Not too long ago, we used to assume that the knowledge and skills we gained in school could last us our lifetime. This is no longer the case. Lifelong Learning is the imperative for survival and thriving in the New Economy.

6 Lester Thurow, the author of “Creating Wealth”, said that the three most important things needed for the New Economy are “Skills, Skills and Skills”. The reason for this is clear. We witness the forces of globalisation and technology at work in the news everyday. These forces have shaped an economic environment that is always in a state of flux. New products with shorter lifecycles are constantly being developed. The new ways to manufacture, package, transport and market these products will create new skills and jobs. These will quickly replace old skills and jobs, which will lose value and relevance.

7 To keep pace with the rapid changes which the New Economy will inevitably bring, Singaporeans need to constantly re-tool themselves with new skills and absorb new information and knowledge. In this way they will retain their confidence to meet and adapt to changing conditions and uncertainties in the New Economy. The experience of developed countries has shown that this will not be a one-off effort. The Economic Development Board International Advisory Council has estimated that the global stock of knowledge is expected to double every 3–7 years. Based on this, a conservative estimate will mean that 50% of your knowledge and skills will be obsolete in 5 years and 75%, in 10 years time.

8 These figures imply that the process of re-equipping ourselves with new skills and knowledge has to become part and parcel of our working lives. To be globally competitive, we must first remain globally relevant. Let me reiterate that continuous learning to keep pace with the rapid changes around us is the only way to do so.

Current Culture of Learning

9 The culture of lifelong learning is still not strong enough in Singapore. In a survey conducted by the Ministry of Manpower last year, about 40% of respondents saw no need to learn given the sort of work they wanted to do. This trend is worrisome if it persists. When industries cannot find the skills and talent needed for the new jobs created, they will simply move to countries where these can be found. At the same time we will also not be able to attract good and high value creating industries to Singapore. This will not only mean the loss of jobs and good employment opportunities, it will also mean that Singapore loses its competitive edge and the potential for higher economic growth.

Lifelong Learning – A joint venture

10 The development of the School of Lifelong Learning (SoLL) under Manpower 21 is a direct response to the need to develop Singapore's workforce. It is not a physical school, but a comprehensive system to promote, motivate and facilitate lifelong learning in our workforce.

11 The SoLL will put in place a framework to upgrade and constantly renew our workforce. In 1998, our workforce profile consisted of 34% skilled, 28% semi-skilled and 38% unskilled workers. One of the Government's aims is to achieve a profile in 10 –15 years time of 65% skilled, 20% semi-skilled and only 15% unskilled. As we develop the skill content of our workforce, we will build a strong foundation for the higher value jobs we expect to create over the next two decades. To meet this target, we are encouraging our public sector education institutions to gear up for a larger role in continuing education and training, an initiative we call "1 Institute-2 Systems". We will encourage the private sector to complement the Government's efforts and contribute towards this goal.

12 The SoLL is not and cannot be a government initiative alone. It is an initiative where government, industry, trade unions and individuals will have to work robustly together for mutual benefit.

13 In addition to leveraging on public institutions to upgrade the workforce, the Government is also working to put in place an environment that is conducive for learning, for instance by providing more comprehensive information and guidance on learning opportunities. Industry has the expertise to determine what the relevant skills are and the best mode of training delivery. Unions have an extremely important role to play in communicating to workers

the criticality of lifelong learning for lifelong employability. Individuals, with a mindset that is open to lifelong learning and pro-active in seeking learning opportunities to remain employable, will add value to both themselves and their jobs.

14 There is thus a role for all to play as Singapore pursues its vision of a Learning Nation. The Government is fully committed to its role of developing an environment that will nurture a culture of lifelong learning. Many industries and unions have also responded positively. Our aim now should be to spread this spirit of learning to all workers and employers.

Graduation – Not the final stage of learning

15 Having emphasized the importance of lifelong learning, I am glad to know that there are individuals like you who have embarked on lifelong learning. You have made the choice to allocate time even with your busy careers to upgrade yourself, in order to be more relevant in this New Economy. Macquarie University is a good example of how lifelong learning can be undertaken and how rewarding this can be. It is a testimony that in this New Economy, pre-employment education and in-employment learning are in fact a continuum. The nature of the New Economy is such that most of you will move to various different jobs before you retire. Whether you move on to better jobs will greatly depend on your resourcefulness, determination and capacity to learn. This is a challenge that you will face as Singapore transits into the New Economy. I hope you will share your experience and determination to learn and re-learn with your family, colleagues and friends.

16 On this note, I wish you a pleasant journey as you apply and renew your knowledge in the New Economy.

Thank you.
