

Singapore Government

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**SPEECH BY MR OTHMAN HARON EUSOFE
MINISTER OF STATE FOR MANPOWER
AT THE SISEU'S 19TH ANNIVERSARY DINNER & DANCE
ON 27 OCTOBER 2000 AT 6.30 PM,
AT GRAND COPTHORNE WATERFRONT**

Mr Tan Peng Heng, President of SISEU

Mr Matthias Yao,
Executive Secretary & Deputy Secretary-General of NTUC

Mr Lim Kuang Beng, General Secretary

Members of SISEU's Executive Committee

Distinguished Guests, Ladies & Gentlemen

1. Singapore has emerged from the recent recession into a New Economy which is globalised and moving at ruthless speed driven by the rapid development of new technology especially IT and the Internet. To maintain our competitive edge, we will have to be adaptable and respond to changes fast. We had, for

example, to liberalise our finance and telecommunications sectors to enhance our ability to compete in these sectors globally. Our businesses including successful ones have had to constantly revamp their operations and also reinvent their business models to remain competitive. They know that incremental improvements by merely adding value however high, are no longer viable. Rather they must have the capacity to create new value and wealth to overcome their competitors especially new and nimbler emerging ones. The New Economy brings great challenges but there will also be new opportunities.

2. Let us examine the key challenges so that we can prepare appropriate responses to remain competitive. In the New Economy, the future will be bright for those businesses which can effectively capitalise on intangible assets such as knowledge, experience and skills to generate new opportunities for wealth creation. This means that our companies must have able and talented employees.

3. There will be therefore a fierce contest for talent whether local or foreign. This will require companies to radically alter their recruitment and compensation practices. They must also manage their employees well particularly to motivate and incentivise them to perform to their very best. To be able to retain talents, businesses would have to introduce family friendly work practices for example flexi-work, teleworking and even homeworking as more employees look towards achieving a proper balance between their work and family commitments.

4. We will also experience the rise of virtual global offices where work can be done any time and anywhere. Work will also be done at greater speed. IT will offer instant connectivity. Advances in infocom technology will enable people to work and interact seamlessly through the Internet. The development of the globalised business environment enables information and resources to be moved across the globe in spilt seconds.

5. For workers, life long renewal of skills and knowledge is vital. If they fail to do so, the going will be tough and their employability will be at risk as their companies will relentlessly introduce changes in their operations to boost their competitiveness. Low value business and non-core activities will be continuously out-sourced. It will therefore not be business as usual as companies will have to make changes and move fast to be ahead of the competition.

6. The rapid rate of change, which characterises the New Economy, will understandably create an environment of insecurity and anxiety among many employees. Change is difficult and uncomfortable and often invites resistance.

Management must therefore manage change sensitively. To help their employees adapt to changes and enable them to contribute positively, management must keep them promptly and adequately informed and where appropriate involve them in the process and the planning for the changes. This will foster trust and confidence between the management and their employees. It is crucial for our workers to be aware of the changing trends and equip themselves with the necessary skills and expertise that meet the demands of new jobs and workplaces.

7. The Government has introduced a wide range of strategic workforce development programmes under the School of Lifelong Learning to provide every worker, based on their capacity, with ample opportunities to train and retraining to upgrade their skills and knowledge. The skills development programmes will target all workers, the less educated and less skilled as well the better educated including the tertiary educated. Let me stress that as skills and knowledge for employment has limited life span they will have to be constantly renewed .

8. As you are aware our PM recently announced the establishment of the Life Long Learning Fund (LLF). A National IT Literacy Programme will be a key programme under the LLF. IT is important as its use is multiplying in the workplace at a rapid pace. IT and the Internet are also becoming more essential in life outside the work place. The details of the National IT Programme are being worked out. The aim is to provide the people with affordable and relevant basic IT training.

9. At present many training programs are employer based. We have also training programs which are community-based with self-help groups (CDAC, Mendaki, Sinda, etc.) becoming surrogate employers. This community based programmes and also the NTUC programmes under the Educational Training Fund (ETF) will provide individuals with opportunities to upgrade themselves.

10. Recently the Ministry of Manpower together with the Infocomm Development Authority of Singapore (IDA) launched the Strategic Manpower Conversion Programme (Infocomm) Facilitator Scheme. Infocomm is a key growth sector with rising manpower needs. At the same time there is high demand for infocomm professionals across many other industries. MOM therefore sees the need to create additional avenues to expand infocomm talent pool. This is the reason behind the introduction of the facilitator scheme which will complement the existing employer based SMCP (Infocomm) Scheme. It will give individuals who want to take up a career in Infocomm to have an opportunity to do so.

11. Union leaders have an important role to help their members and other workers to understand the changes and the demands of New Economy on the workforce. You would have to persuade them to accept life long learning and this includes counselling them and developing confidence to take up training and retraining. This is critical to help workers to remain employable and to take advantage of the new value-added jobs being created in the New Economy. This is by no means an easy task but there are no other options. Either we overcome this challenge successfully or be left behind. We are fortunate that sound economic management and harmonious labour management relationship founded on positive tripartism has provided a robust foundation for us to move on. So long as we are open to new ideas and are adaptable, we can, as we have demonstrated in the past, take on the challenges and succeed.

12. On this note, I would like to congratulate SISEU members on the occasion of your 19th Anniversary. I wish you every success in the year ahead.

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