

**TO BE EMBARGOED TILL AFTER DELIVERY
PLEASE CHECK AGAINST DELIVERY**

**SPEECH BY DR NG ENG HEN, MINISTER FOR MANPOWER
AND SECOND MINISTER FOR DEFENCE
AT ORCHARD TURN GROUNDBREAKING CEREMONY
31 OCTOBER 2006, 10.30AM, ORCHARD TURN**

Mr Liew Mun Leong, President and CEO, CapitaLand Limited

Mr Raymond Kwok, Vice Chairman and Managing Director, Sun Hung Kai Properties Ltd

Mr Yoshio Murashige, President, Penta-Ocean Construction Co. Ltd

Distinguished Guests,

Ladies and Gentlemen,

Good morning.

Introduction

1. In 2003, the Economic Review Committee chaired by then-DPM Lee outlined the strategy to strengthen the services industries as a major growth engine for our economy, and to build Singapore into Asia's leading provider of world-class services. We aimed to deepen our capabilities and strengthen our competitiveness in established services like tourism and financial services, while growing new areas such as education and healthcare. Since the release of the ERC's report, a number of

developments in tourism, including today's groundbreaking for Orchard Turn, put us firmly on that path to accomplish goals set out by the ERC.

2. Singapore is transforming at a rapid pace to become a global and vibrant city with an Asian twist, a unique and cosmopolitan must-see destination for visitors from East and West alike. Individually, new offerings like Vivocity or St. James Powerstation or the improved and revamped Palawan Beach in Sentosa have increased the offerings for fun and relaxation to locals and visitors. By 2009, the tourism landscape will be further enhanced with our two Integrated Resorts – Marina Bay Sands and another at Sentosa. Collectively, these developments signal that Singapore has been successful in re-inventing itself, with new developments that will strengthen our competitive edge and attractiveness as a tourist destination.

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Strong Growth in Tourism

3. We are already reaping early harvests as a result of these initiatives. The Singapore Tourism Board has reported recently that the industry will see historical highs for annual visitor arrivals this year. In the first half of 2006, we welcomed 4.7 million visitors, an increase of 11.8% over the

same period last year. We are on track to achieve 9.4 million visitor arrivals this year, with receipts of about \$12 billion.

4. These encouraging figures show that we are on our way towards achieving the Tourism 2015 vision of tripling tourism receipts to \$30 billion, doubling visitor arrivals to 17 million, and creating an additional 100,000 jobs in the services sector by 2015. This will ensure that Tourism remains one of Singapore's key economic pillars.

Opportunities for Local Workforce in Tourism

5. These developments also bode well for the job market in Singapore. Good economic growth in recent years have led to record-high employment of 2.4 million in June this year, with most of the jobs created in services sectors and for locals. Last year, 113,300 jobs were created, the highest number since 1997. It will be another record breaking year this year. Employment creation in the first nine months of this year has already passed 123,000.

Sustaining Efforts to Build Culture of Service Excellence

6. But these developments here at Orchard Turn, the IRs and other attractions must be complemented by a world-class services workforce – if

we are to put Singapore on the world map for service excellence. The Government is acutely aware of this challenge, but it cannot achieve this alone. It must work with all stakeholders to achieve this goal.

7. This was the format adopted for the Go-the-Extra-Mile for Service (GEMS) movement – where many agencies and industry partners collaborated together to improve service standards. Many of you would remember the “Great Service Begins With Me” campaign, or might have handed out a GEMS “Thank You” card to show your appreciation for good service at the various customer service touch points.

8. In preparation for the recently concluded IMF-World Bank S2006 meetings, the Singapore Workforce Development Agency had trained nearly 34,000 frontline service staff from more than 580 companies. The accolades and praises we received from delegates on the high standards of service and hospitality accorded to them demonstrated that Singaporeans can and have made a difference.

9. However, service excellence is not only for major events like S2006. We need to sustain these efforts to improve the quality of service delivery, and keep up the good work so that the momentum is not lost. GEMS is

now well received by companies and Singaporeans, and we can take this even further. We will extend GEMS to more sectors and introduce new initiatives to build on its successes.

Enhancing Skills of Tourism Workforce

10. The key to building a culture of service excellence is training. Over the past few months, WDA has successively launched key initiatives such as the Workforce Skills Qualifications (WSQ) frameworks in Retail, Tourism and F&B. These WSQs provide Singaporean workers with nationally recognized qualifications for their skills, and offer them clearer career progression pathways from frontline to managerial positions. Those without the academic pre-requisites can use their relevant work experience to be eligible and benefit from these courses.

11. To deliver high quality WSQ training, we have built up key providers such as the Singapore Institute of Retail Studies (SIRS), and also collaborated with other reputable institutions such as University of Nevada, Las Vegas (UNLV), at-sunrice and SHATEC. As at end Sep 2006, about 8,000 workers have been trained under the Retail, Tourism and F&B WSQ frameworks. We have also started offering scholarship programmes, such as the Young Retailers Scholarship Programme and the WSQ scholarship

for the Diploma in Culinary Craft and Service Excellence offered by at-sunrice. These scholarships are positioned to groom local talent to be future leaders in these sectors. With these new initiatives, local workers can be better prepared to take advantage of the opportunities available in the new tourism landscape.

12. For this project at Orchard Turn, I commend the joint developers – CapitaLand and Sun Hung Kai Properties for their shared vision in rejuvenating Orchard Road. As the tallest development in the Orchard Road area, this iconic retail-cum-residential building will redefine Orchard Road's skyline with its breathtaking architectural design. I am confident that Orchard Turn will help to further invigorate and transform Singapore into one of the most vibrant and exciting shopping destinations in Asia.

Conclusion National Archives of Singapore

13. In closing, I would like to congratulate Orchard Turn Developments and Penta-Ocean on the occasion of Orchard Turn's groundbreaking. I wish you all every success, and look forward to the completion of this landmark project in two year's time.