

STATEMENT BY MR GAN KIM YONG

MINISTER FOR MANPOWER

REPUBLIC OF SINGAPORE

AT THE 21st ASEAN LABOUR MINISTERS' MEETING

24 MAY 2010, 12.45PM (SG TIME), HANOI, VIETNAM

Her Excellency Nguyen Thi Kim Ngan, Minister of Labour, Invalids and Social Affairs, Vietnam and chairperson of the 21st ALMM,

Fellow ASEAN Labour Ministers,

Dato' Misran Karmain, Deputy Secretary-General of ASEAN

Distinguished Delegates,

Ladies and Gentlemen,

Introduction

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A very good morning to all of you. On behalf of the Singapore delegation, let me first thank the Government of Vietnam for hosting the 21st ASEAN Labour Ministers' Meeting and for the warm and generous hospitality of the Vietnamese people.

Weathering the Downturn

2 When we met two years ago, the economic crisis was just about to unfold. We did not have a sense of the severity of the crisis. Over the last two years, ASEAN members have experienced the impact of the global economic downturn. Many of us faced similar challenges – falling exports, closure of businesses, rising unemployment, loss of earnings and increased pressures on social safety nets. We all share similar objectives: skills development and innovation, not only to save jobs and create employment, but also to enhance our competitiveness. However, each of us has adopted somewhat different responses given our different needs and priorities. It is useful to share with one another our challenges and responses to manage the economic downturn and to spur recovery.

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3 In Singapore, the tripartite partners – government, employers, and unions worked closely together to cut costs in order to save jobs rather than to cut jobs in order to save costs. We formulated a set of tripartite guidelines on managing excess manpower to guide companies and employees as they work together to jointly make the necessary adjustments. We also

introduced a national training programme, the Skills Programme for Upgrading and Resilience (or SPUR in short), to encourage employers to send workers for training so as to enhance the employability of workers. The programme has also benefited those who had lost their jobs. This was further bolstered by a generous fiscal stimulus package, the Resilience Package, which included a Jobs Credit scheme that reimbursed employers a portion of wages for every local worker they retained.

4 The strong tradition of tripartism in Singapore has been instrumental to our ability to weather the downturn. The mutual trust, common understanding and a willingness to make sacrifices together have allowed us to minimise job losses, maintain our resilience, bolster the skills of our workforce during the downturn, and ride on the global economic recovery to grow again.

Progress in Recovery

5 ASEAN members are well positioned to capitalise on the strong growth potential in Asia. The International Labour Organisation (ILO) has projected economic growth of around 4

percent for the South East Asia and Pacific region in 2010, higher than the global average of 3.1%.¹

6 As Singapore looks to the future, a key strategy for sustainable economic growth is to raise productivity, particularly through boosting skills and innovation. Beyond investing heavily in education for our young people, we are also building up our continuing education and training infrastructure for our adult workers. We are expanding industry-recognised skills training covering a wide variety of areas. We are developing high quality training institutions and we will strengthen career services to cater to the entire workforce. Lifelong education and training enables our workers at all levels to continuously update their skills to meet the changing needs of our economy as it develops. It will allow our workers to switch to new sectors and progress further in their careers.

7 In addition to investing in the skills of our workforce, we have embarked on several strategies to make the productivity transformation. We have introduced new tax incentives and

¹ ILO, Global Employment Trends, January 2010.

grants to encourage enterprises to re-engineer their processes, innovate and create new value. At the same time, we will encourage companies to reduce their reliance on low-skilled foreign manpower and invest more in capital and skills. To galvanise this major national effort, we have set up a high level National Productivity and Continuing Education Council.

8 I am certain productivity and skills development are also important areas for other ASEAN members. The ILO has estimated that between 2002 and 2007, labour productivity accounted for approximately two-thirds of ASEAN's total economic growth.² Further productivity growth will be essential for ASEAN to strengthen its competitiveness, attract investments, sustain economic growth, and improve the lives of our people. I look forward to continued discussion with fellow ASEAN members on strategies for skills development, to raise productivity and enhance competitiveness for our whole region.

Collaboration with ASEAN Members

²ILO, Labour and Social Trends in ASEAN 2008: Driving Competitiveness and Prosperity with Decent Work.

9 I am pleased that the collaboration among ASEAN member states on various projects has continued to broaden and deepen. Singapore has benefited from projects led by fellow ASEAN members under the Labour Ministers' priority areas. We have also been honoured to lead some of these projects.

10 On Occupational Safety and Health, Singapore has been working very closely with the ASEAN-OSHNET and the ILO to further raise regional OSH standards. In February this year, Singapore in collaboration with the ILO organised the first OSH Inspection Course. 29 participants from all 10 ASEAN member states and five other countries attended this one-week course.³ I am glad to learn that feedback from the participants was positive. Such efforts will help us strengthen our capacity to raise OSH standards.

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11 Singapore has published the first ASEAN-OSHNET book on Good Occupational Safety and Health Practices, together with the ILO. In addition, Singapore has continued to offer technical assistance to member countries. For example, we embarked on two separate missions to Myanmar and Laos in January 2010 and

³ The countries were China, India, Japan, Korea and Nepal.

November 2009 respectively to work with both countries on their OSH framework.

12 Singapore will continue to support the efforts of ASEAN-OSHNET. Therefore, I am pleased to announce that Singapore will be hosting an OSH policy dialogue to chart ASEAN-OSHNET's next steps forward. I look forward to the support from member states for this important OSH initiative.

13 In addition to projects on the OSH front, Singapore hosted an ASEAN Tripartism Seminar last November. Organised by my ministry together with our tripartite partners, the event attracted some 40 delegates from the ASEAN member states and the ILO. The delegates discussed their countries' response to the economic downturn, as well as social partners' roles in developing and implementing downturn measures. I am heartened to note that many delegates found the event topical and the opportunities to build rapport with regional counterparts useful.

14 To support the efforts of the ACMW (ASEAN Committee on the Implementation of the ASEAN Declaration on the Promotion and Protection for the Rights of Migrant Workers), Singapore also

recently organised the ASEAN Workshop on Eliminating Recruitment Malpractices in April 2010. The Workshop focused on sharing best practices in tackling common recruitment malpractices. Participants also had the opportunity to come together to explore ways to enhance cooperation among ASEAN Member States on the labour migration process.

ILO Titular Membership

15 Singapore has been honoured to serve as ASEAN's titular member at the ILO Governing Body since June 2008. With the support and contributions from our ASEAN neighbours, we have been able to make active and meaningful interventions on behalf of ASEAN to improve the functioning of the Governing Body and shape the GB agenda. Moving forward, we will continue our efforts to ensure that the views of ASEAN are heard and that collaboration between ASEAN and the ILO in areas of mutual interest is further strengthened.

Conclusion

16 Excellency and Chairperson, Singapore is confident that under Vietnam's able leadership of the ASEAN Labour Ministers' Meeting, we will have a very fruitful 21st ALMM and we will continue to make good progress in the areas of labour cooperation and human resource development.

17 Thank you.

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