

**SPEECH BY SENIOR PARLIAMENTARY SECRETARY
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TAN WU MENG
IN PARLIAMENT ON 15 MAY 2018
DEBATE ON PRESIDENT'S ADDRESS**

Growing better

INTRODUCTION

Mr Speaker,

1. Thank you for the opportunity to join in this debate. I support the Motion.
2. Yesterday, in this House, there was wide agreement that inequality is one of the great challenges of our era.

Not just in Singapore. But also across many nations and societies.

3. Much of the talk is about redistribution, yet it is also about social cohesion.

Whether fellow Singaporeans see each other as brothers and sisters.

Because if you do not see your neighbour as your brother, there is no motivation to be your brother's keeper.

4. But, is it enough, to have social cohesion and redistribution?

Both are important, but are they enough to sustain a fair and just society?

Not just for one term of government, or one generation, but for generations to come?

5. Mr Speaker, to **sustain** a more fair and more equal society;

To help our workers and families keep pace with the cost of living, as the world changes around us;

There must also be economic growth.

Quality growth.

Quality growth, so our people can rise and live better

6. Growth, combined with reinvestment in our people and our communities, is a force **against** inequality.
7. A slow economy favours old money:
 - a. Those who already own capital;
 - b. Those who already own land;
 - c. Those who can charge rents without labour or innovation;
 - d. Those who build a rentier society without value creation.
8. Singapore must **never** become a society where there is only old wealth, without new enterprise. There has to be growth — good quality growth.
9. Quality growth rebalances an economy, so that the rate of return on capital, can be matched or surpassed by the rate of return on work:
 - a. Whether it is deeply skilled work by an artisan craftsman or specialist nurse;
 - b. Knowledge work by experts with deep learning and inter-disciplinary skill — there are lawyers today learning blockchain, and studying how it will transform ledgers and transactions;
 - c. Innovation work as ideas are generated and implemented. Makers making the future. Advanced manufacturing, where robotics and 3D printing meet the Internet of Things. Not just buzzwords, but the factories of tomorrow.
10. Growth is how we help young Singaporeans and our SMEs to rise and do well.
11. We continue to learn from the experiences of other countries. The role of government and businesses. Reinvesting to regenerate shared resources and the common space.
12. I spoke on this during the 2016 Budget Debate.
13. Earlier this decade, there was a Harvard study by Michael Porter. They found some US businesses were not investing enough – not enough investment in workers' skills, not enough development of supply chain networks; not enough infrastructure.

14. Even though investment would have helped all companies do better, it did not make short-term business sense for individual companies. Clayton Christensen calls it “The Capitalist’s Dilemma” — the short-term versus long-term dilemma in business.
15. But in Singapore, with the support of fellow Singaporeans, the Government and businesses can work together to reinvest and regenerate.

Investing in workers and shared skills.

16. Revitalising our workers’ skills – because it helps workers and helps businesses.
 - a. The ongoing tripartite effort to upgrade workers’ skills is an investment in our brothers and sisters in the workforce.
 - b. And we must continue encouraging companies to invest in skills upgrading — because this uplifts the worker, and uplifts other companies in the sector. It must be part of the culture and social compact between employers and workers.
 - c. Helping our fellow Singaporeans to go regional is part of this too.

Investing in shared infrastructure and shared knowledge.

17. Economists like Mariana Mazzucato have written about this. She points out that the iPhone built on many innovations originally funded by the US government.
 - a. The Internet started out as a project funded by the defence establishment.
 - b. Touchscreen technology was initially developed at the University of Delaware, with partial public funding.
18. Closer to home, Enterprise Singapore is leading FoodInnovate, a multi-agency programme.
 - a. One feature is **shared infrastructure**, such as a high pressure processing resource (HPPR).
 - b. Small SMEs alone would have difficulty buying such equipment.
 - c. But when agencies establish a shared resource, many companies benefit, including smaller SMEs.
19. Sharing experiences and knowledge can help too.
 - a. Overseas market workshops, whether on the Belt & Road Initiative (BRI), or on Consumerism for Indonesia.

- b. Programmes for mid-career professionals, such as Enterprise Singapore and Workforce Singapore teaming up, to help mid-career professionals develop skillsets for regional jobs in the Wholesale Trade and Logistics Sector – it's called the Professional Conversion Programme for Southeast Asia.
- c. Our trade associations and chambers (TACs) have an important role in this journey. Veteran entrepreneurs sharing knowledge and mentoring younger SME owners.

20. Mr Speaker, Quality growth is good for workers, good for businesses, good for our society.

- a. It is one key aspect of fighting inequality.
- b. Growth also can help Singaporeans with the cost of living.
 - i. Singapore is small. We are price takers.
 - ii. But we can invest in our people, and uplift and empower our workers. Better jobs. Better prospects.

21. Quality growth is part of the mission of our economic agencies – to create opportunities for young Singaporeans of all backgrounds, by growing and transforming our economy.

22. Opportunities to rise, whether in a 21st century MNC or through starting an SME that may someday turn into a unicorn – whether you were born in private property or in a rental flat.

23. Opportunities to grow, through picking up skills and experiences – no matter what background you come from.

24. Opportunities to take flight, to learn management and leadership, to gain overseas work exposure to develop your potential – regardless of whether your parents have pre-existing wealth or entrepreneurship networks.

CONCLUSION

25. Mr Speaker, we are small, but **we can** and **we must** be **brave and bold**.

Brave enough to face the future; bold enough to overcome.

26. And so long as we stand together, brave and bold, we will survive and we will thrive.