

Singapore Government

PRESS RELEASE

Media Division, Ministry of Information and the Arts, #36-00 PSA Building, 460 Alexandra Road, Singapore 119963. Tel: 3757794/5

=====

EMBARGO INSTRUCTIONS

The attached press release/speech is EMBARGOED UNTIL AFTER DELIVERY.

Please check against delivery.

For assistance call 3757795

=====

SPRINTER 4.0, Singapore's Press Releases on the Internet, is located at:

<http://www.gov.sg/sprinter/>

=====

EMBARGOED TILL AFTER DELIVERY

PLEASE CHECK AGAINST DELIVERY

SPEECH BY DR ALINE WONG, SENIOR MINISTER OF STATE FOR EDUCATION, AT THE 2ND SME DAY CUM ASME-HP WOMAN ENTREPRENEUR OF THE YEAR AWARD PRESENTATION HELD ON FRIDAY, 19 NOVEMBER 1999, AT 7.15 PM, AT THE SINGAPORE INTERNATIONAL CONVENTION AND EXHIBITION CENTRE (SICEC), RAFFLES BOULEVARD

Mr Derek Goh, President of the Association of Small and Medium Enterprises (ASME),

Excellencies, distinguished guests, ladies and gentlemen.

A very good evening to all of you.

2 I am pleased to be invited by the Association of Small and Medium Enterprises (or ASME) to officiate at the 2nd SME Day cum ASME-HP Woman Entrepreneur of the Year Award Presentation Ceremony this evening.

3 The new millennium presents new and exciting challenges. Information technology and the internet will continue to have a dramatic impact on the way we carry out our business. Most importantly, it is no longer size, history and prestige

that make a company successful, but rather the ability to innovate, seize new opportunities and work borderlessly to meet the changing demands of the market place. In particular the Small and Medium Enterprises (SMEs) have great opportunity for growth. By exploiting the opportunities in the KBE, SMEs can leapfrog the bigger players and enjoy more than just linear success in the old industrialised economy.

4 The government is committed to helping local enterprises succeed in the knowledge economy. Even in 1988, it was recognised that SMEs had an important role in shaping the future of Singapore. In 1988, the SME Masterplan was developed by EDB and marked the first phase of a co-ordinated national effort to strengthen and upgrade SME capabilities and encourage growth via regionalisation. As SMEs face the new millennium, they are confronted with a vastly different set of challenges, thus, in May 99, a Steering Committee was set up to chart SME 21, which is a 10-year strategic plan that will help SMEs grow in the new environment. Already SMEs have access to a wide range of schemes under the Government Development Assistance Scheme to help SMEs upgrade, expand or globalise. These include the Skills Development Fund (SDF) under the PSB, and the \$1.7 billion Technopreneurship Investment Fund (TIF) under the NSTB.

5 At this juncture, I would like to encourage our SMEs to ride on e-Commerce to stay competitive and explore new ways to deliver better goods and services to their customers.

6 Electronic commerce represents a fundamental change in the way companies do business and deliver services, and in how suppliers and customers establish relationships with one another. Businesses can use e-commerce to streamline and integrate processes along the entire business value chain, and create a strong competitive edge. They will benefit from reduced costs, faster turnaround times, and the ability to tap new and bigger markets around the world. These benefits are particularly relevant for local enterprises, especially the SMEs, which will be able to exploit the borderless nature of e-commerce to reach out to the international community in their search for partners, suppliers and customers.

7 The Government's commitment to promoting e-commerce is laid down in the Electronic Commerce Master Plan, announced in September 1998. The Master Plan aims to achieve S\$4 billion worth of products and services transacted electronically through Singapore and to have 50 per cent of businesses use some form of e-Commerce by the year 2003. For our SMEs, some relevant examples of the Government's thrust to enhance industry productivity through e-Commerce are networks for the retail industry such as the ShopNet and BookNet. The National Computer Board (NCB) is supporting SMEs in the use of e-Commerce through assistance programmes and training schemes. It has extended the Local Enterprise Computerisation Programme (LECP) to include funding for e-Commerce activities. Let me just mention here NCB's grant for the first 500 local enterprises that adopt e-Commerce, to cover up to 50% of the cost of acquiring e-Commerce applications and services, (subject to a cap of \$20,000 per company). This grant also includes hardware and software purchases as well as subscriptions to e-Commerce bureau services and basic connection charges to Singapore ONE.

8 I understand that your Association will be hosting the Inaugural World Summit on Small Business in March 2000. This event will attract SMEs, MNCs and government institutions from the 110-nation World Association for Small and Medium

aw19991119g

Enterprises (WASME). ASME, together with the local chambers of commerce and industry associations, can take advantage of global networking to promote our SMEs and showcase Singapore as a 'World-Class economy and World-Class home'. Here, I would like to wish ASME every success in the World Summit.

9 As entrepreneurship is crucial to meeting the challenges of the KBE, I would also like to commend ASME for taking the initiative to promote entrepreneurship at the grassroots level through its Institute of Entrepreneurship Development.

10 The highlight of this evening's event is the ASME-HP Woman Entrepreneur of the Year Award which was inaugurated last year. This Award serves to recognise and motivate our women entrepreneurs to excel in their enterprises and share with their fellow citizens their success stories. The 11 outstanding finalists should be applauded for their excellent work and the multiple roles they play: at work, at home and in the community. They are not only role models for the 800,000 Singapore women in the labour force, many of whom are struggling to juggle their multiple roles every day, but they are also exemplary for being among the small number of working women who dare to venture and become entrepreneurs in their own right.

11 When I checked out the figures from the 1998 Labour Force Survey, I was heartened to find that the number of women employers has increased by 59% between 1988 and 1998 (from 8620 to 13,677). However, this number is not large, and what is noteworthy is that over these ten years, the proportion of women employers in the female labour force has not increased at all. It has stayed at 1.7%. Perhaps the only consolation is that the proportion of male employers has also not increased over the years! For them, it has stayed at 7.0% of the male labour force. But these low percentages among both men and women are surely something we cannot be proud of. Even when we combine the number of employers, own-account workers and contributing family workers, the total proportion of self-employed people in Singapore, at 13.6%, is lower than the 17.5% for Japan and 30.0% for Taiwan. We really have some way to go in terms of developing entrepreneurs.

12 For women entrepreneurs, the added responsibilities of taking care of their families are a familiar story and, for many women, an impediment to their achievements. If we leave aside this question which affects all women workers, women entrepreneurs face the new challenge of the Net economy. But as I said earlier on, e-commerce actually presents great opportunities for SMEs. Women entrepreneurs should gear themselves up and seize these new opportunities.

13 I am therefore happy to note that ASME plans to or has already formed a Women Entrepreneurs' Chapter. I hope this Chapter will work closely with the various government agencies to come up with plans to assist women entrepreneurs to conquer the new frontier.

14 On this note, I would like to once again commend the ASME and Hewlett-Packard Far East Pte Ltd for jointly promoting the Award this year. As we all know, the new president and chief executive of Hewlett-Packard is a woman, Ms Carleton (Carly) Fiorina. She was in Singapore just last month for a familiarisation tour. We wish her every success in leading HP forward. She is a role model for women, just as tonight's finalists are role models for us all. Thank you.

National Archives of Singapore