

**SPEECH BY PRIME MINISTER LEE HSIEN LOONG AT
THE 2005 ADMINISTRATIVE SERVICE DINNER
24 March 2005, 8pm, Conrad Centennial Singapore**

INTRODUCTION

1. Every year, AOs gather at this dinner, to take stock of the state of the Service, to bid farewell to those leaving us, and to confer promotions on those who are ready to take on greater responsibilities.

2. This year's Administrative Service Dinner is a watershed event for the civil service. Our country is facing great and exciting challenges, and so therefore is the Administrative Service. We have a bumper crop of 50 promotions. At the same time, several of our faithful and experienced PSs are retiring, making way for younger blood.

MR LIM SIONG GUAN

3. The first major change is the appointment of a new Head of Civil Service. Mr Lim Siong Guan will step down as Head with effect from 1 April 2005. He will be succeeded by Mr Peter Ho, Permanent Secretary (Foreign Affairs) and concurrently Permanent Secretary (National Security and Intelligence Co-ordination).

4. I have been privileged to know and work with Siong Guan over nearly three decades. Our association goes back to the mid 1970s, when we were both serving in MINDEF. He remained in MINDEF for many years. In 1994, he became the permanent secretary of PMO. There he championed PS21, pushing the service to reform itself for the future, and putting in place rigorous human resource systems to retain and groom talent in the civil service. In 1997, when we needed to strengthen and invigorate the Ministry of Education, I sent him to MOE. As the permanent secretary, he motivated the teachers and principals in all the schools, and was a

principal architect of the “Thinking Schools, Learning Nation” programme. In recent years, we have worked closely in the Ministry of Finance.

5. As Head of Civil Service, Siong Guan has shaped and developed the public sector. He has delved deeply into critical policy and service issues, driving inter-agency co-operation, cutting waste, questioning agencies as to why they cannot be more pro-enterprise, and initiating many new ideas to upgrade the Service.

6. Siong Guan is a great developer of people. He has a knack for drawing out the talent in young officers, and mentoring them. Perhaps this is because of his genuine and deep concern for people. It is also because he has strong principles, which he holds deeply. He pushes for what he believes in, and his enthusiasm and sincerity is contagious. Thus he has inspired an entire generation of younger officers to serve and excel.

7. After serving as Head of Civil Service for five years, Siong Guan asked to step down. He wanted to establish the system of a fixed term Head of Civil Service appointment, a change from the old practice where the Head served until retirement. So after Siong Guan retires as Head of Civil Service, he will continue as Permanent Secretary (Finance). On behalf of the Government, I place on record our appreciation to Siong Guan's for his sterling contributions as Head of Civil Service. I have no doubt that he will continue to contribute in other capacities to the public service and to Singapore for many more years.

MR TAN CHIN TIONG AND MR KOH YONG GUAN

8. I also wish to recognise the contributions of two other permanent secretaries.

9. Mr Tan Chin Tiong retired last July, after 37 years of service. Chin Tiong contributed significantly to the SAF, where he rose to become

Deputy Chief of the General Staff. In the Administrative Service, he served successively in the Ministries of Finance, Law, Home Affairs, Information and the Arts, and Foreign Affairs. As Permanent Secretary (Foreign Affairs) from 1997 to 2004, he provided steady leadership to the Ministry at a time when Singapore had significant bilateral problems with neighbouring countries. I am pleased that Chin Tiong is continuing to serve the country as Singapore's Ambassador to Tokyo, which is why he is unable to join us this evening.

10. Mr Koh Yong Guan will be retiring in June this year. He also cannot be with us today because he is on sabbatical leave in Basle, Switzerland. Yong Guan served in the Ministries of Finance, Education, Defence, Health, National Development, the Inland Revenue Authority of Singapore (IRAS) and the Monetary Authority of Singapore (MAS). When he went to Inland Revenue Department in 1991, he converted what was then a government department into a self financing statutory board. This was a revolutionary idea at the time, but it was the key step in transforming and reinventing the organisation. When I became the Chairman of MAS in 1998, I chose Yong Guan to be Managing Director. In MAS too he was an agent of change, growing the organisation, breaking down barriers between departments, and giving opportunities to younger officers. He helped to change MAS from being a secretive agency that dictated to the industry, to an open organisation which welcomed industry views, explained the thinking behind its decisions, and accepted calculated risks in order to grow the financial sector. After retiring from the Administrative Service, Yong Guan will become Chairman of the Central Provident Fund Board and head the Steering Committee organising the IMF-World Bank meetings next year.

CONTINUED LEADERSHIP RENEWAL

11. In the next two years, 11 more PSLs will be retiring, including 7 PSs. At the same time, we are grooming the next rung of leaders. Since 2000, 12 new PSs have been appointed.

12. It is understandable that many officers feel a little unsettled because of the changes, but this is not the first time the service is undergoing leadership renewal on this scale. It is always difficult to see experienced officers go, especially when they are still able to contribute. They have served for many years, and proven their reliability and worth. But all organisations – the political leadership, the military, grassroots organisations, MNCs, even a football team – face this dilemma of balancing continuity and renewal. If the turnover is too fast, we lose good people unnecessarily, and the team will not gel. But if the turnover is too slow, the organisation will become too settled, promising people at the next rung will stagnate, and eventually we will also lose good talent. So we have to persevere with leadership renewal, judge the pace as we go along, and make sure that we have successors ready at each level. This is the purpose of the Public Sector Leadership (PSL) framework.

13. I am forcibly reminded of this each time I meet visiting officials from China. In the past, the visitors always marvelled at the youth of our officers and ministers. We would be in our 30s and 40s, and they would be in their 50s or 60s. But now when we meet them, they are often younger than our people. The Chinese have made a systematic effort to move young leaders up into senior positions. They are the ones driving the dramatic transformation of China. Suzhou is a city of 6 million. Its previous Mayor was appointed at 39. The present Suzhou Party Secretary is 46. It is the same picture across China, and at all levels.

14. We must learn from what China is doing. The Administrative Service has prepared for this transition for many years. The Service is stronger now, in terms of breadth and depth of talent, than it has ever been before. The newly appointed PSs have all worked under or alongside the senior PSs who will be retiring, learning the ropes and receiving guidance. Compared to the older PSs, their careers have been more systematically managed and developed.

15. The team may look young, but remember that in the past, AOs became PSs even earlier – in their early thirties, and yet proved highly competent. In time the best of them matured into heavyweight PSs. The new PSs are not yet as experienced as the people they are replacing, but they compare well with their predecessors at the same point of their careers. We have to move people boldly, and take some risks when trying out promising officers. We can afford to do so as experienced PSs will still be holding key positions, to watch over and complement the youth and energy of younger PSs.

16. I am therefore confident of the new team, under the leadership of an able new Head of Civil Service. I urge all AOs and civil servants to give Peter Ho and the new team of PSs your full support in taking the Public Service into the future.

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TAKING STOCK, LOOKING FORWARD

17. Last year, Minister Teo Chee Hean outlined three critical challenges of the Administrative Service: (a) enhancing inter-agency collaboration; (b) taking risk and embracing diversity; and (c) deepening understanding of businesses and markets. These strategic issues continue to be relevant to us. Moving forward, the Government will have to implement many policies and programmes to turn into reality the vision of Singapore as a Land of Opportunity. In doing so, it will have to manage many difficult trade-offs,

and reconcile competing concerns between ministries. Hence, increasingly, the civil service must be able to rise above the silos of individual ministry interests and work together to find creative national solutions to problems.

18. This will require a close working relationship between the civil service and the political leadership. Tonight, I would like to talk about this relationship. Given that we now have a new team of Ministers and PSs, it is timely for us to set out again the basis which has produced a good and strong government for Singapore for many years. The fundamentals of this relationship have not changed, but they have to be applied in a different situation by new people to fresh problems.

POLITICAL LEADERSHIP AND THE CIVIL SERVICE

19. We often say that Singapore has done well because it has good leaders at the top, able and committed officers down the ranks, and a system that is clean and efficient. But a superior civil service does not fully explain why we are able to implement good policies. The more basic question is: why is it Singapore can have such a civil service, and what enables it to work properly?

Pursuing Rational Policies

20. The answer lies in the political realm, and particularly in the unique way politics has evolved in Singapore. Our people are united in purpose, they understand what the Government is trying to do, they have given the Government a strong mandate, and they are working with the Government to implement intelligent and effective solutions to our problems.

21. For its part, the Government is strongly committed to promoting the long term interests of Singapore. It has shielded civil servants from political interference, and given them the political backing to see sound policies through. This establishes a political context which gives civil servants the

space to work out rational, effective solutions for our problems, and to grow professionally. It creates a virtuous circle of sound policies, good government and strong political support.

22. Few other countries operate like Singapore. Many governments have to struggle mightily to get the basics right. Not because they do not know what policies they need or lack the talent or capabilities. The difficulty is more fundamental: mustering the political will and consensus to adopt the right policies in the first place. Either vested interests get into the way, or the government of the day cannot afford to pay the political price for an unpopular policy which will only show results beyond the next election.

23. To take a fresh example, Indonesia has just reduced subsidies on fuel, triggering protests and demonstrations across the country. For many years economists have advised successive Indonesian governments that these expensive subsidies were bankrupting the government. President Megawati tried twice to reduce them, unsuccessfully. Only now in President Susilo Bambang Yudhoyono, newly elected with a landslide victory, has Indonesia had a President with the mandate to act and the resolve to make his decision stick.

24. Thus many countries envy Singapore's ability to take a longer view, pursue rational policies, put in place the fundamentals which the country needs, and systematically change policies which are outdated or obsolete. Even where policies are basically sound we are still not satisfied, and will fine tune them repeatedly so that they work exactly as intended. We should not get overly caught up in fine tuning policies. The world is inherently messy, things rarely go according to plan, and often the hardest solution to find is the simplest. Nevertheless, it is hard to imagine civil servants operating this way in nearly any other country. But in Singapore AOs can practise public administration almost in laboratory conditions.

Satisfying Popular Aspirations

25. Almost, but not quite. The civil service may be shielded from political pressures, but the Government has to respond to these pressures, to develop policies which satisfy popular aspirations, and to persuade the public to accept unpopular policies when these are necessary. That is what government is about.

26. The civil service therefore does not create policies in a vacuum. Policy objectives are ultimately determined in the political arena. Civil servants must shape policies with a view to their political impact, and be sensitive to the politics of the issues you handle. Political leaders must bring out the hard realities of our economy and society for public debate, so that a consensus can be reached, the best way forward chosen and rational solutions implemented. So most often the final policy is the result of many iterations, going back and forth between the ministers and the civil servants, shaping a result which both achieves the political objective and solves the practical problem. This is obvious to any officer who has dealt with public housing or land transport policies, but it is true of all ministries.

27. AOs must therefore understand the political context within which you operate. When Singapore first attained self government, we set up a Political Study Centre to educate civil servants about the political realities and the urgent priorities of the government. Today the Civil Service College runs courses for AOs with a similar objective, and we send AOs to attend Meet the People Sessions, to see first hand how policies are impacting Singaporeans.

28. While AOs must be sensitive to the politics of the issues you handle, you are not yourselves politicians. You do not make the political judgment whether to proceed with a policy, nor are you the ones who must persuade the public to support it. That is the responsibility of the minister, and ultimately the Cabinet. In advising them, civil servants should never lose

your professional objectivity, or second guess the minister and propose only what you think he will find politically convenient. Once you do that, you lose your usefulness and our system will lose its integrity.

Working with the Public

29. Part of being a professional AO is being able to connect with the public. Even though you do not campaign for policies yourself, public communication has become an integral part of policy making. You have to seek public inputs to test ideas, sharpen analyses, and discover opportunities. You have to manage diversity, engage and persuade, work with other ministries and partners outside of government, relate to the media, and understand the man in the street. In a more pluralistic and less deferential society, this is the only way to get things done.

30. Other countries face this need too. In Britain, civil servants used to work in comfortable anonymity. But now they have to attend media training, to learn how to handle tough questions from the press. In the US, the top four layers of the administration are political appointments, which change totally with each new administration. This makes the administration politically responsive, but also leads to a culture of patronage and the revolving door. In Singapore, the challenge will be to retain the virtues of a non-political civil service, while ensuring that it is relevant to the big issues, not just in technical policy advice but also delivery.

31. In such an environment, implementing public policies is more challenging than ever. We are tailoring our policies to a wider range of public aspirations, cutting red tape and making things simpler. Policies have to be clear and firm, but they also need to be implemented flexibly and with good sense. It is not good enough for civil servants just to treat rules as commandments and perpetuate time-tested precedent, without realising that rules may not be perfect, or perhaps circumstances have changed and rules need to be altered. Your job is to see opportunities and

solve problems, not to choose the easy solution by just saying no and transferring the problem back to the member of the public or some other department. But on the other hand, no civil servant can oblige every request that he receives to bend the rules or allow an exception.

32. A competent civil servant who has mastered the art of implementing will know when he needs to hold firm to a policy, when an exception is justified, and when the policy itself needs to be reviewed and changed either by him or his superiors.

33. We often hear complaints about civil servants being rigid and bureaucratic, and not understanding realities on the ground. I know that some civil servants, especially the younger ones, are troubled when they get “scolded” by the public. They naturally look for political support, especially when they have to carry out tough policies. On the other hand, MPs and the public sometimes accuse ministers of backing their civil servants right or wrong, and not admitting to mistakes in policy making or execution.

34. It is the minister’s job to make sure that civil servants under him can do their jobs. The minister has to justify to the public what his ministry and officials have done, and defend them when necessary. If civil servants are criticised for carrying out an unpopular but necessary policy, the minister has to defend them. For by convention civil servants do not reply to public criticisms of themselves, even though I have no doubt that if the Instruction Manual allowed them to, many would be perfectly capable of delivering telling ripostes.

35. However, the civil service, and indeed ministers, should not respond defensively to criticisms. We should take criticisms in the right spirit, and examine whether we have made mistakes, and how we can do better. If indeed we have erred, we should admit it, apologise, and put it right. That

does not mean that every mistake must attract retribution. If we punish people every time a mistake is made, regardless of whether it was an honest mistake, soon no civil servant will want to make any decisions, or take any responsibility for them. Civil servants will become more kiasu, a failing which the public also rightly complains about.

36. Civil servants can also take some comfort knowing that being criticised in this way is nothing new. Way back in 1976, an MP complained in Parliament that civil servants were unfeeling and bureaucratic, and suggested that they should sit with him at Meet the People Sessions. MM, who was then PM, gave the MP a classic reply. Let me quote from what he said:

“A civil servant who can both do his job as an administrator and be good at the public relations side of it, who is able to say ‘No’ to an obstreperous, vehement and insistent constituent who wants the answer to be ‘Yes’ ... would have learnt the secret of politics and will comprise the Government. So I think it is not an invitation to be made lightly and in jest. Perhaps if the Member... knows how to keep his constituents happy whilst having to say "No" to them in the politest of terms, he should patent the secret, hide it away in a file, and never show it to a good civil servant.

“...We (meaning the Ministers and MPs) are the political side of the Service. I do not defend rudeness. I do not defend arrogance. I do not defend mediocrity. I do not defend the desire to do the minimum and get by. But this is what we have got. ... I think it could have been better, but it may have been a lot worse. ... But to make it better, let us not come here with any scales over our eyes. True, MPs must make some noise for querulous constituents. But it is extremely difficult

when the answer is 'No' to make a member of the public go away happy.”

37. So while the world has changed over the last 30 years, some things have not changed. The older AOs understand this. They have accepted this as part of their Karma, and learnt how to carry on their work unapologetically and faithfully. The younger AOs will in time also learn from them how to do so.

CONCLUSION

38. What are we looking for in AOs, so that they can play their part to fulfil the vision of a Land of Opportunity, and strengthen our system of a strong and effective Government?

39. One key attribute is helicopter quality – the ability to see the big picture in perspective, and simultaneously zoom in on critical details. I believe that most of our policies are basically sound, but that is only because from time to time when circumstances change we make radical changes to abandon time tested policies and strike out in fresh directions. Recognising the moment to smash the old mould and start creating a new one is a key helicopter quality.

40. Second, you must understand the role you play in our system of government. Appreciate the political context within which you operate, but preserve the virtues of a non-political civil service, and work together with the political leadership to govern the country and create the best possible future for Singaporeans.

41. Third, solve problems, and do not just write papers. Do not be bound to your PCs pushing emails. Go to the ground, see the people whom the policies serve, listen, consult, and reflect. Policies can only be as good as how well they are implemented.

42. Finally, the ultimate attribute demanded of an AO is an unwavering dedication and selflessness in serving Singapore. Understand what makes Singapore special, and what makes us tick. Build up your skills and knowledge, foster team spirit, gel the entire civil service machinery together, and press on even in the toughest of times so long as you are convinced of the rightness of the cause. Having done all this, you then have to groom younger leaders to take your place, and eventually step aside yourself so that the next team can take Singapore onto the next level. With each AO doing your part and committing yourself to the nation, the Administrative Service will continue to be a unique strength of our government for many years to come.

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