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SPEECH BY MR LEE KHOON CHOY, SENIOR MINISTER OF STATE
(PRIME MINISTER'S OFFICE), AT THE OPENING OF THE 9TH ASIAN CONGRESS
OF THE INTERNATIONAL ASSOCIATION OF BUSINESS AND ECONOMICS STUDENTS
AT THE REGIONAL LANGUAGE CENTRE ON FRIDAY, 27 AUGUST '82 AT 7.00 PM

I am pleased to be with you tonight at this rather unique gathering. This is not just a social function for students of business and economics. We have the presence of company executives as well as academics from countries in the Asia-Pacific region with different socio-political and economic systems.

This rich diversity of people has a common objective to promote international understanding in the field of management and economics. Indeed, this Asian Congress provides a forum for the exchange of views on topical business and economic issues, seeking at the same time to bridge the gap between the professional, the academic and the student communities.

Despite the different socio-political and economic systems of the countries you come from, we share a common objective - that is, to accelerate economic growth to achieve a higher standard of living for our people. This common aspiration has generated a great deal of interest, particularly among Asian developing countries, in learning about one another's development experiences.

I hope that you will use your presence here in Singapore to have a closer look at our development strategy. May I then give you a quick synopsis of Singapore's experience.

Our development strategy can be characterised as outward-looking and export-oriented. Singapore is a small and open economy. Our products can only successfully penetrate the international market if they are competitive in price and quality.

A policy that emphasises economic efficiency and international competitiveness is one that commits the economy to continuous restructuring and innovation in response to changes in

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international and domestic economic conditions. Industries that are no longer viable have to be replaced with new competitive industries.

The thrust of industrial policy in Singapore over the last 20 years has been to promote greater economic efficiency and to encourage the production of goods and services in which Singapore has a comparative advantage. When, in the late 1970s, market conditions indicated that Singapore no longer held a competitive edge in the manufacture of products involving labour-intensive operations, the industrial policy of restructuring was implemented. The aim of this policy is to encourage the establishment of new higher value-added and technology-intensive industries which are going to command a growing demand in the 1980s and in which Singapore has a competitive advantage.

The formulation of an economic development strategy that is appropriate to given socio-political and economic circumstances is not sufficient by itself for the achievement of rapid growth. In the final analysis, the progress of the economy is dependent on the successful implementation of such plans. The latter is only possible if there are sufficient skilled labour and management expertise available in the country.

This fact is gaining wide acceptance and many governments are now setting up comprehensive manpower development programmes. Singapore is no exception. Our manpower plans for the 1980s call for the rapid expansion of the enrolment capacities of our tertiary institutions while still maintaining the standards of higher education and the quality of graduates. Last year, the number of students enrolled at the National University of Singapore rose by 15 per cent, after remaining at about the same level in the last two years. We are also widening the range of courses offered to our students to suit their varied needs and ability.

Besides training our potential manpower at the University level, we are also actively promoting technical and skill training at our two Polytechnics, the various institutes run by the Vocational and Industrial Training Board, and the seven joint Singapore training centres. Three of these joint Singapore training centres were operational only just this year. One of them, the Japan-Singapore Institute of Software Technology, specialises in

the training of computer personnel to match the demand for such manpower by the growing computer services industry in Singapore.

Employers are also encouraged to provide continuous training of managers and workers to upgrade their skills because of the faster changes in technology as we restructure our economy. In this respect, they are encouraged to use the Skills Development Fund, this being a common pool of funds made available through contributions from employers.

Our plans also call for the optimisation of our scarce manpower by encouraging more women, especially married women, and prematurely retired persons to join or re-join the workforce. A common problem faced by most of our countries is that women tend to leave the workforce once they are married because of greater family responsibilities. It is such a waste to lose their contribution. However we can alleviate this problem by having more flexible working hours and more suitable working conditions for them. Similar incentives should also be given to those who have retired for varied reasons but who should be encouraged to work so long as they can still contribute to productive work.

I am pleased to note that the International Association of Business and Economics Students (AIESEC) is also making its contribution in the area of manpower development. Under AIESEC's International Traineeship Exchange Programme, students are adopted by companies in the country of exchange and placed in management-oriented trainee positions. There is no better way for a future manager to understand overseas management thinking than to come into actual contact with a real working situation.

I am informed that there are at present eight Singaporean trainees placed in overseas companies. Last year, there were 22 trainee placements. As this scheme exchanges student members internationally on a one-to-one basis, more of our local students may have an opportunity to be placed overseas only if more companies in Singapore will offer to take trainees from other countries.

May I urge our local companies to come forward to participate in this wholly laudable and mutually rewarding exchange.

On this note, I now declare this 9th Asian Congress of AIESEC open and wish its participants a fruitful meeting.

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