

## **S'pore's industry transformation all about optimising strategy: Iswaran**

***Rumi Hardasmalani***

**TODAY**, 14 July 2016

SINGAPORE — Amid efforts to build a stronger Singapore, the Government's approach to industry transformation is not about simply "picking winners", but having an "informed economic strategy", said Mr S Iswaran, Minister for Trade and Industry (Industry).

Speaking at the closing of the two-day Conference on the Future Economy of Singapore at Orchard Hotel yesterday, Mr Iswaran, who is the co-chairman of the Republic's Committee on the Future Economy, was responding to questions about the Government's practice of choosing specific sectors to drive growth.

"Business models are changing very fast. So governments are not in the position to identify specific areas of shifts and movements," said Mr Iswaran.

The role of the Government is to find the right intersect between what is an important initiative and what are the sectors that are most ripe, and optimise resources accordingly.

"I wouldn't call that picking a winner, I call that optimising strategy," he said. The Republic, he elaborated, needs an enabling environment to ensure that innovation permeates all segments of the economy amid challenging times.

"We are in an environment that requires adaptation in the short to medium term and investment in capabilities in the long term ... The nature of challenges Singapore faces is complex. It is evolving. And we need all hands on deck to bring together the best possible ideas in understanding and synthesising specific courses of action," said Mr Iswaran.

Highlighting other pertinent areas of focus in shaping the Republic's future economy, Mr Iswaran said: "We are seeing transitions from physical flows to financial flows and now to digital flows. Singapore as an economy has always thrived on being well-positioned at the nexus of these flows. The question before us is how we position ourselves, our companies and people for the digital flows that are growing at an exponential rate."

In a separate panel discussion at the conference, the speakers talked about the role of the Government, trade associations and unions in responding to emerging economic trends; opportunities and threats of new business models; managing the effects of disruptive technology on employers and workers; productivity growth and career progression of the workforce in the future economy.

They noted that Singapore's push for a Smart Nation is in the right direction. However, the Government needs to be agile in policy-making, creating more platforms for innovation and entrepreneurship.

They also noted that MNCs have and will continue to play a critical role in Singapore's future, with Ms Janet Ang, vice-president of Industry Solution Sales Team at IBM Asia Pacific, saying that Singapore must lead in staying relevant to global and local MNCs by creating a positive business climate and developing talent and capabilities for creating jobs.

"Workers will need to develop new skill sets as global trends like the rise of technology reshape the nature of jobs," said Mr Patrick Tay, assistant secretary-general, National Trades Union Congress.

The profile of the workforce, said Mr Tay, is changing with a growing pool of freelance, self-employed workers. This will increase steadily as the shared economy grows and also given the increasing number of PMET layoffs. Unions are partnering training institutes to help a range of workers upgrade their skills and transform themselves to stay relevant.