

## Managing foreign workers, supporting SMEs are key Covid-19 issues that Singapore must tackle, says Chan Heng Chee

**Yuen Sin**

*The Straits Times*, 15 July 2020

The Covid-19 pandemic has highlighted important truths for Singapore, including the need for the country to come to grips with the issue of migrant workers, said Professor Chan Heng Chee in a lecture on Wednesday (July 15).

With their large numbers and dense living conditions posing risks during pandemics, Singapore has to re-examine how fast it can shift its paradigm of economic growth away from the current manpower-reliant model towards greater use of technology, said Prof Chan, who is an Ambassador-at-Large with the Ministry of Foreign Affairs.

She added that the living and working conditions of the workers - an issue that has been consistently highlighted by civil society - needs to be improved. "We can and must do much better," said Prof Chan, who was speaking at the last of a series of three lectures as the Institute of Policy Studies' 7th S R Nathan Fellow.

On a more optimistic note, the pandemic has also demonstrated that Singapore has become a kinder nation, with many coming forward to help vulnerable groups, she said. And while the Government had faced criticisms over the explosion of Covid-19 cases among foreign workers, it has done well in its handling of the pandemic and managed to keep the Covid-19 death rate low, she added.

Singapore also kept supply chains open during the crisis, and food imports were not disrupted during the global lockdown in the last few months, Prof Chan noted.

"We must think through the lessons of this (Covid-19) disruption for urban life and our economic life," she said, adding that the pandemic has been a wake-up call for all citizens to put health security as a top priority, with food security following closely. It is paramount for Singapore, which is without a hinterland, to ensure the continuity of all its supply chains.

Moving forward, the pandemic may well slow the movement of people for a few years, and it may become politically unsustainable to maintain a huge intake of foreigners in the population, said Prof Chan. She noted that the Government has been moderating the pace of immigration, and that a natural attrition in the number of foreign workers will come with the recession.

Singapore must also invest more to strengthen small and medium-sized enterprises (SMEs), start-ups and gig economy workers, she said. While new schemes have been launched to help SMEs, some find it difficult to take advantage of the help available. The bureaucracy has to ensure that assistance is given in a timely and helpful manner, she added.

On the geopolitical front, Prof Chan also noted that Singapore now feels the "pressure and tug of war" between the two global powers, China and the United States. But Singapore - like other countries in Europe and Asia - does not want to make a binary choice between developing a relationship with either power.

Nor does it have to do so for now, she said. For the next decade or two, Singapore will continue to see the US as its preferred strategic and defence partner or friend in Asia, if the US is not

seen to be retrenching its interests. China will also emerge as the important and sought-after economic partner, and increasingly as a technology partner, she said.

"We should not make a choice for as long as we can. Choice will be exercised by each country, to line up with the US or China, depending on what initiatives the two powers put on the table."