

PM outlines plans to chart economy, build on OSC project

Laura Elizabeth Philomin

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Fresh from a “decisive” General Election result that sent an important signal to the world that Singaporeans are determined to keep the country special, Prime Minister Lee Hsien Loong yesterday announced the formation of an economic review committee, and a series of public discussions to build on the Our Singapore Conversation (OSC) project and chart Singapore’s future together.

The committee on “The Future Economy” will be chaired by newly-appointed Finance Minister Heng Swee Keat, who was sworn in along with the rest of the Cabinet yesterday at a ceremony held at the Istana.

“One important area needing review is our economy. We must create opportunities even in a weaker global economy, and move faster towards higher skills, innovation and productivity. These are urgent tasks, because both global economic conditions and because of domestic demographic trends. Both will pose us severe challenges,” Mr Lee said in a speech delivered at the ceremony, which was telecast live and attended by 700 guests including diplomats, Members of Parliament, business and religious leaders, students, and representatives from the Public Service, unions and non-governmental organisations.

Mr Lee added: “We have to create more good jobs and pathways for our workers. We have to help enterprises, especially SMEs (small and medium enterprises), adapt to a lean workforce, and build links with the region and the world.”

The discussions to be organised will centre around “The Future of Us” exhibition — the last major SG50 event to be held in December at the Gardens by the Bay. The exhibition will showcase Singapore’s transformative journey and future possibilities. Themes include building social safety nets, multiple pathways to success, making urban environment more liveable, and technology to transform the way people live and work.

“Now we will take (the OSC project) one step further, to explore how we will build out future together,” he said. “We will debate and argue over what the (next) chapter should contain, how the story should develop. We will do that online and offline, in civil society and in Parliament. That is normal, and healthy. But at the end, we are all co-authors of the chapter.”

The Cabinet line-up was announced by Mr Lee on Monday, with changes in the political office-holders at all but one of the 15 ministries. In all, there are 37 office-holders, up from 33 previously. Among the 20 Cabinet Ministers are the three newly-appointed coordinating ministers — Deputy Prime Ministers Mr Teo Chee Hean and Mr Tharman Shanmugaratnam, as well as Mr Khaw Boon Wan. They will oversee national security, economic and social policies, and infrastructure, respectively.

Citing the more complex challenges that Singapore has to confront in its next phase, Mr Lee said yesterday that these “require fresh and bold ideas, careful balancing of different goals, and close coordination across multiple agencies”. “This is what my new Cabinet, with a mix of experienced and new ministers, is designed to do,” he said.

The recent GE saw the ruling People's Action Party win 83 out of 89 seats, and 69.9 per cent of valid votes.

Mr Lee noted that multinational corporations (MNCs) have been attracted to the country's political stability and quality workforce. And in recent times, they have been watching political developments more closely to see which direction the country is heading. "After the election, EDB (Economic Development Board) told me that an MNC that has been here for many years had just decided to increase its stake in Singapore and make another billion-dollar investment here, creating many more jobs for Singaporeans," Mr Lee said. "I have no doubt that the election result boosted this investor's confidence that they were making the right decision, and that they could be confident Singaporeans would keep our fundamental strong. I am sure that our neighbours noticed too, as have others."

Mr Lee reiterated that he and his team were humbled by the result. "The real winners this election were Singaporeans. We have a strong, stable government, able to take Singapore confidently into the future. Singaporeans showed that we knew what was at stake. At a critical moment, we united to decide our future," he said.

Economists TODAY spoke to welcomed the announcement for an economic review committee, with the country making limited progress in its restructuring efforts. SIM University senior lecturer Walter Theseira said: "A few years after the manpower curbs started to kick in, we still have an economy where employers, especially SMEs, are still struggling to find sources of productivity gains."

Institute of Policy Studies research fellow Christopher Gee noted that there is "some urgency to retool the economy and society", as challenges loom. "Technological change is disrupting a lot of traditional industries and there are fewer iron-rice-bowl jobs around. Investments in education should yield productivity gains in time but we also need to upskill or reskill an ageing workforce," he said.

Emeritus Senior Minister Goh Chok Tong, who was present at the ceremony, said on Facebook that the new Cabinet members will "have their work cut out for them". "The external and internal challenges facing Singapore will be more complex and trying in the years to come," he said, adding that he has confidence in the team which is "as good a one as PM could assemble". "We will know in a couple of years the core members of the fourth generation team. By the end of this term, it will be clearer who is likely to lead Singapore after 2020."