

## **MAS Chief now says SG anxieties need to be addressed after intense debate on CECA in Parliament**

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Last Tue (6 Jul) in Parliament, the People's Action Party (PAP) government continued to maintain that the India-Singapore Comprehensive Economic Cooperation Agreement (CECA) does not allow Indian nationals free entry to Singapore.

Health Minister Ong Ye Kung said that the Free Trade Agreements (FTA) and CECA have not curtailed the power of Singapore immigration authorities to regulate the entry of foreign PMETs into Singapore.

He further dismissed Progress Singapore Party's (PSP) claim that the 127 categories of professionals listed in CECA allow Indian nationals to flood Singapore's job market, saying that all foreign PMETs have to meet the relevant criteria set by the government to work here.

Manpower Minister Tan See Leng added, "None of our FTAs, including the India-Singapore Comprehensive Economic Cooperation Agreement (Ceca), gives intra-corporate transferees unfettered access to our labour market."

Many netizens, however, remain unconvinced. Some claimed that they have first-hand knowledge of how CECA has caused an influx of Indian nationals in their previous workplaces. Others ridiculed Ong asking why the need to list down the 127 professions in CECA in the first place.

### **MAS managing director now talks about need for Singaporean core**

After an intense Parliamentary debate over CECA last week, Monetary Authority of Singapore (MAS) managing director Ravi Menon gave a speech at the Lee Kuan Yew School of Public Policy (LKYSPP) yesterday (14 Jul), saying that there is a need for a Singaporean core.

Just 2 months ago (4 May), he told everyone at a conference that Singapore will have to rely on foreigners to fill the vacancies for technology jobs in the next few years. He said that Singaporeans make up only one-third of the estimated 25,000 tech workforce in the financial sector. That is to say, Singaporeans are not the core tech workers at least in the finance sector.

He added that the pipeline of local tech graduates wasn't enough to fill the vacancies. The large mismatch between demand and supply meant that "we have to continue to depend on foreigners to fill the growing vacancies for technology jobs over the next few years," he emphasized.

“If we tighten this inflow excessively, it will impair not just the competitiveness of our financial centre but dampen the prospects for creating good jobs in the future, especially for Singaporeans.”

But yesterday, he turned around acknowledging that Singapore’s strategy of growing a strong Singaporean core while attracting foreign talents is “coming under strain” amid growing unhappiness among locals over job competition from foreigners.

He now said that the anxieties of how some Singaporeans feel about the influx of foreigners are real and need to be addressed. “We need to resolve this effective divide... Singapore cannot afford to be seen either as lacking in opportunity for our own citizens or unwelcoming of foreigners.”

He shared that some steps could be taken to raise the qualifying salaries of foreign workers here, as well as to do more to stop discriminatory hiring practices.

He suggested continue to raise the minimum qualifying salary for S Pass and Employment Pass (EP) holders with the S Pass minimum salary raised to around \$4,500 from the present \$2,500. But he cautioned against tightening EPs at the higher end, as it could lead to the loss of adjacent local jobs.

Secondly, he also suggested to do more to stop discriminatory hiring. “We might want to consider directly punishing the individuals in the firm found to have engaged in discriminatory hiring,” he said. Such measures could include imposing financial penalties, reducing bonuses and freezing promotions.

“We can accept this as long as the foreigners who come here are of high quality, help to expand economic activity, and thereby help to create job opportunities for Singaporeans... and Singaporeans are always treated fairly,” he added.

In any case, it’s not known how he is going to address the issue of growing a Singaporean core among tech workers in the financial industry, since Singaporeans only compose of one-third in that sector.

It’s also not known if Menon still wants to continue the practice of importing Indian nationals to fill the tech gap since Manpower Minister Tan told Parliament last week that the huge growth of Indian nationals from 14 percent in 2005 to 25 percent last year was due to the “growth of digital economy”.