

Transcript of Speech by Mr S Iswaran, Minister for Communications and Information, at the Debate on the President's Address on 4 September 2020

Introduction

1 Thank you, Mr Speaker.

2 In the course of this week's debate, Members have discussed the geopolitical, technological, economic and social trends that have compelled a point of inflection upon us.

3 These are forces that are beyond our control. Yet, we have to address the dislocations they will cause to our businesses, workers and vulnerable groups. And also, we must position ourselves to reap longer term opportunities. So, the decisions we make now will have a lasting impact on our economy and our society.

4 This is not new. Last week, as I took my Oath in the Old Parliament House, I vividly recalled the first time I did so in the same chamber in 1997, as a newly elected MP of the 9th Parliament of Singapore. So Ms Hany Soh may perhaps be surprised to know that there still are a few in this chamber who took the oath – that includes, if I'm not mistaken the Prime Minister, Senior Minister Teo and also I think Mr Shanmugam. But what it reminded me of is the major challenges that successive Parliaments have navigated, and the tenets that have helped us prevail against adversity, while we held steadfastly to what defined us as a nation.

5 Whether handling a crisis, like the Asian Financial Crisis, SARS, the Global Financial Crisis, or making important shifts, such as in population policy or the use of our reserves; the stakes were high and we had difficult choices to make. And each time, we were honest with Singaporeans on the choices and trade-offs. We sought to foster understanding of our fundamental challenges, and forge a consensus on the way forward. And, Parliament was the key forum for this. And this time is no different.

6 So the question is - what will determine whether the arc of this inflection in our history bends in our favour? Ultimately, it lies in how we choose to respond. In particular, I believe it depends crucially on how we balance two fundamental tenets – staying open and being inclusive. And I would like to give my take on that delicate equilibrium, and the role that Parliament must play in maintaining it.

7 Staying open means a willingness to engage with the world, embrace novel ideas, and seize new opportunities. And on the face of it, the need and benefits seem self-evident. Indeed, even in the course of this week's debate, across the aisle,

we all agree that Singapore must remain open in order to create jobs and opportunities for our citizens.

8 But, this is easier said than done. Staying open means greater competition, disruption, and constant adaptation to change. The outcomes are uneven; in other words, there are winners and there are losers. Societies around the world have fractured because of this.

9 Being inclusive is a critical and vital complement to this. Our efforts to embrace openness must be matched by an equal if not greater effort to achieve an equitable distribution of the benefits and the access to opportunities; to preserve a sense of fairness. Again, we all agree on this, and that we must invest in the skills of our workers, capabilities of our enterprises, have rules for fair play, and redistribute benefits. As DPM Heng said, "We must redouble our efforts to develop everyone to their fullest potential... to take on new opportunities and flourish in their chosen pursuits."

10 So where does the rubber hit the road? It is in the judgements we have to make, in translating those principles into policies and putting them into practice; when the macro benefits do not necessarily square with the micro experience.

- When we have to persuade our workers and union leaders to support technological change that may threaten their jobs, but yet is in our long term interest. When our economic agencies have to convince investors that they can rely on us to be consistent in our policies, including those that pertain to manpower, even as they make long term commitments to Singapore.

11 Sustaining the dynamic economic and social balance, between staying open and being inclusive, is challenging in the best of times; what more at a time of economic uncertainty like the present.

12 So to do so, the foundation must be trust.

Our citizens must know that the lives and livelihoods of Singaporeans are always our priority; that we have their back. As PM said on Wednesday: "The Government will always be on the side of Singaporeans. What is the point of creating jobs for foreigners, if it does not benefit Singaporeans?"

- Equally, our international partners must know that we are not just fair weather friends; that we have the political will to stay the course.

13 Building that trust is the duty of the Government, public service, but importantly, also of Parliament. It requires principled leadership. What we say, but

also what we actively advocate in this House, and ultimately what we do, must all be aligned, because they are keenly watched. We have painstakingly built an open and inclusive economy – that is able to create opportunities for Singaporeans by welcoming competitive enterprises and talent. It is a precious asset that we must not squander.

14 I was therefore reassured when the Leader of the Opposition recognised in his speech that the presence of foreign workers “gives Singapore a vitality that keeps us economically relevant and also provides jobs and opportunities to our fellow Singaporeans”. This is an important signal and it is a good starting point.

15 In contrast, I was troubled when NCMP Leong Mun Wai lamented that we don’t have a homegrown CEO for DBS. By all means, let us passionately argue the case to do more for Singaporeans. But, as parliamentarians, let us also be careful about what our words convey; in this case, the message that we send to those who – to paraphrase Mr S Rajaratnam – have chosen out of conviction to become citizens of Singapore.

I. Openness: Free Trade Agreements

16 How has our openness brought benefits for Singaporeans? Our portfolio of FTAs is a good example. As Minister Chan Chun Sing shared earlier this week, our network of FTAs is greater than the sum of its parts; each and every FTA adds to the network effect.

- Our network of 25 FTAs provides our companies preferential access to economies that together, represent more than 85% of global GDP. They also have rules that protect our companies’ investments.
- This combination of opportunity and stability among other things, has helped attract over 750 foreign companies to establish their regional headquarters (RHQs) in Singapore with nearly 30,000 employees. They also generate demand for local businesses and ancillary legal, financial and other services.
- We have also helped our SMEs to benefit from this market access; and invested in our people so that they can take on regional and global roles.

New Frontiers – Digital Economy Agreements (DEAs)

17 Digital Economy Agreements (DEAs) are another way we are striving to keep Singapore open and connected. These agreements are the new frontier in the global economic architecture. To strengthen our hub status in the digital world, Singapore is actively developing an international network of DEAs.

18 Clear and harmonized rules, as well as interoperable standards and systems, will enhance cross border digital trade. With an open digital trade architecture and safeguards, data can flow more freely and securely across borders, between countries. This will help more businesses manage their global platforms and digital services out of Singapore.

Infocomm Sector

19 These DEAs will give a further boost to our infocomm sector. It is one of our most promising growth areas, offering interesting and attractive jobs and careers for Singaporeans.

- From 2011 to 2018, our infocomm sector registered a 7.1% average annual growth rate in nominal value added to our economy.
- COVID-19 has given the sector, in an ironic way, a further boost, by accelerating the focus on the cloud, connectivity, collaboration because of remote working, and cybersecurity.

20 An estimated 22,000 jobs were created in the last 3 years alone with a median gross salary of \$6,000. More broadly, the total employment in the infocomm sector has grown over 11% from 2016 to 2019. Despite this rapid growth, the proportion of locals has held steady at 70%. This is no mean feat – especially when you consider that the fast growth has also resulted in an intense global competition for scarce talent in this sector.

Typology of ICT firms

21 We want to further increase opportunities for Singaporeans in the sector. But, our talent policy must take into account the variegated landscape of the tech ecosystem, with firms of varying sizes and business models, at different stages of growth, with diverse needs, and thus different staff profiles.

22 There are the digital giants like Google, Facebook and Amazon, who have anchored their Regional Headquarters (RHQ) in Singapore. These firms are at the forefront of global digital innovation and are critical to our ecosystem. They hire many Singaporeans, both here and overseas. But because of the nature and scope of their business, they need a globally diverse talent pool; for example in product development and some of the RHQ functions. Therefore, the proportion of locals may not be as high as the national average, now or even in the steady state.

- For example, firms like Google and Twitter have APAC engineering teams here. The talent they require include highly skilled product managers and AI scientists, who are globally scarce.
- In the long-term, these companies can help Singapore become an innovation centre and catalyse the growth of our local tech ecosystem. Google has collaborated with the Government on the programme Skills Ignition SG, which will train up to 3,000 Singaporeans for roles in growth areas like digital marketing and cloud technology.

23 We also have local unicorns like Grab and SEA. They started with and maintain a Singaporean core, but with their rapid international expansion, they too need a strong complement of regional and global talent to be able to compete. At the same time, their increased reach allows Singaporeans in these firms to venture overseas and gain global experience.

24 Our Large Local Enterprises (LLEs) like SingTel start from the other end of the spectrum, with a high proportion of local because of where they began. As they grow internationally, and branching into new tech areas like cybersecurity and cloud based services, they increasingly seek out global talent to complement their Singaporean core.

25 Then there are the IT services companies, which play an important role in supporting many other sectors such as finance. Here, as Minister Josephine Teo has explained in detail, there is more that we can and will do to reduce concentration and over-reliance on foreign manpower, while strengthening the pipeline of jobs for Singaporeans.

- Some have suggested offshoring as a solution. I want to echo Minister Ong Ye Kung's caution. This is not straightforward as often there are linkages across different functions. We should also recognise that with increasing digitalisation, the scope to work remotely has increased and as MOS Alvin Tan talked about, can work in our favour or against us. Do they want to locate those services, the people providing them in Singapore or would they rather do it remotely. We want them to choose in our favour, when the jobs are the type of jobs that we want Singaporeans to have.

26. So, we need a differentiated approach for this diversity of companies in the infocomm sector. Our challenge is to work with these companies to continue creating career opportunities for Singaporeans, while recognising that we must allow them to have the necessary diversity in their talent base, especially in emerging areas, in order to strengthen our position as a digital tech hub.

II. Inclusive Growth

27 As with globalisation, the digital transformation of our economy must also be inclusive with opportunities for every worker, regardless of background; and every business, regardless of its size or stage of growth. MCI's vision is for

- Every business to be digitally-empowered
- Every worker to be digitally-skilled
- Every citizen to be digitally-connected
- Education, Enterprise and Worker Support

28 So, we are intensifying our efforts, working with the industry and unions to transform sectors, ease business transitions, create opportunities for jobseekers and reskill workers. Indeed, the digital economy is a bright spot, offering more than 18,000 jobs and skills opportunities under the SGUnited Jobs and Skills Package.

29 Our goal is to have as many skilled Singaporeans as possible to take up these roles, so that is why we are scaling up our efforts, both in pre-employment and continuing education.

- In the last three years, our Autonomous Universities (AUs) trained about 1,000 ICT graduates annually. This has almost trebled and today, the undergraduate enrolment collectively is about 2,800. We also have around 4,500 Polytechnics and ITE graduates annually in these fields.
- The TeSa programme (Tech Skills Accelerator) has successfully placed about 6,600 Singaporeans in tech jobs to date. Looking ahead, IMDA is working to place and train an additional 5,500 Singaporeans in good tech jobs over the next two to three years in functions like digital marketing, software engineering, cybersecurity and data analytics, including 2,500 mid-career professionals aged 40 and above.

30 At the enterprise level, we have enhanced the Productivity Solutions Grant and Enterprise Development Grant, to help our companies, adopt digital solutions and succeed. For SMEs in particular, we have the Start Digital, Go Digital and Grow Digital programmes to help them, as the name suggests, at different stages of growth, from when they are formed to as they scale and eventually as they venture overseas.

Digital Inclusion (Citizen Support)

31 We also want to ensure that our digitalisation journey includes every citizen.

32 As such, MCI has stated in our addendum to the President's address that we will ensure that all Singaporeans have a baseline level of affordable digital access and digital skills.

- We will help Singaporeans acquire the tools and skills necessary to participate meaningfully in our digital economy and society.
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- These include affordable devices, mobile and broadband connectivity, e-payments tools and bank accounts, SingPass and a National Digital Identity to transact securely.
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- We will provide targeted support for our seniors and low-income households. SMS Sim Ann has earlier shared extensively about our digital inclusion efforts, including the Seniors Go Digital Programme and the SG Digital Office, a mobilisation of 1,000 Digital Ambassadors and many more volunteers to galvanise a national movement towards digital transformation.

33 In short, we will spare no effort in making sure that no one is left behind in our digital transformation efforts.

The role of Parliament

34 Mr Speaker Sir, I have outlined in detail how we seek stay open and be inclusive in the ICT sector, in order to create opportunities for Singaporeans. But indeed we do this in every sector, through the work of the Future Economy Committee (FEC), chaired by DPM Heng Swee Keat, National Jobs Council (NJC) chaired by SM Tharman Shanmugaratnam and indeed a slew of other efforts.

35 Over the past few days, we have witnessed intense debates on a range of issues – our policy priorities, whether and what we should change, and specific measures to be considered. We have articulated the policy choices, and the aspirations and concerns of Singaporeans. In this important ongoing effort to strike a balance between staying open and being inclusive, and build a better future for our people, I believe Parliament can and should play a significant role in three ways.

36 The first is to be the Voice of the People. The Leader of the Opposition used the Latin term for it, I will stick to English. The aim is this. We must express the hopes, aspirations, concerns and fears of our citizens at the highest forum in our country.

37 But we should not and must not stop there. We must also be the Voice of Reason. To be candid about the challenges we face, honest about the choices and trade-offs, not just about what we want but also what we have to give up to get it, and ultimately what we believe to be in the long term interest of our citizens.

38 And finally, and perhaps most importantly we must be the Voice of Hope. Now more than ever, as we deal with unprecedented challenges and seek solutions, we must work with Singaporeans to draw confidence from what we have built up over the past five and a half decades, the challenges that we have faced and overcome, and have deep conviction in our strengths and capabilities, and look to the future with belief.

39 If we do this, then I think we would have made a signal contribution to our nation building efforts, with a deep engagement of our citizens.

Streaming of Parliamentary Proceedings

40 In that spirit of deep engagement, we have paid close attention to calls to broaden access to parliamentary proceedings, for example through live broadcasts or streaming online. This is a point that has been made in the past by Mr Pritam Singh, Mr Leon Perera and I think in this Parliamentary session, Mr Faisal Manap. We have had others who have articulated this. In fact, in today's forum page in the Straits Times, a Mr Wong Weng Fai made this call too.

41 The former Leader of the House and others have previously explained that we already provide timely and comprehensive access to parliamentary proceedings. Anyone can watch proceedings in person from the Strangers' Gallery. Every speech and exchange in Parliament is recorded and made available online. Clips, categorised by topic and speaker, are uploaded within hours of each sitting. The Hansard provides a full written record of parliamentary proceedings and is available online. These already give us the full benefits of transparency, accountability and accessibility.

42 We have been reluctant to go further for both practical and policy reasons. Demand for such live broadcasts, even of major speeches, is generally low; only 10% of that of free-to-air television news, for example.

43 Parliament is a forum for serious debate on national issues. The debate in Parliament should be vigorous, but the tone should be sober. An element of cut-and-thrust is unavoidable, even necessary, because Members want to show Singaporeans that their concerns are expressed, and questions asked and answered in Parliament. However, it is equally important that Members must come to grips with the issues

and their complexities and not simply play to the gallery. Live broadcasts risk compromising this.

44 At this point, members of the Opposition think it is the same line as before and I want to say that we still hold these reservations. Nevertheless, we also note the global and technological trends, which have made online streaming commonplace, and seen legislatures live streaming their proceedings in many countries. The Government therefore agrees in principle to the live streaming of Parliamentary proceedings. My Ministry will study the technical and implementation details. Our aim, as always, will be to achieve transparency, accountability and accessibility while preserving the integrity and dignity of Parliamentary proceedings. Mr Speaker, I know that you too are supportive of this move and we will announce details soon.

Conclusion: Moving Forward Together

45 Mr Speaker Sir, at a time fraught with anxiety about our future, as we take on unprecedented challenges and seek out novel solutions, and as we draw on our strengths as a people, I look forward to the 14th Parliament of Singapore serving with distinction as the Voice of the People, the Voice of Reason, and the Voice of Hope.

46 Sir, I support the motion.