

SPEECH BY MR LEE HSIEN LOONG, PRIME MINISTER, AT THE NTU STUDENT'S UNION MINISTERIAL FORUM 2009, 15 SEPTEMBER 2009, 7:20 PM AT NANYANG TECHNOLOGICAL UNIVERSITY

1. Theme “Is there room for more?” Reflects young people’s concerns:
 - a. Can Singapore continue to grow?
 - b. Can we get good jobs, in the face of competition from Singapore and foreign graduates?

2. I want to focus on the long term in my speech tonight, but let me talk briefly about outlook ahead, which I know is uppermost in your minds
 - a. Economy has bottomed, but now it is a hard climb back up
 - b. Stock markets have recovered, US economy has stabilised, but major issues remain
 - c. In Singapore, employers are hiring again, but unemployment numbers may go up for a while longer
 - d. New graduates are finding jobs, even though it may take them a bit longer
 - e. Resilience Package measures are helping (e.g. Professional Skills Programme-Traineeship Scheme to help employers recruit fresh graduates as trainees, and pay for part of their salary and OJT)
 - f. But please be psychologically prepared for a slow pickup, and even surprises like a W-shaped recovery

3. Taking a longer term perspective, we have achieved much in 50 years
 - a. Question is:
 - i. Is this a forward base camp from which we can scale greater heights?
 - ii. Or is this the peak and have we now to accept that we have reached our limits?
 - b. Up to your generation
 - c. What type of Singapore you want - a relaxed, quiet kampong, or a buzzing, cosmopolitan city?
 - i. Some say “we can be more relaxed” and “no need to go for Number 1 in everything”
 - ii. But with that attitude, soon we will be Number 2, then Number 3, and eventually end up a kampong again

4. We certainly have the potential to do better
 - a. We have made dramatic progress in one generation
 - i. Most of you enjoy better lives than your parents
 - b. We have resources, capabilities, reach to climb further, and become an outstanding city like London, New York or Shanghai

5. We also have every motive to improve on what we have:
 - a. Standards of living for all, especially lower income citizens

- b. Healthcare for all, especially the elderly
 - c. Education for all, so that every citizen can develop his talents and fulfil his potential
 - d. All these require resources, and economic growth
6. How can we continue to grow?
- a. First understand that space is not something fixed and immutable
 - b. It depends on how well we make use of what we have, and how we create more space and opportunities for ourselves
 - c. We should not just passively accept constraints, but actively and creatively transcend them, and expand our space in all directions
 - d. So instead of asking “Is there room for more?”, we should ask “How can we create space and opportunities to do better?”
7. The future offers us many opportunities
- a. We are in the middle of Asia, the most dynamic region of the world
 - b. We can ride on growth of China, India and other East Asian economies
 - c. Singapore enjoys a high reputation all over Asia
8. But we also face competition
- a. We will not have a free ride, just because we are located here and speak our mother tongues
 - b. Our companies and entrepreneurs have to compete against those from the rest of Asia, and indeed the rest of the world
9. Our most obvious constraint is sheer physical space
- a. Singapore is a small island
 - b. Each time some activity needs to expand, something else must give
 - i. More land for roads means less for houses or green spaces
 - ii. Expanding our port means less seafront land for premium waterfront recreation
10. Nevertheless, we can find creative solutions to overcome space constraints
- a. Intensify land use – go higher and deeper
 - b. Redevelop land – replace less productive activities with more productive activities
 - c. Exploit our external wing – link up with markets and factories overseas, so that we make the most of our space in Singapore

Immigration

11. Our critical constraint is not physical space but people
- a. With more good people
 - i. We can generate new, creative ideas to expand our space
 - ii. We will create more opportunities and add to our vibrancy
 - b. We must build up our population, in a considered, measured way

12. Immigration is a long term issue
 - a. Discussing it with students, because it concerns your future, and eventually will be decided by your generation
 - b. Our forefathers were immigrants who settled here, and sweated and toiled to build our nation
 - c. Because of that wave of immigration decades ago, we have today's Singapore
 - d. Today, we continue to bring in foreigners to boost our ranks, to strengthen our nation in the decades to come
 - e. Singapore will need new immigrants for the indefinite future
 - f. I will present our current thinking and approach, but this is not a one-off issue, and there is no final solution
 - g. Policy will be adjusted from time to time
 - h. What we do depends not just on government, but on how open our society is, and how well Singaporeans adjust to and integrate new arrivals
 - i. i.e. depends on your generation of Singaporeans

13. We need numbers as well as quality
 - a. People to man our factories and shipyards, build our IRs and HDB flats, or provide domestic help
 - b. Immigrants to make up for our low birth rates
 - c. Talented individuals who bring valuable knowledge and skills
 - d. New York and Shanghai thrive not because they have abundant natural resources or capital, but because they have an open culture that welcomes and attracts talent
 - e. We must do the same

14. We are developing our local talent
 - a. Provide the best possible education, e.g. building new Singapore University of Technology and Design
 - b. Give them space and opportunities to fulfil their dreams here
 - c. Keep in touch with Singaporeans who go overseas to work and study, and encourage them to return later to contribute

15. But we need to top up
 - a. In a more competitive and integrated world, we need all the talent we can get
 - b. e.g. Israel
 - i. Small nation of seven million people
 - ii. But one of the most vibrant and entrepreneurial centres of innovation outside Silicon Valley
 - iii. Other than the US, Israel is the country with the most number of companies listed in NASDAQ
 - iv. Able to do this because it has a wealth of talent
 - v. Israel took in talented Jews from all over the world, then in the 1990s an influx of one million highly educated Russian Jews after the former Soviet Union collapsed. Many would otherwise have migrated to America, Canada, Western Europe, Australia

- vi. Israel too sees friction between immigrants from different countries, especially the new arrivals from Russia, even though they are all Jewish, because of different languages, social mores, and attitudes towards the Palestine issue
 - c. Singapore too needs to bring in talent from around the world, to reinforce our team and co-create a better future for all of us
 - i. And we too must expect frictions from time to time, and make efforts to integrate the new arrivals well
16. Singaporeans understand why we need immigrants and foreign workers, but they have some concerns:
- a. Competition from new arrivals
 - b. Different cultures and habits
 - c. Changes to the social landscape
 - d. Relative treatment between citizens and PRs
17. I understand and empathise with these concerns
- a. Worries have grown because of large inflow in the last few years
 - b. Economy was booming, and needed more workers
 - i. Hence we admitted many foreigners – more than 100,000 per year in recent years
 - ii. Mostly transient foreign workers, but also more new citizens and PRs than previously
 - c. Just as well we pushed for maximum growth while the world economy was booming, before the financial crisis struck
18. We will not continue to admit people at this pace
- a. We cannot expect to continue booming as in the last few years
 - b. We permitted the surge in recent years to respond to an exceptional opportunity
 - i. We always knew that we could not sustain this high inflow indefinitely
 - c. Over the long term we do need to continue bringing in immigrants
 - i. But we will always be mindful of how quickly our society can absorb and integrate the new arrivals
 - d. We will adjust the inflows so as not to dilute our national identity or weaken our social cohesion
 - i. Foreign workers
 - ii. Also immigrants, i.e. new citizens and PRs

Foreign Workers

19. Useful to make distinction between foreign workers and immigrants
20. More than half (55%) of the non-citizens here are transient workers (15% students and dependants, 30% PRs)
- a. They are here temporarily, so long as economy needs them
 - b. At the micro-level they compete for jobs with locals
 - i. They work hard, and put pressure on Singaporeans

- ii. But this competition will also raise our levels
 - c. On a macro-level they create more opportunities for all
 - i. They do jobs or take shifts that Singaporeans do not want, and make it viable for more firms to operate here, and create other jobs, often higher value ones, for Singaporeans
 - ii. Without foreign workers, we would have less growth and be less vibrant and attractive to investors
 - iii. Even if the foreign workers did not come here, they would still compete against us in other countries. In fact, they would add strength to our competitors
 - d. In downturn, foreign workers act as a buffer
 - i. In 1H09 GDP contracted sharply
 - ii. Foreign workers absorbed the job losses (decline of over 21,000)
 - iii. Local employment actually grew by more than 7,000
21. Nevertheless, we know we cannot take in unlimited numbers of foreign workers
- a. We already have almost a million foreigners working here; cannot imagine simply expanding year after year, and having two million foreign workers here one day
 - b. Even now, housing foreign workers is a big short-term headache
 - i. We wanted to house some of them in an old school in Serangoon Gardens
 - ii. But residents were very upset over security concerns and disamenities
 - iii. Major effort to reassure residents and work out a practical solution
 - c. Hence must manage numbers of foreign workers, and put emphasis on enhancing productivity
 - d. Rather than grow by having more workers, we should grow by training workers to do more and better
22. Some Singaporeans complain serving staff do not speak English
- a. Most of these are probably foreign workers, not PRs or new citizens
 - b. Employers hire them because they cannot find Singaporeans to do the jobs
 - c. Not easy for foreign workers, struggling in an different society, especially if they do not speak our language
 - d. But I understand the frustration of Singaporeans. Quote one Sunday Times letter (6 Sep):
 “Singaporeans do not demand that these workers speak the Queen’s English; merely that they understand basic words such as ‘chilli’ or ‘no chilli’. I hope the authorities will require firms to train their foreign staff to speak English.”
 - e. Some companies are indeed doing this, e.g. SBST
 - i. It recruited more bus drivers to run more frequent services
 - ii. Not enough Singaporeans wanted the jobs, so SBST had to take in PRC workers
 - iii. Put them through an intensive 5-day basic English course, including role-playing and a test. If they fail, they will be kept in school
 - f. We will encourage other firms, especially retail and food outlets to also send their serving staff to learn some basic English – “functional literacy”
 - g. MOM is studying this

New Citizens and PRs

23. New citizens and PRs

- a. Form a smaller group, but impact is longer and deeper
- b. They not only contribute to our economy
- c. They also enrich our society, and make up for our population shortfall
- d. Big decision to strike roots in a new place. Nevertheless, we have got good people joining us
 - i. From the region, e.g, Olivia Lum or Mustaq Ahmad (owner of Mustafa) or Tao Li
 - ii. Also from advanced countries – US, Europe, Japan
- e. Not all are as prominent, but we make sure that PRs and new citizens will raise the quality of our population, in terms of education, skills, and drive
- f. Over time, from this pool of PRs, we will get our new citizens

24. For many Singaporeans, one sore point is that new citizens and PRs do not do NS

- a. True of first generation arrivals
- b. Cannot be helped – not practical for us to call them up
- c. But their sons, whether brought or born here, do perform NS
- d. Each year several hundred boys who were not born as Singapore citizens, but who have become citizens or PRs, do NS
- e. They come from different races and countries
 - i. But they have consciously committed themselves to do NS, and march together with Singaporeans
 - f. A good number distinguish themselves
 - i. Attend OCS, earn the Sword of Honour or Sword of Merit
 - ii. New citizens have signed on as regulars and won SAF scholarships
- (1) One national service officer who was a PR (LTA Kok Khew Fai) threw himself over a recruit to protect him from a dropped hand grenade (both were unscathed)
- (2) Now a new citizen, he recently decided to sign on and take up a SAF Merit Scholarship

25. We will make greater efforts at fostering integration

- a. New arrivals often come with different social habits, which grate on locals
- b. Singaporeans must understand that they come from societies very different from ours
 - i. In China and India, one has to be assertive and even aggressive to get anywhere
 - ii. In Singapore, our social norms have become more restrained and considerate (though not always enough!)
 - iii. New arrivals need to adjust to this
- c. We have programmes to help new arrivals to do so
 - i. e.g. queuing up for buses, being more accommodating and less pushy, getting along with people of different races
 - d. Will do more
 - i. National Integration Council set up in April
 - ii. NIC will announce new initiatives soon
- e. Gradually new citizens do adjust

- i. ZB has done several stories on new immigrants, highlighting their aspirations, experiences and concerns
- ii. Yesterday zbNOW interviewed a new citizen, Mr Vijay Badami, here since 1997, originally from Karnataka
 - (1) He said that Indians traditionally talk in long winded sentences, but in Singapore, everything is short and crisp
 - (2) Since moving here, his family has adapted to the Singapore talking style. Now when they visit India, relatives find them “reserved”. For example, young Indians would try to dominate the conversation, but his son (educated in Singapore, finished NS, studying in SMU) is easy-going and quiet
 - (3) He said: “India is a vast country and it’s a rat race over there. If you do not know how to present yourself, you may be easily forgotten. If my children were in India now, I’m afraid they will find it hard to overcome the competition.”

26. Universities are a microcosm of our society

- a. Critical to bring in international students
 - i. Outstanding universities, e.g. Harvard, Cambridge, have a significant proportion of international students
 - (1) They gather the best talent from around the world, and create a cosmopolitan campus environment that promotes cross-cultural learning and exchange of ideas
 - ii. Our universities and schools must do likewise
 - (1) We will create enough places for our own students
 - (2) But the universities should take a good mix of students, local and international
 - (3) This will help raise our standards, and create a stimulating environment for our own students
 - (4) This will also provide opportunities for local students to build networks and prepare them to engage Asia
- b. International students (IS) also bring stresses and strains
 - i. Competition for grades, scholarships, halls of residence
 - ii. Mutual lack of comfort
 - (1) IS consider locals cliquish, and vice versa
 - (2) In project work, IS feel “left out” or “unwanted” by locals, while locals feel IS do not put in equal effort
 - iii. Frequent interaction in classes, canteens, corridors inevitably causes some friction
- c. Hence universities must make greater effort to integrate students
 - i. e.g. ensure that faculties, residences and societies are diverse and promote interaction not segregation
 - ii. Organise joint activities in halls of residence, clubs and societies
- d. Local students should welcome international students
 - i. Make friends and learn about their cultures
 - ii. Work together on projects; understand each other’s different abilities, and pool your strengths to deliver a quality product
 - iii. It will help you one day when you find yourself working in their countries
- e. International students should also make an effort to know Singapore
 - i. We welcome you and want you to be part of our society

- ii. Be competitive, but also mix with Singaporeans, cooperate with one another and build friendships
- iii. Hope you will adapt to Singapore norms – not to become completely like us, but to be harmoniously integrated with us
- iv. Enjoy your time here – studying, later working, and for some, eventually making this place your home

Citizens Come First

- 27. Emphasize: The interest of citizens will always come first
 - a. Our immigration policy is to benefit Singaporeans, not foreigners
 - b. But to safeguard the long term interest of Singaporeans, we must have a sustained, calibrated inflow of immigrants

- 28. Make a clear distinction between citizens and PRs, and between PRs and non-residents
 - a. e.g. Budget packages, CPF top-ups etc are reserved for citizens
 - b. Those citizens who are doing or have done NS will get more than those who have not
 - c. Public housing, education and health care subsidies distinguish clearly between citizens and PRs
 - d. Will make this differentiation sharper, between the treatment of citizens and PRs, to reflect the responsibilities and privileges of citizenship
 - e. But cannot make it so onerous for PRs and non-residents that they do not want to come

Conclusion

- 29. You ask “Is there room for more?”
 - a. Answer: Depends on you!

- 30. Government will strive to create the preconditions for Singapore to stay competitive and continue growing

- 31. But we rely on each new generation to push out the boundaries
 - a. Not to be efficient factors of production
 - b. But to make our society more vibrant and interesting, while maintaining our cohesion and harmony, and breaking new ground to make Singapore a better place

- 32. Look at the best students in dynamic societies like US, India or China
 - a. They are passionate, idealistic, driven, out to change the world for the better
 - b. Full of energy, pushing causes, promoting all sorts of projects – for the environment, disadvantaged families, etc

- 33. Our students should be similarly charged up
 - a. Pursue causes you believe in

- b. Volunteer and serve in the community or in NGOs
- c. Venture into many fields, including politics
- d. Dare to dream
- e. Surprise yourself with what you achieve
- f. And thus create a better future for all of us

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