

**Immediate Past President and
Nominated Member of Parliament Thomas Chua
Budget 2018 Speech
Ministry of Education
5 March 2018**

Topic: Developing quality human resource for the economy

1. Mr Speaker, Government has increased its spending in education and lifelong learning in this year's Budget. Singapore's ageing population and declining birth rate will directly affect the structure of our workforce in the future. In view of the constraints of our small population, we have always championed the idea of everyone contributing towards one's best, and that everyone could get to use one's value and talent fully. Therefore, I fully support increasing our investments into education, and giving greater attention to raise the quality of our human resources so that our economy will continue to develop and prosper.
2. Trade associations are willing to play an active part in this long-term plan to develop human resources. Our Institutes of Higher Learning (IHLs) is one of the key sources of business talents. The training and curriculum in the IHLs should match the actual needs of the business community. In view of this, if trade associations could collaborate closely with IHLs to educate our students in accordance with the practical needs of the businesses, it would be an arrangement that produces many benefits.
3. From what I know, in the aspect of curriculum planning, some institutions would seek views and feedback from the business community or the relevant trade associations. Such beneficial interaction is meaningful. Moving forward, we hope that the interaction between IHLs and trade associations will not be confined to merely consultation. In operationalizing and implementing these training programmes, trade associations should also be invited to participate, particularly those who are willing and with the capabilities to do so.

I would like to take this opportunity to ask Minister, in the event when there are gaps between the needs of businesses and the training received in the IHLs, how could the two parties come together to address these gaps?

4. The ability of our economy to sustain its growth is due partly to the business community and the government-linked companies having sufficient top-rated talents. Taking this year's Budget as an example, the government introduced the National Investment Returns (NIR) framework in 2008. The NIR contributed \$15.9 billion to the government's revenues this year, far exceeding the \$7 billion it contributed in FY 2009. It has become the government's largest revenue source, outstripping the corporate income tax, personal income tax, and GST.
5. Much of the NIR, which is based on the national reserves, has come from GIC and Temasek Holdings. The country's investment depends on high-quality talent, they possess global perspectives, rich industry experiences, and understand deeply global economic developments. The fact that the NIR exceeds other tax revenues reflects the importance of high-end talent to our economy. In this regard, SCCC has conducted many initiatives to study market developments in China, and encouraging businesses across all sectors to broaden their vision. High-end talent can help businesses and industries to innovate and grow. In the long term, this will help contribute more towards our corporate income taxes.
6. Therefore, I suggest we undertake education with a broader perspective, and give more emphasis to the development of high-quality human resources, so as to promote the future development of our economy and businesses. Thank you.