

Speech by NMP Thomas Chua in February 2018

Enterprise Singapore Board Bill

Mr Speaker, Sir, I support the establishment of the “Enterprise Singapore Board Bill”. This Bill provides the legislative basis for the official merger of International Enterprise Singapore and SPRING Singapore on the 1st of April. This shows that even as the government urges industries and businesses to transform, it is also actively playing a leading role in transforming.

I recall that in 2009, the SCCCI represented the business community in providing 8 recommendations to the “Economic Strategies Committee”. Amongst them was one which recommended that the government form a statutory board to provide one-stop services for enterprise development, streamline its processes, and avoid having enterprises go back and forth among the various government agencies.

Today, eight years after raising this recommendation, we are finally seeing the establishment of the Enterprise Singapore Board. This is welcome news indeed. We applaud the government for heeding the recommendations of the business community, and certainly look forward with great anticipation to this new agency.

When the World Economic Forum recently announced its 2017-2018 Global Competitiveness Report, Singapore came up 3rd in the global ranking. However, the competitiveness and capabilities of local companies (including SMEs) is not

amongst the top 3, ranking behind their counterparts in Switzerland, Germany, Hong Kong, Taiwan, Malaysia and other economies. This ranking showed us that in terms of transformation and innovation, there is still a lot of room for our local enterprises to improve.

Currently, SMEs are speeding up on their restructuring, and working hard at keeping pace with national economic growth. In the new economic environment, the government is reorganising its structure and setting up a dedicated agency to help develop the local enterprises. In this regard, the newly set-up Enterprise Singapore Board will have a heavy responsibility and a long road ahead.

Previously, International Enterprise Singapore (IE Singapore) and SPRING Singapore (SPRING) helped local enterprises via two different routes. The role of IE Singapore was mainly to lead larger local enterprises in expanding overseas, while SPRING was responsible for helping SMEs to improve their capability. Businesses are now concerned with how the new agency would operate after the 1st of April. What can they expect in terms of “user experience”? How do our businesses deal with this new agency?

I take this opportunity to put forth some views of the business community:

Firstly, after the merger of the two agencies, how would it be reorganised and tweaked in terms of the business community that it services, and in its resource allocation? How would the new agency take care of different industries and the needs of enterprises of different sizes?

Secondly, among the 180,000 local enterprises, small enterprises and micro-enterprises make up the majority. Would they be an important group to be

serviced by the new agency? How would the Ministry of Trade and Industry set KPIs for the officers? In assessing their work performance, would they be evaluated based on the economic value-add of the industry they are responsible for looking after, the size of the enterprise and the number of companies served? Or would it be based on other performance indicators?

Thirdly, for companies which fall within the Industry Transformation Maps (ITMs) and those from non-ITM sectors, what guidelines and priorities will the new agency be using to handle them when either group approaches the new agency for assistance? For businesses which do not come under the ITM sectors, but have the intention and will to upgrade, would they be differently treated from that of the key industries?

Fourthly, will the plethora of government assistance schemes continue to exist and multiply, or will they be streamlined and reclassified according to the needs of enterprises at different stages of their development?

Apart from this, businesses also hope that the new agency could continue to work closely with the Economic Development Board (EDB). As EDB attracts foreign investors, it could also provide opportunities for local enterprises to be part of the industry supply chain and collaborate with MNCs. I hope that the merger of these two government agencies could lead to a far more effective operation, creating a “1 plus 1 greater than 2” impact, helping local enterprises to grow, and creating even more quality work opportunities for Singaporeans!