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To help SMEs and Traditional Industry be future-ready

Chairman, and fellow MPs, Trade Associations (TA) can play an important role in helping SMEs and traditional industries be future-ready. Many TA leaders are dedicating their services to their TAs while managing their businesses. Although companies compete amongst themselves in businesses, everyone in the TA stands united and works hand-in-hand for the common interests and with the goal of enhancing the overall image of the industry. The motivation behind it is passion and a “never-say-die” mindset.

However, we have to acknowledge that no one can stop the evolvement of time. Traditional industries need to move with the times and make adjustments proactively. I would like to share the approach by three TAs in this regard.

The first is the Singapore Precision Engineering & Technology Association (SPETA), renamed from Tooling to Technology. The second is the Singapore Houseware Association which was renamed from Chinaware to Houseware. The change of name provides broader scope for the TAs.

Another example is the Singapore Industrial Automation Association. They did not change their name, but repositioned themselves through their events. Their conference and exhibition was named ioTAsia, with IoT being the “Internet of things”, a very modern technology terminology. A change in name or positioning of the organisation reflects the change in mindset of TA leaders, and it is the first step to transformation.

Thus, when Minister Heng announced that 20 TAs would receive Government’s assistance to formulate their industry transformation blueprints, and to second government officers as “industry leaders” to the various industries, many TAs started speculate on which would be the lucky ones. Would their TA be selected? I am wondering, how would the knowledge and

experience of the 20 officers be applied to the TAs? According to a report by The Business Times, there are currently more than 350 TAs nationwide. How can other TAs participate in this project after the 20 officers have been assigned?

To effectively promote the collaboration between the Government and TAs, I would like to highlight two dilemmas of TA leaders. Firstly, the sustainability of TAs. TAs are non-profit organisations, and have limited operational funds. With the support of Government, some projects which have shown initial good results would see government officers being over-eager to deliver the KPIs, to the extent of even bypassing the TAs and taking over the projects via setting up new entities.

Secondly, the phenomenon of “celebrity-chasing” by government agencies. TAs which have performed well are overwhelmingly sought after and supported by different government agencies with various assistance schemes and incentives. However, those TAs with limited resources but which work hard in search of new directions can only fend for themselves although they need even more assistance. This situation takes place probably because government officers have a preconceived notion – supporting TAs that they deem promising and not wanting to waste time on TAs that they feel would not be able to make it.

I need to reiterate that bringing up these two dilemmas does not affect TAs’ support and expectations of government policies. As the President of the SCCCI, I am heartened that the Chamber’s Trade Association (TA) Hub has received strong support of many government agencies and TA members. We hope to provide the various TAs a platform and space to better lead their respective industries. At the same time, we hope that the TAs leaders from the different industries can meet one another more often, creating chemistry for new business and new opportunities.

Chairman, after listening to the speeches in Parliament over the past few days, I fully agree with the union leaders who called for companies and employees to move with the times and be well prepared for the future. During business transformation, even with a comprehensive plan, the management still need to have good communications with their staff, especially when it involves adjustments to work processes, or the introduction of automation equipment.

Some staff are accustomed to their current practices and do not want to learn new skills. Some employees worry that with the company's transformation, they will lose their edge and even fear losing their jobs. This kind of mindset is resistant to change.

Looking at the current business environment and advances in new technologies, no one can guarantee that their specialties will always have a market. Therefore, the employers and employees of SMEs and traditional industries must work together to be future-ready.