

VISION DEPENDS ON REGION'S STABILITY

How S'pore can grow as hub of integrated ASEAN

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SINGAPORE—Becoming the New York of an integrated ASEAN region is “a vision that will transcend all the difficulties that we have”, said Law and Foreign Affairs Minister K Shanmugam.

Speaking at a ministerial forum at the Singapore Management University (SMU) last night, Mr Shanmugam said that an integrated ASEAN will have a Gross Domestic Product (GDP) of US\$2.2 trillion (S\$2.8 trillion), bigger than that of India.

A GDP this size will make ASEAN the ninth-largest economy in the world. As the hub of this region, Singapore will be able to “grow out of your size and ... somehow transcend the factors that limit you”, he said.

Mr Shanmugam noted that an economically-integrated ASEAN is “not entirely within our hands” and would depend on the region’s stability.

The minister said Singapore faces the internal challenge of an age-

ing population as well as the external challenges of an increasingly competitive world fuelled by globalisation and technology.

In 2030, the Republic will have two working adults supporting each senior citizen, compared to the 6:1 ratio right now. At the same time, the increasingly competitive world will see other countries stepping up to offer services in industries key to Singapore, namely aviation, maritime, finance and petrochemical, he noted.

He reiterated the need for foreign workers in Singapore, as the Government plans to increase the ratio of Professionals, Managers, Executives and Technicians (PMETs) to non-PMETs in Singapore from 1:1 to 2:1. “If you don’t have a foreign worker population to support the base, how do you become middle management?” he asked.

The minister also said that while people often compare Singapore to the Nordic countries and Europe where welfare is more extensive, “ac-

tually we’re far more socialist than those countries”.

The top 20 per cent of Singaporeans pay 80 per cent of the total income taxes, creating a system which taxes at the top and transfers it out, he said. He also pointed to the Goods and Services Tax, of which 84 per cent is paid for by the top 40 per cent of Singaporeans and foreigners.

After Mr Shanmugam’s one-hour speech on the internal and external challenges facing Singapore and the opportunities present, students posed questions ranging from having more women in Parliament to the projected costs of supporting the aged population in 2030, and ways to change the education system to help Singapore remain competitive.

On having more women in Parliament, the minister said it was not an issue of women not being able to do the job, but that today’s social and family structure makes it “more difficult for them”.

He added that men experience



Mr Shanmugam was the Guest-of-Honour at SMU’s ministerial forum last night.

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these challenges as well, noting that he would be going to his constituency after the dialogue ended at 9.30pm, before returning home to clear emails around 11.30pm, while having to start early the next morning.

When asked if societal values could change such that students do not “chase grades”, he responded: “My answer to you is if people see that the economy has opportunities outside of being on a very narrow track, then the values will change. So we have to create such an economy.”

Yesterday’s forum was the second one organised by the SMU Apolitical association.

It was attended by almost 300 tertiary students from local universities, junior colleges and polytechnics.