

SPEECH BY MINISTER FOR MANPOWER JOSEPHINE TEO AT THE FUTURE OF SERVICES CONFERENCE AT THE 2ND INTERNATIONAL SMART CHINA EXPO, CHONGQING, ON 26 AUGUST 2019

Mayor of Chongqing Municipal People's Government, Mr Tang Liangzhi,

Distinguished Guests, Ladies and Gentlemen.

1. Good afternoon. Welcome to the Future of Services conference.
2. China has witnessed tremendous growth in the technology industry with giants such as Baidu, Alibaba and Tencent, and the technology sector continues to grow. China is one of the foremost nations embracing digitalisation. China's vision of 数字产业化 产业数字化 is an exciting and all encompassing vision that brings about many opportunities and potential.
3. Over the last decade, we have seen an explosion of innovative applications in the business-to-consumer space, such as the rise of social media platforms, digital payment and video streaming.
4. Some of the drivers of these trends include the pervasive reach of smart phones, improvements in connectivity infrastructure and increases in computing power of devices. We are beginning to see such rapid technological innovation in the enterprise business-to-business (B2B) space,. With advances in technologies such as Artificial Intelligence, cloud services and IOT, new opportunities arise to transform the traditional industries, particularly the services sectors.
5. Singapore has been a leading services hub for transshipment and financial services in the region and we too recognise the potential of digital technologies. We can either see this as a challenge to be avoided, or as an opportunity to be embraced.

6. Singapore's DNA has always been the latter. Our industries have embarked on their digitalisation journeys and are transitioning to the new normal of a digital-as-usual world. Services 4.0 is our vision for services sectors which account for three-quarters of Singapore's GDP. In the Services 4.0 era, service providers can deliver seamless experience; one that is end-to-end, frictionless, empathic, and can anticipate the needs of their customer, enabled by emerging technologies.

7. Emerging technologies such as Artificial Intelligence and Advanced Interfaces are made more accessible through a vibrant ICM ecosystem, enabling companies to innovate and provide services designed around the customer's needs. Besides enhancing the quality of their customers' experience, companies can achieve higher productivity through process automation, eliminating mundane and repetitive tasks.

8. Employees are a vital aspect of the Services 4.0 approach. Those who have been trained to handle digital systems gain enhanced capabilities, and can focus their time and energy on higher value work such as those involving planning, creativity and problem solving. In many instances, robots will be able to handle more dangerous tasks, allowing employees to operate in safer environments.

9. A crucial step in adapting to this new digital future is our collaborative tripartite partnership between government, industry and employers to continually reskill and upskill our workforce. For example, our national training centre, the National Trade Union Congress LearningHub, has developed a starter kit of courses for corporates to help their employees pick up digital skills required for the jobs of tomorrow.

10. There are several ingredients required for a successful Services 4.0 transformation. I would like to highlight two key ones.

11. The First key ingredient is trust. Singapore has taken steps to build a foundation of trust in our Services 4.0 transformation as it plays a key role in the provision of services, for all stakeholders involved, such as the end users of services, business owners and employees of the service provider companies. In particular, trust is important in the ethical use of AI and protection of data for businesses to find innovative use cases.

12. In the field on AI, Singapore launched a proposed model AI Governance Framework in January this year, to ensure ethical deployment of AI solutions. This includes making algorithms found in AI models transparent through explainability, repeatability and traceability.

13. Our Personal Data Protection Act (PDPA) was established as a data protection law comprising of various laws to govern the collection, use, disclosure, and care of personal data. By regulating the flow of personal data among organisations, the PDPA aims to strengthen and entrench Singapore's competitiveness and positioning as a trusted, world-class hub for businesses. Through protection of personal data, the public can take confidence that their data will be protected, even as businesses innovate with their data. We are constantly reviewing this legislation to ensure that it continues to stay relevant, reflecting the fast changing developments and opportunities in personal data usage.

14. Singapore is also developing trusted cross-border data flows by allowing for certification under the APEC Cross-Border Privacy Rules and Privacy Recognition for Processor; a key component for a vibrant Business-to-Business ecosystem beyond Singapore's shores.

15. The second key ingredient is a vibrant ecosystem. This requires government and industry to work together to enable innovation to flourish. In Singapore, we also seek to build a robust environment for startups and companies to scale their business from. This has been enabled through Accreditation, to accelerate growth of Singapore-based innovative Infocomm and Media companies.

16. One example of a successful Accredited company is Envision Digital - a global Artificial Intelligence of Things technology leader, headquartered in Singapore. Envision Digital currently connects and manages over 60 million smart devices and over 100 GigaWatts of energy assets globally, and is proactively building a Smart City ecosystem with partners around the world, including Microsoft and Keppel.

17. In a digital and interconnected world, a vibrant ecosystem will need to include partnerships. This is especially important for small and open economies like Singapore. In May, Singapore launched trilateral talks with Chile and New Zealand to establish a Digital Economy Partnership Agreement to set standards on digital trade.

Such efforts will benefit businesses, support digitalization in SMEs, and strengthen economic ties between the countries, which will then benefit society at large in all three countries. We hope that this will encourage more like-minded countries to join us on this effort.

18. Singapore is the Asian headquarters in the region for 7,000 multinational corporations, with more than 50% of them running their Asia-Pacific businesses from Singapore. Our extensive business networks in the Asian market are well-poised to serve as a gateway for Chinese companies to gain competitive advantage and market access, to the Southeast Asia region.

19. As both Singapore and China affirm the importance of technology development for the future economy, we would like to take this opportunity to learn more from each other's experience in policy and programme implementation for retooling, reskilling workforce, and digitalising industries. In a future economy, where services sectors play such an important role, we believe Singapore's efforts in creating a trusted and vibrant B2B ecosystem, coupled with our extensive business networks in the Asia-Pacific region, will place us in a good position to partner Chongqing and China. Together, we can not only reimagine businesses, but deliver on them to bring about benefits to our customers in the Service 4.0 era.

20. On that note, I wish you all an enjoyable afternoon, and hope that you find the upcoming presentations rewarding. Thank you.