

MINISTER ISWARAN ENGAGES OVER 200 TERTIARY STUDENTS AT MTI ECONOMIC DIALOGUE

At the annual MTI Economic Dialogue held at Singapore Management University (SMU) today, Minister, Prime Minister's Office and Second Minister for Home Affairs and Trade & Industry, Mr S Iswaran discussed the economic challenges posed by Singapore's demographic shifts with a 200-strong audience of undergraduates from the three local universities. The inaugural Economist Service (ES) Scholarships and the MTI Academic Awards were also given out at the event.

Our Local Workforce

2. In his speech, Mr Iswaran described the three main demographic trends facing Singapore. First, the local workforce will shrink in eight years' time as more Singaporeans retire and fewer young Singaporeans enter the workforce. Second, the workforce will grow older as the median age of Singaporeans will rise from 39 years to 47 years between 2011 and 2030. Third, Singaporeans, in the future, will be more highly educated and will aspire to different sorts of jobs.

3. Mr Iswaran also noted that as the economy matures, Singapore's long term sustainable annual economic growth will range between 3 to 5 per cent. He went on to explain that if this growth was too low, there will be fewer opportunities for Singaporeans and Singapore would likely be worse off. Mr Iswaran emphasised that the Government must focus on achieving balanced economic growth even as it addresses infrastructure and social needs.

4. Said Mr Iswaran, *"We must ensure that Singapore remains a choice home that meets the aspirations of Singaporeans – as a place to work and as a place to live and raise a family. Competition for talent will intensify, and we need to ensure that Singapore remains economically vibrant, to continue growing our economy so as to create opportunities for Singaporeans to enjoy better living standards."*

Tackling Demographic Challenges

5. To counter Singapore's demographic challenges, Mr Iswaran encouraged participants to consider a multi-pronged approach. Singapore needs to raise its Labour Force Participation Rate (LFPR) and encourage certain groups, such as stay-at-home mothers and the elderly, to participate in

the workforce. Second, Singapore should embark on policies to boost productivity at all levels by investing in physical and human capital. Last, Singapore needs to judiciously complement its local workforce with a calibrated rate of foreign manpower inflow.

Awards

6. For the first time, the prestigious Singapore Government Scholarship Economist Service (ES) Scholarship was given out at the event. The Economist Service (ES) is the premier service for economists in the Singapore public sector. The ES scholarship, launched in 2011, aims to attract promising young talent and nurture them to become public sector economists.

7. The MTI Book Prize and Best Thesis Awards were also given out to the top third-year Economics students and the winning Economic thesis respectively from each of the three universities. This is the fifth year that the MTI Economic Dialogue is being held. Undergraduates from the SMU, National University of Singapore (NUS) and Nanyang Technological University (NTU) had the opportunity to engage economic experts from the government and private sector in a lively panel discussion.

9. Further details on the MTI Economic Dialogue and this year's MTI economic award winners are attached at Annex.

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Annex

About the Economist Service

The Economist Service (ES) is the premier service for economists in the Singapore public sector. The objective of the ES is to enhance the economic analysis of public policies.

ES officers keep a close watch on global and domestic developments, and analyse their impact on the Singapore economy. They also apply economic principles and quantitative techniques to analyse economic and social issues, and to propose solutions where problems exist. Through rigorous economic research and analysis, ES officers contribute to a wide spectrum of public policies.

As the economic environment becomes more complex and constraints more binding, the need to have sound economic analysis for both economic and social policies will increase, as will the demand for professional economists in the public sector. Hence, MTI is targeting to grow the ES to a size of around 90-100 by 2020.

About the Economist Service Scholarship

The SGS(ES) is a key plank of the ES strategy to attract and nurture talent with leadership potential for the ES from a young age. Like all ES officers, SGS(ES) scholars need to possess high intellect and strong analytical skills. They should have a passion for economics and a keen interest in the application of economics to the analysis of public policies. More importantly, they need to be intellectually curious, and have the courage to challenge conventional thinking, question assumptions and develop new insights that will improve policies.

Through rigorous training in university and ample opportunities to learn about economic issues pertinent to Singapore (e.g., through internships with MTI), SGS(ES) scholars should develop a good understanding of economics and how economics can be applied to analyse pressing issues of the day. Over time, they must also become proficient in the use of statistical and quantitative techniques and be able to apply their economic skills and intuition to public policy.

Scholarship Recipients:

1) Pang Su En Jeanette	<ul style="list-style-type: none"> • National Junior College • University of Warwick- Economics
2) Wen Jia Ying	<ul style="list-style-type: none"> • Raffles Institution • London School of Economics and Political Science- Economics
3) Afiqah Nur Fitri Binte Suhaiemi	<ul style="list-style-type: none"> • Raffles Institution • National University of Singapore- Economics

MTI Economic Dialogue

Started in 2008, the “MTI Economic Dialogue” serves as a platform for students to gain insights into pertinent economic issues and challenges facing Singapore, and the role of economics in policy making.

In recognition of the academic achievements of top economics students in the universities, the MTI Academic Awards will also be presented. The awards are the “MTI Book Prize” for the best 3rd year economics student and the “MTI Best Thesis Award” for the student with the best economics thesis.

This year, the MTI Economic Dialogue 2012 @ SMU will be graced by Mr S Iswaran, Minister for Prime Minister’s Office & Second Minister for Home Affairs & Trade and Industry. The theme of his keynote address is “Population and Economy- Choices Facing Singapore”. Students will also have the opportunity to engage the Minister in an interactive dialogue session after the award presentation ceremony.

MTI Academic Awards

The Ministry of Trade and Industry introduced the MTI Academic Awards with the aim to identify talent and raise profile of the Economist Service. The Awards are open to students from the three local universities – National University of Singapore (NUS), Nanyang Technological University (NTU) and Singapore Management University (SMU).

There are two categories in the MTI Academic Awards, namely the MTI (Economist Service) Book Prize and MTI (Economist Service) Best Thesis Award.

The **MTI (Economist Service) Book Prize** is given to the top third-year economics student with the highest grade point average (GPA) based on his cumulative results at the end of the three years. Recipients, one from each university, is awarded S\$2,000 and offered internship at the Ministry of Trade and Industry.

The recipients for this year’s MTI (Economist Service) Book Prize are listed in the table.

Nanyang Technological University (NTU)	Tan Wen Jie
National University of Singapore (NUS)	Toh Ling Yan
Singapore Management University (SMU)	Mark Chua Chia Weng

The **MTI (Economist Service) Best Thesis Award**, on the other hand, is granted to the top fourth-year economics students with the best economics theses amongst all the others in their universities. Recipients are selected by the academic selection committees at the universities, and are given S\$2,000 each.

A brief outline of the winning theses is in the table below.

Nanyang Technological University (NTU) Hoang Thanh Thuy Lim Wan Jun Ng Jia Yi	The joint thesis by three NUS students examines whether job satisfaction depended on one's personality. They found that how satisfied one was with a job depended on the interactions between personality types and industry job demands.
National University of Singapore (NUS) Ang Wee Howe	The thesis extended a stock market model by including different types of investors who learn and modify their trading decisions. His model was able to predict stock prices in the US, demonstrating how real world factors like learning can improve economic models.
Singapore Management University (SMU) Yuen Kah Hung	The winning thesis from SMU studied how commuters weigh the trade-offs between shorter transfer journeys and longer, but more direct bus rides. His study found that commuters perceived a minute of transfer waiting time to be longer than a minute of travelling time.