

**TRANSCRIPT OF DPM/MIN(T&I) GAN KIM YONG'S DOORSTOP ON THE  
SINGAPORE ECONOMIC RESILIENCE TASKFORCE'S FOCUS AREAS ON 16 MAY 2025, 2PM  
AT NATIONAL PRESS CENTRE**

Thanks for coming for this doorstep. I want to give a quick update on the work of the Singapore Economic Resilience Taskforce (SERT). The Taskforce has been working over the last few weeks. We have been reaching out to the businesses in Singapore – SMEs as well as MNCs – to engage them and share with them the latest developments in the global scene as well as the local situation, and also to get feedback from them to help make sense of what's happening, and better understand their needs, their concerns, and see how we can prepare ourselves to support them if the situation weakens further.

The Taskforce met last week. I also had the opportunity to meet US Secretary of Treasury Scott Bessent. We had a very pleasant discussion and a very productive engagement. I updated him on the various discussions we had between Singapore and the US on collaboration and on strengthening our economic relationship. We also discussed the intention to further develop our bilateral relationship. He has encouraged us to continue to engage the United States Trade Representative (USTR) and Department of Commerce, to work out the various possibilities and the various options that we are exploring. So I think we will continue to engage the US.

But coming back to the overall situation. Just to recap, the Taskforce has three key workstreams – the first one is on information and sensemaking; the second one is on helping companies to address the immediate impact; and the third one is on looking at the longer term, preparing our companies to restructure and reorganise, so as to be ready for the new landscape when the dust settles.

On the first workstream, on information sharing and sensemaking, just to give a quick recap. The 10% baseline tariff remains in force for most countries, including Singapore. The higher level tariffs, the reciprocal tariffs, have been deferred by 90 days, to allow countries to negotiate with the US and with one another. These countries which are in negotiations with the US include Japan, Korea, EU and others as well. At the same time, we just heard recently that the UK announced they have reached an agreement with the US, on the Economic Prosperity Deal, so I think this is a good development. There is also an agreement between the US and China to reduce the tariffs from 145% for the US to 30%, and for China, from 125% to 10%, and to defer these higher tariffs by 90 days. This would allow the two countries to come together to discuss, engage and consult one another, and to negotiate for a more amicable settlement in terms of the tariffs.

These are encouraging developments. But I should sound a word of caution, because the outlook remains very uncertain. What will happen at the end of the 90 days is still a big question mark, it is yet to be known, and whether the negotiations with the other countries will progress smoothly, whether they will eventually settle at a level that is mutually agreeable and workable is something yet to be seen. The discussion between China and the US, of course, is right at the beginning, at the starting point. I think the journey will be quite long. It will take time for the two countries to come to an agreement with one another, whether they will eventually be able to come to an agreement is, again, uncertain. So I think, a lot of uncertainty remains for the global economy. It is something that we will need to continue to monitor and be ready to respond to as the situation evolves.

It is also important for us to continue to engage our businesses to make sure that they stay in tune with the developments in the world, and to be ready to prepare themselves to restructure their business, reorganise their business, and to continue to remain resilient. That is with regard to the second workstream on preparing our businesses for the immediate impact from the tariff adjustments. We have been engaging our businesses locally, both MNCs as well as our local SMEs, to

better understand their concerns, their worries and their interests, and how we can better support them.

I think one of the issues that many of our companies are worried about is the slowdown in the global economy, because they are already seeing signs that some of the orders have been delayed, or have been deferred and some orders have been cancelled, so companies are worried about their revenue going forward. They are also worried about payment from their customers. Some of the orders have been delayed or cancelled. So therefore, their revenue will be affected, and cashflow will be affected. So some of them are concerned about working capital, and these are the issues that we will take into account to help them deal with the immediate concerns.

Beyond the enterprises, we have also talked to our unions and our workers to better understand the concerns among our employees and workers. Most of their concerns at the top of their minds is really job security. Those who have jobs, they want to know whether their jobs are secure and if they will continue to have this employment opportunity. Those who are looking for jobs, especially the fresh graduates that are coming out into the job market, will be concerned about whether they are able to find a good job and secure a good paying and good quality job. I think these are concerns among our workers.

We also have a sense of the concerns among our households. Our households continue to be worried about the cost of living. They want to make sure that even as the economy slows down, they will receive continued support with regard to their cost of living.

So, these are the issues that we have gleaned from our engagement with our enterprises, our workers, and our residents, and the SERT team has been working not only to understand these issues, but also, we have started working on potential measures that we may want to roll out in time to come, when the situation warrants it.

For example, for enterprises, I think from the Budget, we already rolled out a series of packages to help support our enterprises, including tax rebates, which I think is coming into effect soon. We have also rolled out several programmes, including Market Readiness Assistance grants to help companies to develop new markets. We are also looking at how we can enhance some of these schemes, when the situation warrants it. So, we are preparing for enhancements to some of these schemes.

I mentioned about the cashflow and working capital concerns among companies. We are also talking to the banks, and also reviewing our various financing schemes that we have already put in place, to see whether they are adequate, and whether there is room for us to enhance them. So we are preparing all these schemes, and if the situation warrants, we will roll out some of these schemes to be targeted at helping companies in specific areas of needs.

For the workers, the key really is to create more job opportunities and more opportunities for them to stay engaged and stay productive, and therefore we have been working with some of the major employers, big companies, to see whether we can continue to support the creation of new jobs, and we have also continued to step up our investment promotion. I think you have heard an announcement of a new investment recently. We are creating more jobs for our Singaporean employees and workers. At the same time, we are also exploring increasing, stepping up our internship opportunities for some of the workers who may want to go for training or internship before they secure a permanent job. This is especially for the fresh graduates. This is something that we are working on.

We are also working with the IHLs (Institutes of Higher Learning) to see whether we can step up our efforts in job assistance, including (career) counselling, including job search, and creating more opportunities for job fairs, so that our graduates will have more opportunities to secure a job going forward. These are concerns among our workers, and the things that we are working on.

We are, of course, also continuing to step up training opportunities for our in-service workers, as well as new entrants in the job market, so that they, in addition to securing a job, can also explore opportunities for training and upgrading. I think the recent announcement on the SkillsFuture Level-Up Programme is an important initiative. We are also looking at how we can expand the training and upskilling opportunities under SkillsFuture, so this will help to strengthen our employment market. We will continue to monitor and if the employment market remains soft, we will roll out additional programmes to ensure that our workers will be able to find jobs.

Lastly, on households. Prime Minister has just launched the CDC vouchers. I am sure all of you are familiar with the CDC vouchers. This is the first tranche (\$500), and another \$300 will be disbursed early next year. In addition to that, this year we are also rolling out SG60 vouchers for all Singaporean adults, so I think this will also go to a large extent in helping our households cope with the cost of living. Prime Minister has also promised that if need be, if the situation warrants, we stand ready to provide additional support and help. We want to assure Singapore households that we will be there to support you to make sure that you will be able to cope with the impact of the economic slowdown if it happens.

Coming back to the longer term workstream, the third work stream. For the longer term, we will have to continue to work with expanding our market, diversifying our supply chain to make sure that our economy will continue to remain resilient, so we will be helping our companies undergo restructuring, reorganisation, so that they remain resilient. This is something that we will continue to do. In addition to helping our companies undergo the restructuring and reorganisation, we are also deepening our partnership with like-minded trading partners.

This will include, first and foremost, our ASEAN neighbours. As I mentioned earlier, we have engagement with ASEAN economic ministers. We are close to concluding the negotiation of ASEAN Trade In Goods Agreement (ATIGA), and we are aiming to complete the negotiation by end of this month. This is an upgrade to the ASEAN Trade In Goods Agreement, which is basically a free trade agreement to further lower down tariffs and to remove more tariff barriers, so that we can facilitate trade among ASEAN Members. This signals ASEAN Members' commitment to deepen our integration and to strengthen our cooperation among our Members. This is an important step forward that will signal to the world that we continue to want to be able to work with one another, we continue to trade with one another and we continue to push ahead with ASEAN integration. I think this is with regard to our collaboration within ASEAN.

Among the ASEAN Members, we have also discussed the possibility of strengthening ASEAN's partnership with other trading organisations, such as the EU or the GCC (Gulf Cooperation Council). So I think ASEAN will continue to engage them, and we are beginning to reach out to them and provide opportunities for discussion between ASEAN and our Dialogue Partners.

Other organisations, such as the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), as well as Regional Comprehensive Economic Partnership (RCEP), it's something that we will continue to strengthen and deepen, and we are in discussion with all of them to see how we can open up more opportunities for dialogues with these trading blocs, as well as our trading partners. This will allow us to open up more markets for our exports, and at the same time, also open up more sources of supply to strengthen our supply chain resilience. So it goes in both directions. I

think it's important for us to continue to deepen our partnership and collaboration with our key trading partners.

These are the areas that we will continue to push ahead with. But at the end of the day, I think it's important to remind our businesses and our workers that going forward, the situation, the outlook remains challenging, remains uncertain. There is some good news that countries are beginning to talk to one another. These are encouraging, but it doesn't mean that the trouble is over because until we are able to settle on an amicable solution among the countries, I think the outlook remains very uncertain.

When we talk to our businesses, their feedback is also they are very concerned about this uncertainty because they don't really know what the tariffs are going to be, whether they are able to lock in to longer term orders is something they are concerned about, because if you lock in to an order that is going to be delivered in six months or one year's time, what the tariffs will be at that time, they really have no visibility today.

So I think to many businesses, this uncertainty is very worrying and very unsettling, so we need to continue to support our businesses, encourage them to look ahead and to prepare themselves to be ready for changes that may come our way, whether it's tariffs or whether it's supply chain adjustments. All these are things that will happen and we must be ready to diversify our supply chain sources and also diversify our markets for our goods and products. At the same time, we are also encouraging our enterprises to develop new products and services that will allow us to open up new opportunities for our businesses.

For the workers, we want to continue to encourage them to stay positive and focus on training and upgrading, because I think the scenario, the landscape after this tariff tension settles will be a new landscape. It will be quite different and the skillset that will be needed for new opportunities will be very different from what we are seeing today, so they should continue to make sure that they upgrade themselves, keep their skills up to date and relevant, so that when these new opportunities emerge, they will be in a strong position to seize these opportunities that will come our way. So I think that is the key message to our businesses as well as our workers.

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