

**KEYNOTE SPEECH BY SENIOR MINISTER GOH CHOK TONG AT  
THE IGOV GLOBAL EXCHANGE OPENING ON MONDAY, 15 JUNE  
2009, AT 9.05AM AT SUNTEC INTERNATIONAL CONVENTION  
CENTRE, SINGAPORE**

**“GOOD GOVERNANCE FOR EFFECTIVE E-GOVERNMENT”**

Distinguished Guests

Ladies and Gentlemen

1 First, let me welcome all delegates to this inaugural iGov Global Exchange Forum. I am happy to learn that we have many prominent speakers, senior government officials and industry leaders in our midst today. I hope that this iGov Global Exchange will provide an open platform for participants from around the world to share insights on e-Government innovations, and to exchange ideas.

**Benefits of e-Government**

2 When I started work as a young civil servant some 45 years ago, computerisation of government services was in its infancy. The Ministry of Finance owned one bulky IBM computer secured in a special air-conditioned room with a raised floor. I remember being shown what a punched card was and being told that the thousands of punched cards together contained programmes instructing the computer what to do. I also remember attending computer courses and being introduced to

rather arcane computer languages like FORTRAN and COBOL. To do a simple operation that we now take for granted with Excel spreadsheet or even on an electronic calculator, a thick stack of punched cards would have to be produced. I found that writing programmes was not my cup of tea, which was just as well or my life might have ended up very differently.

3 Today, information technology has permeated every sphere of life, radically transforming the way we receive our news, our education, our healthcare and our entertainment, in fact the way we work and live. Citizens and businesses can now access government services online, from the comfort of their homes or offices, in fact from anywhere, 24 hours a day, 7 days a week (or what is now known as 24/7). The electronic services range from simple information publication, to personalisation portals, to interactive, integrated transactional services that provide one-stop total service. Compared to what was available in the past, these services are vastly more user-friendly and responsive, saving much time and expense for the users. For example, filing the dreaded income tax form was a tedious affair, even for salaried workers with no other income. Now the form has been simplified, with most data already pre-filled, and filing is just a click away. I can say it is almost a joy submitting income tax returns, short of not having to pay taxes!

## **Good Governance as the Foundation**

4        It is tempting to think that to successfully implement e-government, the “e” in e-government comes first. Too often, the marketing allure of new technologies blindside us into thinking that all we need is to roll out new hardware and software. But more than technology and the application of IT, our experience in Singapore shows that **good governance is the foundation for successful e-government** which in turn enables us to improve the effectiveness of Government.

5        As I know more about good governance than e-government, let me share with you what I think are three features of good governance that are critical to successful e-Government.

### **Transparency, Accountability and Incorruptibility**

6        First, successful e-Government requires a culture of transparency, accountability and incorruptibility. Despite the obvious advantages of e-government, many bureaucracies resist them. It is more than just the fear of being made redundant and losing their jobs when manual tasks are automated. Rather, it is precisely the inefficiency and lack of transparency in the issue of government licences and permits that enable many in the bureaucracy to reap personal gains. E-government literally threatens their livelihood based on contrived inefficiencies and bottle-necks. Without the buy-in of these civil servants who will be

implementing e-government, the right hardware and software alone cannot boost efficiency much.

7 In Singapore, it has taken us many years of continuous effort to build a public service which is transparent, accountable and generally free from corruption. Leaders set an example at the very top, and an independent Corrupt Practices Investigation Bureau is set up which operates without political interference. Every credible allegation of corruption, even from anonymous sources, is pursued and the perpetrators brought to trial. To minimise temptation and to avoid a shadow civil service from being set up, which will be the case when you pay civil servants a lowly wage, we pay Ministers and civil servants a salary commensurate with their responsibilities and what their counterparts in the private sector earn. Government procurement procedures are also transparent, with open competitive tenders being the norm. Coupled with our stringent and fair evaluation, many suppliers and vendors regard winning a project in an open competitive bid in Singapore as a valuable endorsement of their product. By keeping government clean, we remove a major impediment to the successful implementation of e-government.

## **Continuous Regulatory Review**

8        The second requirement of successful e-government is continuous regulatory review. Many of our policies, regulations and processes have been built up over the years, each appropriate in its own time. Too often, what started out as well-intended policies have become obsolete over time. Indeed, globalisation, advancement in technology and an increasingly well-informed and educated citizenry require us to constantly re-look at our rules and regulations, update them and re-engineer the delivery processes.

9        The key guiding principle of our regulatory review is the adoption of a risk management approach to regulation. For example, recently, we did away with factory registration requirement for some 14,000 lower risk factories, saving the industry close to \$3.5 million in annual fees. Instead, they need only make an online declaration that they have proper risk controls in their factories before commencing work, and they remain within our safety oversight through existing inspection regimes. Such a mindset shift from a “regulator or controller” to that of a “facilitator” simplifies administration and reduces the cost burden of our companies while minimising the overall risks. If not for such continuous regulatory reviews, e-Government cannot live up to their promise of leaps in productivity as we would simply import inefficiencies into an electronic system.

## **Working together as One Government**

10 A third ingredient of good governance is our deliberate and sustained effort to break down silos in the public service and work together as One Government. The basic premise is a simple one, and that is our customers – citizens, taxpayers, entrepreneurs, and businesses – do not want to deal with many different public agencies, each with their own requirements and forms to fill out.

11 Various initiatives have been introduced to inculcate a Whole-of-Government mindset among our public agencies. For example, the civil service has a “No Wrong Door” policy. What does this mean? Well, suppose a member of the public finds a drain that is choked and wishes to make a report for it to be unclogged, which department should he write to? Is it the Town Council? The Housing and Development Board? The Public Utilities Board? The National Parks Board? The Land and Transport Authority? Or the National Environment Agency? It could be any of the above, depending on the location and type of drain. So if the request is sent to the wrong agency, as is frequently the case, instead of getting a reply that it is not responsible for it, the agency will identify the relevant authority and get its officer to respond to the writer. In cases where more than one agency is involved, a joint response will be provided.

12 This may sound like a trivial issue, but it is not. Civic-minded people may stop reporting what is wrong on the ground if they are given the run-around. Also, a silo mentality creates problems for investors and businessmen. Who do they go to for permits? Do they even need a permit? So a critical task is first to get civil servants in different ministries used to the idea of working together as a team and seeing things from the customers' perspective. In year 2000, we set up a Pro-Enterprise Panel, chaired by Head of Civil Service and comprising senior civil servants and business leaders from the private sector. Their key task is to actively solicit and act on public feedback and suggestions on government rules and regulations that hinder businesses and stifle entrepreneurship. There is also the iGov Council, chaired by the Permanent Secretary of Finance Ministry, to spearhead public sector-wide efforts to harness innovation and technology to bring about an Integrated Government that better meets the needs of our people and businesses. Without the public service first embracing a Whole-of-Government mindset, the promise of integrated e-Government solutions for better service delivery will be unattainable.

13 To incorporate a company, a businessman used to have to visit numerous agencies and fill up multiple forms (some 94 different types to choose from) and submit them separately to different agencies. Today, incorporating a company takes only 15 minutes. If that same company wishes to manufacture a chemical compound involving industrial acids

and chemicals, he needs 20 licences and permits from 10 different agencies. It used to mean having to make further multiple trips to different agencies and filling in more forms, each often asking for the same information. Since we implemented the Online Business Licensing Service in year 2004, this same company need only to log on to an internet portal, indicate what type of business he wishes to operate to get a recommendation on which licences and permits to apply for, before filling in one common electronic form for all the licences and permits indicated. The company will be notified of the outcome of the application via email or SMS. This is the effort of many agencies coming together, to review, simplify and consolidate the many processes and documents, with a common objective of serving businesses as one Government. Without this foundation, we could not have reduced the average processing time for licence application from 21 days in the past to 8 days today. This effort of integrating public services and seeing things from the customer's perspective is a major reason why the World Bank ranked Singapore first for "Ease of Doing Business" amongst 178 countries surveyed for the last three consecutive years.

### **E-Government strengthens Governance**

14 Just as good governance has laid the foundation for e-Government, e-Government in turn strengthens governance. As we develop, we have increasingly adopted many government policies which

could not have been implemented effectively without the support of e-Government.

15 Let me illustrate with an example. In many countries, their social welfare systems are built around subsidies, whether of staple food, water, electricity, fuel, or healthcare. The problem with a subsidy, as we all know, is that not only does it encourage over-consumption, waste and give rise to economic distortion, but it also benefits the rich more. In many countries, petrol is very heavily subsidised across the board. In these countries, it is the rich with their big houses and big cars that consume more electricity and fuel than the poor.

16 Singapore also re-distributes wealth to help the lower income. But we do not subsidise consumption goods like food, utilities, fuel or transport. Instead we give out cash, with more going to the needy, the elderly and those without children to support them. We can do so only because of e-government. With e-government, we are able to identify the intended recipients accurately by integrating different databases of various government departments, for example, Central Provident Fund records and housing data. In addition, by linking government databases with systems in the banks, the money went directly into bank account of eligible individuals in a clear and accountable way, very promptly and cost-effectively. It is so efficient that Ministers and Members of Parliament often quip that they are not enjoying the political benefits of

these hand-outs. There are no photo-opportunities or hand-shaking or other direct contact with their voters for them to take credit for the hand-outs.

### **Challenges Ahead**

17 Looking ahead, technological progress is continuing to drive rapid changes in a massively-connected world, presenting new challenges and opportunities for public service delivery. Our continued economic growth post the current global recession will be driven by higher productivity and more effective use of Info-Comm Technologies, all requiring knowledge-intensive workers. With profound changes in science, demographics and the global economy, Governments need to look outside the public sector to tap the potential of a much wider network. How we harness the collective experience, knowledge and resources of our people, to come up with new ideas and solutions to meet increasingly complex challenges will be the fundamental challenge of the next phase of our e-Government journey.

18 We have yet to fully grasp the scale of the opportunities that the information revolution presents. In this next phase, the role of government must evolve from being the sole provider of public services, to providing an open IT platform to nurture an ecosystem of IT services. In this new ecosystem, new participants, whether private sector or

individual knowledge workers, could freely innovate and create value-added services on top of or even superseding existing public services.

19 We have already made a start. Our TradeXchange system is not just an updated version of the previous TradeNet system which already provided a one-stop solution for traders to transact with the government electronically on all formalities required for the import, export and transshipment of goods. From the very start, TradeXchange was also designed as a platform to enable private sector service providers to offer their own end-to-end application services to the trade and logistics community.

20 For example, GridNode, a private sector company, has developed a document exchange service on TradeXchange to facilitate the transfer of commercial documents like purchase orders, shipment notifications and invoices between companies and their suppliers. It used to take companies up to half-a-day to send a purchase order to a supplier. This activity is largely manual and paper-based and may involve manual typing of the purchase order, getting the relevant signatures and sending to the suppliers by fax or mail. With companies and their suppliers already linked up through TradeXchange, GridNode's service can transmit purchase orders which are generated by the company's inventory system to the suppliers within minutes. This end-to-

end integrated solution greatly improves operational efficiency and reduces the cost in managing commercial documents.

## **Conclusion**

21 Successful e-Government is more than just deploying hardware and software. Putting a PC on the desk does not in itself raise efficiency. Rolling out broadband does not, by itself, lead to higher productivity. It is when these investments are combined with good governance that we can not only achieve administrative efficiency, but also make a positive impact on the lives of our people.

22 Going forward, the government must take on the role of a facilitator and enabler, to encourage public, private and people sectors to work together not only to embrace and exploit change brought about by globalisation and technological advances, but also to collaborate to create new solutions, new businesses, and new wealth, as GridNode has done. This calls for fundamental rethinking and transformational shifts in the way we think about e-Government.

23 The challenges in the next phase of our e-Government journey will be more daunting and the results may not be immediate. But we can avoid the pitfalls if we open our minds and learn from one another. It is in this spirit of sharing that I hope all delegates could take away some best

practices to sharpen their governance and e-Government, and thus contribute to the stability, prosperity and growth of our countries.

Thank you.

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