

Speech of President Aquino at the Roundtable with Business Executives in Singapore

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of
His Excellency Benigno S. Aquino III
President of the Philippines
At the Roundtable with Business Executives in Singapore**

[Delivered in Singapore on November 19, 2014]

Singapore was among the first countries I had the privilege of visiting as President early in 2011. Consequently, Singaporeans, perhaps including some of you who might have been present during the business forum then, were also among the first to hear of my administration's vision for our country: how we were determined to spur positive change, through good governance and principled service.

Back then, I spoke to you of the reforms that we had implemented within our first months in office, and of the steps we planned to take. Public-Private Partnership projects were in the pipeline for bidding; the crafting of policies to liberalize the entry of foreign carriers and the improvement of Philippine aviation were still underway. In the 2011 budget, we began to make good on our promise to invest heavily in the people, through significant increases in allocations for social services, healthcare, and education. This took place at the same time as crucial reforms to plug leaks and ensure that resources were maximized.

This was only the beginning. Just as we knew that the straight path would have more than its fair share of challenges, so too did we know that we could surpass these hurdles and take massive strides to progress by standing by our promise to the people: to weed out corruption, to battle poverty, to institutionalize integrity in government, and by so doing pave the way for greater advancement, one which ensures no one is left behind.

Today, almost four years after I first stood in Singapore as the leader of our people, I am proud to tell you that change has indeed swept the landscape of the Philippines. We are further along the path to inclusive growth than we could have ever imagined back then. Our country's economic growth from 2010 to 2013 averaged at 6.3 percent; last year, we grew by 7.2 percent, despite the spate of disasters we experienced towards the end of the year. Now, we are the second fastest growing economy among major Asian countries: our GDP growth for the second quarter of this year is at 6.4 percent, which is second to China's, and we are tied with Malaysia.

The outlook for the Philippine economy is indeed positive, given the way by which we have grown thus far. From 2006 to 2009, which were the final years of my predecessor, economic growth was at 4.3 percent. This was highly consumption-driven, fueled by the remittances of Overseas Filipino Workers. And why remittances? People left our country due to the lack of opportunities brought about by many years of misgovernance. By its

nature, such impetuous for economic growth is not sustainable, because, we all understand, it is subject to so many risks.

Our growth during our watch, on the other hand, is increasingly driven by investments, and is thus much more balanced and sustainable. Take for example our solicited PPP projects. Previous to us, they amounted to just six projects under the past three administrations; under our watch, we now have eight, with 15 more in the pipeline and another 30 plus undergoing the requisites of our laws. The benefits of infrastructure are made available now, which benefits our people now, opening up opportunities now, thus leading to even more investment opportunities now.

Under us, infrastructure spending has more than doubled from P200.3 billion in 2011 to P404.3 billion in 2014. This means: From around 2.1 percent of GDP in 2011, it has risen to 3.1 percent of our GDP for 2014. Ultimately, by 2016, we intend for it to reach at least five percent of our GDP, which is currently pegged at P787.19 billion.

Manufacturing has rebounded, and sectors like business process outsourcing, the semiconductors and electronics field, and tourism remain stronger than ever.

All of this is taking place, even as government endeavors to ensure that the Philippines becomes more competitive. The Pocket Open Skies Policy is now in place, as was promised, allowing foreign carriers to utilize most of Philippine airspace. And, for investors like you who might want to visit our country, whether for business or leisure, it has never been easier to come to the Philippines.

Indeed: our economy has maintained its momentum; optimism surrounding our prospects has never been so high. We want that optimism to translate into concrete benefits and opportunities for each and every one of our countrymen, and with the impending integration of the ASEAN economic community, this creates the dynamism that will expand opportunities for others in the region as well. This is why, together with efforts to improve the business climate and increase competitiveness, we have continued massive investments in our people. Social services receive the lion's share of the budget; to date through our Conditional Cash Transfer program, which is our primary poverty alleviation initiative, we have empowered more than four million families, so that they may contribute more to our society. The primary condition of this Conditional Cash Transfer Program is you receive a stipend by keeping your children in school. We have increased that program to cover the high school years, where due to studies suggest a 40-percent premium on incomes after graduating from high school. We have also succeeded in lifting around 2.5 million of our citizens above the poverty line.

Meanwhile, the budgets for our Department of Education, our Technical Education and Skills Development Authority, and our Commission on Higher Education have been increased substantially for every year we have been in office; we have done so without raising taxes except for the so-called Sin Tax, and because our spending has been judicious, logical, and equitable. We have always said that the greatest resource in our country is our people, and naturally our greatest investments are in our people.

Our government has gone back to its roots, where government exists to serve not just some of the people but all of the people. This in turn has ignited a virtuous cycle. As growth becomes more inclusive, as witnessed by the reduction in poverty figures, the entry of new businesses and the creation of new jobs, we can indeed say: there is no better time to invest in our country, where the playing field has been leveled, growth is palpable, and opportunities are teeming. A confident, energized, empowered people, who by the way are entering a demographic sweet spot by next year, are now poised to make the most of the opportunities that are coming our way. For those of you who have already bet on the Philippines, we urge you to raise your stake even more. For those who are exploring the possibilities, we tell you: the time is now.

Thank you.

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