

# Singapore

A newsletter from the  
Singapore Embassy

September 2004

## A Fresh and Bold Approach — *Rallying Call to Singaporeans*



*"We have to see opportunities rather than challenges in new situations; we have to be less conventional; we must be prepared to venture."*

— Prime Minister Lee Hsien Loong

Be bold. Be unconventional. Be prepared to venture. That was Prime Minister (PM) Lee Hsien Loong's call to Singaporeans at his first National Day Rally since taking office on 12 August. To take the nation another step forward, another level higher, his government is prepared to re-look and change policies to support Singaporeans who

dare to do the unconventional and the spontaneous.

The National Day Rally is an annual tradition where the Singapore PM talks about the state of the nation and introduces forward-looking policies to bring the nation into the next lap. PM Lee used this year's rally to spell out his vision of a Singapore that will always be "a work-in-progress", yet one with a "future of opportunity and promise".

"We should have a prospering economy, creating good jobs for all and having opportunities for our people to venture and to create new businesses and new openings and new possibilities for ourselves. We should have an honest and capable government with leaders whom

Singaporeans trust and can rely on. We should have an open society which is welcoming of talent, which welcomes diverse views, is yet cohesive and has a sense of common purpose."

PM Lee was upbeat that Singapore's economy was doing well. This is because Singapore has been restructuring and taking "painful but necessary steps". The challenge remained to find ways to continue growing. "And the answer is we've got to continue to restructure, we've got to continue to upgrade... But it's not just Singapore. It's a worldwide trend because of globalisation."

The Singapore worker also

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PM Lee encouraging Singaporeans to be bold in reshaping Singapore

## Singapore's New Cabinet — Part 2

An introduction to the Members of the Economic and Social Policy Teams

# A Fresh and Bold Approach

has to upgrade his skills and improve his productivity, with trade unions showing more flexibility so that when business conditions change, “we can also get our companies to alter, to adapt, to get them to the new business and get out of the old business.” The government will also have extra financial assistance and job training programmes for lower income households.

The speech was warmly received by the business community. Said Dr. Aloysius Tay, executive director of the Association of Small and Medium Enterprises: “It shows PM Lee and his team are ready to make changes. It shows that they are very pro-active and they are willing to re-look any policies that will deter businesses. And as he said, nothing is cast in stone.”

PM Lee also spoke on several other issues which will preoccupy his administration for the next few years: empowering younger Singaporeans to be more involved in national affairs and the process of political self-renewal, and finding the right mix of pro-family measures to reverse the declining birth rate. (Details can be found in the next column.)

His key promise to Singaporeans: “We should be a community where every citizen counts, where everyone can develop his human potential to the full and everyone participates in building and repairing and upgrading this shared home which is Singapore. So, we have a lot going for us.” ❖



## Highlights of PM Lee's National Day Rally Speech

### Younger Singaporeans

- Help them grow wings yet build emotional bonds to Singapore by empowering and involving them in community and national affairs
- Political self-renewal is critical and the young are encouraged to come forward to serve
- Renamed the Community Development and Sport department to Ministry of Community Development, Youth and Sport to emphasise its outreach to younger Singaporeans
- Appointed the youngest Cabinet member, eye surgeon Vivian Balakrishnan, as the Minister to engage the young

### Older Singaporeans

- The government will address main concerns namely job security, medical costs, financial security and elder-friendly living environment
- The government will give senior citizens something extra when there are surpluses to distribute

### Education

- Education is not just to earn a living but learning to be a fuller person
- Move to a more flexible and more diverse education system that will give more

choices and better groom special talents

- Give schools more resources and teachers—1,000 more teachers in primary schools, 1,400 more in secondary schools and 550 more in junior colleges by 2010

### Boosting the Birth Rate

- Low birth rate is a national problem, yet a very personal issue
- The government will make it easier for families to marry and have children through more pro-family measures
- Maternity leave extended from eight to 12 weeks; and two extra days of childcare leave per year for each working parent with children below seven years of age
- Introduction of infant care subsidies on top of the childcare subsidies already available
- Equalising medical benefits for both men and women under the new medical plans
- Lower levy on domestic help for families with children below 12 years of age
- A 5-day work week for the civil service
- Tax breaks and “baby bonuses” for up to four children

# Business Briefs

Business

Business

Business

## **Singapore Airlines to Buy Boeing 777-300ER Aircraft**

Singapore Airlines (SIA), the world's second-biggest carrier by market capitalization, announced it has ordered up to 31 long-range passenger planes from the U.S.-based Boeing Company. In addition, General Electric GE90-115B engines will power the twin-engine aircraft.

The B777-300ER, seating about 350 passengers and with a range of 7,000 nautical miles, will be deployed on SIA's long- and medium-haul routes.

The order reinforces SIA's standing as the biggest customer for the Boeing 777. SIA presently flies fifty-five B777s, and has another four B777s on firm order. With this latest order, the number of B777s in the SIA fleet will eventually reach seventy-seven planes.

"Singapore Airlines continues to show why it is the best and most profitable airline in the world, becoming the newest and largest 777-300ER customer," said Alan Mulally, president and CEO of Boeing Commercial Airplanes.

## **NYMEX to Create Singapore Base**

The New York Mercantile Exchange (NYMEX), the world's largest energy bourse, has announced plans to establish a futures energy exchange in

Singapore with a local partner as part of NYMEX's plan to forge closer relationships in the Asia-Pacific region.

NYMEX President J. Robert Collins said he hopes that the new exchange, which will offer crude and oil product futures contracts, will be up and running sometime next year.

The Singapore Exchange said it is in talks with NYMEX to be the local partner for the new venture.

## **ST Engineering Wins Lockheed Contract**

Singapore's ST Engineering Ltd., Southeast Asia's largest defence company, has signed a US\$18 million contract to build two harbour tugs for U.S. defence contractor Lockheed Martin Corporation.

ST Engineering said its U.S. subsidiary, VT Halter Marine Inc., signed the contract with Lockheed and delivery of the tugs is expected in the fourth quarter of 2005.

## **George Lucas, Singapore Join Forces for Asia Studio**

California-based Lucasfilm Ltd., the movie production company owned by "Star Wars" creator George Lucas, said it will set up its first overseas animation studio in Singapore, to create movies and television shows that incorporate Asian elements.

Lucasfilm will own 75 percent of Lucasfilm Animation Singapore, while Singapore's Economic Development Board (EDB) will hold most of the other 25 percent. Creative Technology's Sim Wong Hoo is also an investor in the endeavour. Lucasfilm may employ up to 300 people in Singapore and plans to have its first project under way by the middle of next year.

"We look at Lucasfilm as a queen bee of sorts to help develop our media industry," said Teo Ming Kian, chief executive of EDB. "Such efforts will greatly add to the diversification of our economy."

Singapore aims to double the media industry's contribution to three percent of GDP by 2012.

## **National Geographic, Singapore EDB Increase Documentary Funding**

Washington-based National Geographic Channels International and the Singapore Economic Development Board have announced they will jointly fund more documentaries by Asian filmmakers this year.

The agencies are commissioning 15 hours of original programming with a funding of US\$3 million, to showcase the work of Asia's best film-makers on National Geographic Channels globally, in up to 200 million homes in 148 countries.

## American Chamber Bullish on Singapore, Southeast Asia

U.S. companies in Southeast Asia, including Singapore, are very optimistic about the economic and business outlook there, according to a survey by the region's American Chambers of Commerce (AmCham).

The survey, called the 2004 ASEAN Economic Outlook Survey and conducted by The Gallup Organisation, polled 378 member firms of AmChams in six ASEAN countries—Singapore, Indonesia, Malaysia, the Philippines, Thailand and Vietnam.

Mr. Nick de Boursac, executive director of AmCham Singapore, said companies are increasingly more satisfied with Singapore as a place to do business because of its stable government, incorruptible image and favorable tax structure. He cited survey results showing that, in Singapore, the 83 AmCham members surveyed are more bullish than their counterparts in other ASEAN countries about prospects for this year. He also noted that 95 percent of the Singapore respondents expect the world economy to do better this year compared to last year, while 86 percent also expect the Singapore economy to improve. ❖

## REDI Centre Ready for Business

In the wake of last year's SARS epidemic, then Prime Minister Goh Chok Tong and U.S. President George W. Bush agreed to jointly fund and operate a Singapore-based biomedical research hub to serve as a focal point in the Asia-Pacific region to develop new vaccines, drugs and diagnostic tests for infectious diseases, as well as help arm the region against health security threats, including bioterrorism.

This new hub, called the Regional Emerging Diseases Intervention (REDI) Centre, began operations in May, focusing its initial energy and resources on SARS-specific vaccines and pandemic influenza surveillance to prepare for outbreaks. In addition, it will also provide a base for training public health officials, researchers, clinicians and other health professionals from Asian countries.

The REDI Centre is located in Singapore's Biopolis, a world-class biomedical sciences research and development campus. The Centre

provides experts from top agencies in the U.S., such as the Centers for Disease Control and Prevention, National Institutes of Health (NIH) and the Food and Drug Administration, a permanent presence in Singapore.

"Singapore has the technological base, the workforce and the drive to get the job done," said U.S. Deputy Secretary of Health and Human Services, Mr. Claude Allen, at the opening ceremony. "Singapore serves as a doorway in many ways to other countries in the region... Because of its size, because of its location, because of the investment Singapore has already made in public health, this is an ideal partnership to expand our ability to cover public health concerns globally. Our hope is that this centre will act as a catalyst for regional collaboration on research related to infectious diseases of particular relevance to the Asia-Pacific region like SARS, influenza, dengue, West Nile virus and other emerging and re-emerging diseases."

### Novartis Institute for Tropical Diseases Opens in Singapore's Biopolis

The recently opened Novartis Institute for Tropical Diseases (NITD), a partnership between Swiss-based Novartis and the Singapore Economic Development Board (EDB), is working on the first drug to treat dengue. Specifically, NITD hopes to have two pharmaceutical compounds in clinical trials by 2008, and available to patients within a decade.



Dengue fever strikes 50 million people a year and is endemic in over 100 countries yet not a single drug has been developed to combat it.

Apart from dengue, NITD's research at Singapore's Biopolis, will also focus on tuberculosis, a disease that kills two million people a year.

# Rumsfeld Visits Changi Naval Base

Singapore's Health Minister Khaw Boon Wan echoed Mr. Allen's remarks, noting: "As we gear up, we must, through the REDI Centre, share the experience gained and make ready resources for biosafety in the region." Minister Khaw thus was pleased that World Health Organisation Director-General Lee Jong Wook affirmed his commitment to work with the REDI Centre. ❖

## Pfizer and GlaxoSmithKline expand presence in Singapore

Pfizer, the world's largest drugmaker, recently opened its largest ingredients manufacturing plant in Asia in Singapore. It also immediately announced plans to expand the \$350 million facility.

GlaxoSmithKline (GSK), the world's second largest drug maker, also announced it has invested \$60 million in its third plant in Singapore to boost production of GSK's respiratory medicine, Seretide. And in September, GSK furthered its investment in Singapore with a \$35 million research facility which aims to create drugs to treat illnesses such as schizophrenia, Alzheimer's and Parkinson's. This research facility, GSK's first in the Asia Pacific, will be at the Biopolis and is expected to be up and running in early 2005. This brings GSK's total investment in Singapore to over \$600 million.

U.S. Defence Secretary Donald Rumsfeld visited with U.S. troops serving aboard the aircraft carrier USS Essex in Singapore earlier



this year. The USS Essex was in Singapore to participate in the annual Exercise Carat naval training event and was docked at Changi Naval Base.

The Base, strategically located along vital sea lanes connecting the Malacca Straits and the South China Sea, is state-of-the-art, making extensive use of information technology and automation in its operations, training, security and support. In addition, the base has a deep water harbour, which allows large ships, including aircraft carriers to dock there.

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## Singapore's Navy Chief Receives U.S. Award

Singapore's Navy Chief Rear-Admiral Ronnie Tay was presented with the Legion of Merit (Order of Commander) by the Chief of Naval Operations of the U.S. Navy Admiral Vernon Clark at a ceremony in Washington, DC.

The award was given to Admiral Tay for his contributions to excellent relations between Singapore and the U.S., in particular between the navies of the two countries, which have substantial ties through joint exercises and staff interaction.

## ▼ Singapore and U.S. hold Defence Co-operation Meeting

In Singapore for the 5th Defence Co-operation Committee meeting, Acting U.S. Under Secretary of Defence (Acquisition, Technology & Logistics) Michael Wynne (left) called on Minister of Defence, RAdm (NS) Teo Chee Hean (right). Among the topics discussed were

maritime security and defence technology co-operation. This annual meeting is the highest bilateral forum for defence technology co-operation between the U.S. and Singapore.



Photo: Ministry of Defence

# Introduction to Singapore's New Cabinet (Part 2, continued from previous issue)

## The Cabinet

Lee Hsien Loong, *Prime Minister and Minister for Finance*

Goh Chok Tong, *Senior Minister*

Lee Kuan Yew, *Minister Mentor*

Dr. Tony Tan, *Deputy Prime Minister and Co-ordinating Minister for Security and Defence*

Prof. S. Jayakumar, *Deputy Prime Minister and Minister for Law*

Wong Kan Seng, *Minister for Home Affairs*

Yeo Cheow Tong, *Minister for Transport*

George Yeo, *Minister for Foreign Affairs*

Dr. Lee Boon Yang, *Minister for Information, Communication and the Arts*

Mah Bow Tan, *Minister for National Development*

Lim Boon Heng, *Minister, Prime Minister's Office*

Lim Hng Kiang, *Minister for Trade and Industry*

RAdm (NS) Teo Chee Hean, *Minister for Defence*

Lim Swee Say, *Minister, Prime Minister's Office and 2nd Minister for National Development*

Dr. Yaacob Ibrahim, *Minister for the Environment and Water Resources*

Khaw Boon Wan, *Minister for Health*

Tharman Shanmugaratnam, *Minister for Education*

Dr. Ng Eng Hen, *Minister for Manpower and 2nd Minister for Education*

Dr. Vivian Balakrishnan, *Acting Minister for Community Development, Youth and Sports and Senior Minister of State for Trade and Industry*

Raymond Lim, *Acting 2nd Minister for Finance and Senior Minister of State for Foreign Affairs*

## Ministers in Charge of Economic Policies

Yeo Cheow Tong, *Minister for Transport*



- 57 years old, graduated from the University of Western Australia
- Previous portfolios included Health, Community Development, Trade & Industry, and the Environment
- Oversees the development and regulation of Singapore's civil aviation, maritime and ports, and land transport sectors

Dr. Lee Boon Yang, *Minister for Information, Communication and the Arts*



- 57 years old, graduated from the University of Queensland, Australia
- Previous portfolios included Labour, and Defence
- Oversees the development and promotion of Singapore's creative industries (arts and culture, design, media) and information communication technology sector

Mah Bow Tan, *Minister for National Development*



- 56 years old, graduated from the University of South Wales, Australia
- Previous portfolios included Communications, and the Environment
- Oversees the planning and management of Singapore's land resources and the promotion of Singapore's construction, real estate and agro-technology industries

Lim Hng Kiang, *Minister for Trade and Industry*



- 50 years old, graduated from Cambridge University and the Kennedy School in Harvard University
- Previous portfolios included National Development, Health, Foreign Affairs, and Finance
- Oversees the development of industry sectors, the enhancement of Singapore's international trade potential and the protection of Singapore's trade interests

Continued

## Rumsfeld Visits Changi Naval Base

Although Changi Naval Base was officially dedicated in May, the base has been operating for three years and received almost 100 ships from 11 navies just last year. And in April of this year, the base hosted 17 visiting navies and their ships, which participated in the regional Mine Countermeasures and Diving Exercises.

As then-PM Goh Chok Tong said of the Base at its opening ceremony, its ability to support large-scale exercises and operations is "invaluable to multilateral initiatives to

enhance regional maritime security."

That was also Secretary Rumsfeld's theme during his visit to Singapore in June. Emphasising U.S. commitment to the global war against terrorism, he told the servicemen and women on board USS Essex: "There is pressure being put on terrorists in this part of the world everyday by the close cooperation we have with our wonderful friends here in Singapore, but also with many other countries in the region." ❖

## Ministers in Charge of Economic Policies continued

Lim Boon Heng, *Minister, Prime Minister's Office*



- 57 years old, graduated from the University of Newcastle-upon-Tyne
- Previously served as 2nd Minister for Trade & Industry
- Concurrently serving as the Secretary-General of the National Trades Union Congress

Lim Swee Say, *Minister, Prime Minister's Office and 2nd Minister for National Development*



- 50 years old, graduated from Loughborough University of Technology and Stanford University
- Previously served as Minister for the Environment
- Concurrently serving as the Deputy Secretary-General of the National Trades Union Congress

Dr. Yaacob Ibrahim, *Minister for the Environment and Water Resources*



- 49 years old, graduated from the University of Singapore and Stanford University
- Also the Minister-in-charge of Muslim Affairs, and previously served as Minister for Community Development
- Oversees Singapore's environmental infrastructure, the implementation of pollution control measures and the establishment of public health standards

Raymond Lim, *Acting 2nd Minister for Finance, and Senior Minister of State for Foreign Affairs*



- 45 years old, graduated from the University of Adelaide, Oxford University and Cambridge University
- Previously served as Minister of State in charge of Entrepreneurship
- Working with the Prime Minister/Minister for Finance, oversees the prudent investment of public funds; the development of a financial environment conducive to business and enterprise; and the formulation of policies and frameworks that enhance the public sector

## Ministers in Charge of Social Policies

Khaw Boon Wan, *Minister for Health*



- 51 years old, graduated from the University of Newcastle, Australia
- Was top civil servant who served as the Principal Private Secretary to then Prime Minister Goh Chok Tong
- Oversees Singapore's healthcare system and ensuring access to affordable healthcare

Tharman Shanmugaratnam, *Minister for Education*



- 47 years old, graduated from the London School of Economics, Cambridge University and Harvard University
- Oversees the formulation and implementation of Singapore's education policies
- Also concurrently Deputy Chairman of the Monetary Authority of Singapore

Dr. Ng Eng Hen, *Minister for Manpower and 2nd Minister for Education*



- 45 years old, graduated from the National University of Singapore
- Was consultant surgeon (oncology) before entering politics
- Oversees the development of Singapore's workforce and work environment, and Singapore's long-term economic competitiveness through enlarging the talent pool

Dr. Vivian Balakrishnan, *Acting Minister for Community Development, Youth and Sports, and Senior Minister of State for Trade and Industry*



- 43 years old, graduated from the National University of Singapore and the Royal College of Surgeons of Edinburgh
- Oversees the development of a cohesive and resilient Singapore society and the formulation of programmes to tap the energy, passion and idealism of young Singaporeans

## Picture Perfect

There is now a little piece of Singapore in the U.S. Trade Representative's office in Washington, DC. In recognition of Ambassador Robert Zoellick's contributions in bringing the U.S.-Singapore FTA to fruition, his Singapore counterpart recently presented him with a painting to depict the deepening trade links.

By award-winning Singapore artist Ong Kim Seng, the water-colour painting shows an American container ship sailing into Singapore harbour, framed by the distinctive business district skyline.

Foreign Minister George Yeo, who as Trade and Industry Minister worked closely with Ambassador Zoellick for two years to complete the FTA talks,



Minister Yeo (right) unveiling the painting with U.S. Ambassador to Singapore, Frank Lavin

recalled a meeting in Washington. "Before I entered the meeting room, Bob said 'these are paintings given by countries with which we have signed FTAs'. I noticed Singapore was pointedly missing. So not to be outdone, I said we will also contribute a painting to add to your collection."

U.S. Ambassador to Singapore Frank Lavin received the painting

on Mr. Zoellick's behalf. He said: "This agreement is absolutely critical to the U.S. It remains our only free trade agreement with Asia. It is certainly our most comprehensive. It has been a building block for very serious discussions in Thailand; we have Australia on the finish line. So we are looking at the rippling effect of this FTA." ❖

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