

SINGAPORE GOVERNMENT PRESS STATEMENT

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SPEECH BY MR. HON SUI SEN, MINISTER FOR FINANCE,  
AT THE 6TH ANNIVERSARY DINNER OF THE PINEAPPLE  
INDUSTRY MARKETING CORPORATION ON 7TH JULY,  
1972 AT 8.15 P.M. AT GOODWOOD ASCOT ROOM

It gives me great pleasure to be here tonight on the occasion of the 6th Anniversary Dinner of the Pineapple Industry Marketing Corporation established by regulations of the Malayan Pineapple Industry Board.

The existence of the Corporation and of the Malayan Pineapple Industry Board, better known perhaps as the Pineapple Board, is a fine example of co-operation between Singapore and Malaysia.

The pineapple industry has been one of the early pioneers in the industrialisation processes of both territories. Set up by the two Governments of Singapore and the then Federation of Malaya, with a Chairman appointed jointly by the two Governments and with other representatives representing the Governments, the Pineapple Board has since its inception in 1957, carried out its functions most commendably. Under its guidance, the Malayan pineapple has been able to make an impressive mark in the world's major pineapple consuming countries in spite of fierce competition from other pineapple-producing countries. Today, the pineapple is still the foremost indigenous fruit which is canned locally and exported. Some \$45-50 million worth of canned pineapples are being exported annually to more than 17 countries from both Singapore and Malaysia. The Pineapple Board and its agency, the Corporation, have been instrumental in strengthening and expanding the traditional overseas pineapple markets such as the United Kingdom, U.S.A. and Germany. At the same time, they have assiduously applied themselves to the search for new foreign markets.

The Malayan pineapple industry, however, faces two serious problems today. One is the very keen and well organised international competition which it must expect after Britain's entry into the European/<sup>COMMON</sup>Market. Britain is now the biggest buyer of Malayan canned pineapples, and the loss of Commonwealth preference on U.K. tariffs for import of pineapples would render the Malayan fruit less competitive. The obvious remedy to this situation is to seek preferential treatment also in the Common Market and a beginning has been made through SCCAN (or the Special Coordinating Committee of ASEAN Nations) for negotiations on trade with the European Economic Commission. Bilateral negotiations with the EEC by Malaysia and Singapore respectively are also possible. It would, however, be unrealistic to expect quick results from these approaches, and it is therefore not unlikely that the pineapple industry must brace itself for a short period at least of very stiff competition. It is therefore vital for the industry to strive for greater efficiency and productivity in pineapple growing, processing and marketing so that a high-quality product results which can still be profitably sold at, if necessary, better than competitive world prices. Towards this end, also, there should be a higher degree of mechanisation, standardization and quality control, of research to produce better quality fruit, higher yielding and possibly regular fruiting varieties, so that canneries can have abundant supplies at regular times to keep their machines running at optimum capacity and at the lowest cost. As for marketing, while there is no doubt that as a result of the Board and the Corporation's efforts a real demand for Malayan pineapple overseas has been built up with its fine reputation for quality, the industry should redouble efforts

to improve on the quality and marketing of the product if it does not wish to fade out slowly from the international scene.

The other problem the industry faces is perhaps less urgent but nonetheless important from a social view-point. The pineapple canning industry causes some land and water pollution. The fruit residues have often in the past been discharged into rivers and streams or deposited in open spaces. To achieve a clean and healthy environment around us there is clearly a need to work out economic and yet effective means of disposal, or better still, the profitable utilisation of pineapple waste in alcohol extraction or other industrial processes which could thus contribute to lowering the cost of the canned pineapple to be marketed.

The problems I have mentioned will have their impact upon the operations of the Pineapple Industry Marketing Corporation. Let me, therefore, while joining them in their Anniversary Dinner to celebrate the fruits of their past labours, wish them greater success in their onerous tasks in the current and future years.