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**SPEECH BY MR LEE YOCK SUAN,
MINISTER FOR TRADE & INDUSTRY AND
SECOND MINISTER FOR FINANCE,
AT THE 1996 SINGAPORE BUSINESS AWARDS
AT SHANGRI LA HOTEL, ISLAND BALLROOM,
ON WEDNESDAY, 19 MARCH 1997 AT 8.00 PM**

At this same function four years ago, the Senior Minister called on Singapore businessmen to venture overseas. Since then, we have made considerable progress in our efforts to develop a second wing for our economy. More Singapore businessmen now realise that regionalisation is necessary both to overcome our factor constraints and to tap new markets.

Latest figures from the Department of Statistics show that our total direct investments overseas have increased from S\$17 billion¹ in 1990 to S\$46 billion in 1995. Singapore is today amongst the top investors in Malaysia, Indonesia, China, Vietnam and Myanmar. We have set up industrial parks in Suzhou, Vietnam, Batam, Bintan and Bangalore.

The importance of nurturing entrepreneurs

Besides attracting and working with foreign MNCs, we need to develop our own entrepreneurs and local companies. It is a common

¹ Excluding financial sector

perception that our present climate does not encourage entrepreneurship. It is true that most Singaporeans seem to prefer the security of a career with a large employer in the public or private sector. There is also the social stigma attached to those who have ventured out and failed.

Nevertheless there are indications that the spirit of enterprise is not lacking among Singaporeans. For example some of those who worked for Rollei Singapore before it closed down, subsequently set up shop to supply components to multi-national corporations (MNCs) and have succeeded. Other local investors have ventured out on their own to Malaysia, Indonesia, Thailand, China and even Africa before the Government decided to push our regionalisation efforts. Some university lecturers and researchers are also attempting to commercialise the results of their research and development (R&D) efforts, with encouragement from the universities.

Some MNCs have served as training grounds for future entrepreneurs. An example is Hewlett Packard (HP). It awarded its Singapore operations the coveted world-wide product charters for the portable inkjet printer and handheld information computing products. These charters gave local managers at HP Singapore the rare opportunity of assuming full responsibility for the entire product line - from design to manufacture, to world-wide marketing. Over the years, HP Singapore has nurtured an impressive array of managerial and entrepreneurial talent. Several ex-HP employees are now entrepreneurs running their own companies. The latest in the limelight was Omni Industries which successfully launched its initial public offering recently.

There is another element which has sometimes been overlooked. And that is, with increasing opportunities for higher education, a university degree or a polytechnic diploma will no longer be the guaranteed passport to a good salary and steady career advancement that it used to be. When this happens, people are likely to become less averse to take risks in venturing into businesses on their own or in partnership with others.

The Government will launch various initiatives to boost creative and independent thinking in our schools and universities. These include more open-book examinations, revamp of the curriculum to reduce rote learning, and the widespread use of information technology. By helping our students to focus on problem solving and developing lifelong thinking and learning skills, our education system will develop individuals who are better equipped to come up with creative solutions to the problems they encounter and better adapt to new and different situations. Hopefully this will help to foster entrepreneurship among young Singaporeans.

What else should Government do? Should it do more or do less?

There are two schools of thought on this issue. One school argues that Government should give greater support and provide more safety nets for our entrepreneurs, including helping to bail them out if they fail. The other school argues that we should avoid mollycoddling our entrepreneurs. Instead, Government should just create a conducive environment, invest in our people and then leave people to fend for themselves. The latter route is probably the way to go. Where policies and regulations stifle entrepreneurship, they should be reviewed.

Singapore Business Awards

This evening's function is a good opportunity to give entrepreneurship a push. The Singapore Business Awards are to recognise outstanding individuals who have made their mark as managers, entrepreneurs and businessmen. We should give due public recognition to individuals of exceptional vision and entrepreneurial ability who have achieved outstanding success in their chosen fields. They can become role models for fellow entrepreneurs and inspire others to emulate their achievements.

In closing, may I congratulate the winners of the year's awards and to wish all of you a prosperous and fulfilling future.

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