

# SINGAPORE GOVERNMENT PRESS RELEASE

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SPEECH BY MR HON SUI SEN, MINISTER FOR FINANCE,  
AT THE OFFICIAL OPENING OF GARRETT SINGAPORE PTE. LTD.  
ON WEDNESDAY, 18 OCTOBER 1978 AT 3.30 P.M.

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I am truly delighted to officiate at today's formal opening of Garrett Corporation's latest facility here in Jurong. This occasion to us reflects once again the continuing confidence of major multinational companies in Singapore as a viable base for their international operations. It also reinforces our conviction that Singapore can become an important regional aircraft servicing and parts manufacturing centre.

The development of an "aerospace" industry in any geographical region, if I may use the term "aerospace" loosely, often goes hand in hand with the activities of commercial and general aviation. The Far East and particularly Southeast Asia is one of the fastest growth areas in terms of commercial air traffic. In the last 10 years, commercial air traffic in Asia and the Pacific grew at a compound annual rate of 17.5%. Last year, the region recorded a figure of 68 billion revenue passenger miles. In the next 10 years, it is forecast that air traffic in the Far East will increase at a rate of 10% per annum compared with a 5% growth in North America and 7% in Europe. Moreover, 15% of the world's total traffic will be within the Far East region. Other interesting statistics indicate that there are at present no fewer than 500 commercial planes, close to 1,500 general aviation aircraft, and about 500 helicopters in operation in Southeast Asia. In general aviation alone, the Southeast Asia regional fleet is expected to increase to 5,000 in the next decade.

Singapore being strategically situated in Southeast Asia and within the range of most general aviation aircraft is rapidly becoming the centre of gravity of commercial and general aviation movements in the region. To cater to the ever increasing air traffic, our facilities are being expanded and improved. By 1986,

we estimate ..... /2.

we estimate that our new Changi International Airport will be able to handle the anticipated traffic volume of one aircraft arrival and departure per minute.

To companies that are involved in aircraft servicing and parts manufacturing, the phenomenal growth in aircraft population and traffic in Southeast Asia represents tremendous business opportunities. Garrett Corporation is one of several far-sighted companies which have recognised this vast potential and taken steps to set up servicing facilities in Singapore. Obviously, our locational advantage alone is not sufficient for the successful operation of a sophisticated aircraft servicing centre. There is need also for qualified mechanics, technicians and engineers who must possess not only the necessary skills but also a proper work attitude that is characterised by absolute dedication to efficiency, quality, reliability and safety. It is therefore gratifying that Singapore has been chosen by Garrett Corporation and others for their servicing operations in Southeast Asia. At present, we have already some facilities for servicing and maintenance of avionics, refurbishing of hot sections of aircraft engines, non-destructive testing, overhaul and repair of light aircraft and aircraft engines. Garrett's new facilities in Singapore will add to our existing servicing capabilities by the introduction of specially designed test cells incorporating the latest pneumatic and hydraulic systems and instrumentation for high energy testing required for the servicing of engines and auxiliary power units installed in modern jet aircraft.

Naturally, as a fully integrated aircraft servicing centre, Singapore has still a long way to go. Facilities for the servicing of landing gear, hydraulic controls, avionics, engine controls and accessories, which are needed, have yet to be developed. In this connection, the Economic Development Board will work closely with major aircraft component manufacturers to actively encourage companies involved in these fields to establish such operations here.

A natural and logical extension of aircraft servicing is parts manufacturing. I am really pleased to note that Garrett Corporation has decided to accelerate its plans for a component manufacturing operation in Singapore, starting with a highly technical gear cutting facility. Currently, there are already several companies involved in the manufacturing of precision parts

for aircraft. Most of these plants have passed the requirements for FAA and AFM certification. These qualifications are only given to operations that can comply with the stringent standards laid down by approving authorities in the United States.

The "aerospace" related industry is one of our top priority industries. The Government will therefore strongly support projects in this field with generous tax and other fiscal incentives as well as training assistance, as we have done in the case of Garrett Singapore Pte Ltd. Moreover, the Government will ensure a favourable operating environment in Singapore so that the Republic can develop into a major centre for aircraft servicing, repair and parts manufacturing.

I would like to extend our warmest welcome to Garrett Corporation as they officially join the family of Singapore industries. And I now take great pleasure in declaring this facility open.

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