

# Singapore Government PRESS RELEASE

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SPEECH BY MR GHOR YEOK ENG, SENIOR PARLIAMENTARY SECRETARY,  
MINISTRY OF THE ENVIRONMENT AND MP FOR BUKIT TIMAH, AT  
THE OPENING OF SINGAPORE KINSEI PTE LTD, 32 PENJURU LANE,  
JURONG ON MONDAY 15 DECEMBER 1980 AT 3.00 PM

I am honoured to have this opportunity to officiate at the opening of Singapore Kinsei Pte Ltd.

The Singapore Government warmly welcomes this significant new investment from Japan for several reasons. It is a capital-intensive, high value added project as can be seen by the company's investment of \$7 million against its workforce of only 22 at full production. It is the first project of its kind in Singapore. The venture which is the company's first overseas manufacturing plant is only the beginning for the company in Singapore, because apart from zirconium silicate the company will produce other products such as raw materials for foundries and welding electrodes. The project is in the field of specialty chemicals, one of Singapore's priority industry groups.

The establishment of Singapore Kinsei is a good indication that Japanese investors still regard Singapore as a good location for their investments. All things considered, Japanese investors realise that Singapore continues to offer them many advantages. For one thing, wages here are much lower than those in Japan. For another, our central location enables them to get easier access to their customers and to sources of raw materials.

For example, by operating here, Singapore Kinsei has been brought nearer to customers in the growing market of South East Asia. The company will also enjoy preferential import duties for their products in the EEC and the United States. Equally important is the fact that Singapore is nearer than Japan is to Western Australia, the source of the raw material. The company will therefore benefit from the lower

freight cost and faster delivery of the raw material. When one considers that freight makes up a large proportion of the cost of the landed raw material the savings to the company must be considerable.

There are of course other advantages Singapore offers but the most important must surely be political stability under which investors can go about their business without disruption, make long-term plans and expand their operations with complete confidence. This condition has prevailed in Singapore for the past 20 years so much so that it has been taken for granted. The Government has also maintained constructive and consistent policies throughout which have brought Singapore to the present high level of development and prosperity. That is why investors continue to show confidence in Singapore.

The world situation is becoming more difficult each year with rising oil prices and other problems. Solving these problems will be a big challenge for us in the coming years. But I can assure investors that the Government has the ability and the strength to solve them and to ensure that our present stability will continue to prevail, so that we can succeed in our economic restructuring programme.

On this note I take great pleasure in declaring the factory of Singapore Kinsei Pte Ltd open and in wishing the management every success for the future.

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