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TEXT OF SPEECH BY THE MINISTER FOR LABOUR, MR.
ONG PANG BOON, AT THE 40TH ANNIVERSARY DINNER
OF THE MASTER PRINTERS' ASSOCIATION AT THE SHANGRI-
LA HOTEL, ON SATURDAY, AUGUST 27, 1977 AT 7.30 P.M.

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I am pleased to join you this evening to celebrate the 40th anniversary of the Master Printers' Association.

The printing industry is one of the oldest established industries in the Republic. It has grown moderately as the economy has expanded in the last few years. Today, the industry is still oriented largely to the domestic market with a large number of small firms surviving on a jobbing basis to serve many local customers and a few large modern firms which also cater for the export market. Available official statistics show that in 1975 there were 207 printing establishments of 10 or more workers providing employment to some 8,500 workers or four per cent of the manufacturing work force. Only 13 firms are large companies employing 100 or more workers and providing an output value of more than \$1 million per annum. In 1975, the total annual output of the industry was \$225 million. Only about 20 per cent of this output were for export consisting in the main of books and pamphlets.

The future2/-

The future of the industry lies in its shifting to production for export. The highly competitive domestic market is already saturated and expansion is therefore limited. The path ahead therefore points to regional and international markets.

A shift to export production will mean that the industry will be more exposed to international competition. Hong Kong is a more established competitor and in recent years countries like Taiwan and South Korea have come on to the international market. To survive on the international market our products must be of good quality, our prices competitive and our delivery prompt. A few of our large printing companies have shown that the industry can go into export production. With active marketing these firms, equipped with some of the latest in printing technology and producing printing of a high standard and quality, have been successful in making inroads into various export markets. These firms show that the industry must be modernised if it is to be able to survive in the competitive international market.

The upgrading of the industry lies in the areas of the provision of skilled personnel, the use of modern technology and the introduction of modern management. These needs are especially present in the large number of small firms which made up the bulk of printing establishments in the Republic.

One avenue available to local firms for modernisation is joint ventures with foreign firms. Joint ventures will provide the necessary resources, the modern management and technology and the marketing outlets. The Economic Development Board will assist interested local firms to enter into such joint ventures. There are also various Government schemes to assist firms to upgrade and to export. These include the grant of export incentives to new projects or expansions of existing companies which will incur substantial new additional investments.

The importance of properly trained skilled personnel will grow if the industry becomes export oriented. The School of Printing was established since early 1970 by the Government to provide trained printing manpower. It is imperative that the graduates of the School meet the needs of the industry. I am therefore happy to learn that the Master Printers' Association and the Industrial Training Board are finalising an integrated apprenticeship scheme for the printing industry. The manpower needs of the industry can be supplemented by better organised on-the-job training and formal printing courses overseas. In-plant training in overseas organisations should also be encouraged. Firms which experience difficulties in this area should take advantage of assistance provided under the Government's Industrial Training Grant Scheme,

the Overseas Training Scheme or the Industrial Development Scholarship Scheme.

Many of the small printing firms are using machinery which can only meet the small scale needs of the local market. For higher productivity and quality, this technology must be upgraded if we are to compete in overseas markets. Our printing firms must use up-to-date modern equipment. The purchase of such equipment is expensive and normally only large firms are able to afford them. Firms which intend to upgrade their production facilities can turn to the Government for assistance. The Government's Small Industries Finance Scheme provides loans up to \$600,000 for firms expanding and diversifying or for factories modernising their plant and machinery.

Except for a few larger firms, many of the printing establishments are still being run as family concerns. While such an arrangement may suffice for small-scale printing jobs, the introduction of modern management to the firm is necessary before there can be any significant expansion especially for the purpose of penetrating export markets. In this regard, printing employers are advised to upgrade their management by availing themselves of management training courses or consultancy services in management offered by the National Productivity Board.

To produce for exports will mean that our printing firms must undertake aggressive overseas promotion of their products.

To encourage export promotion the Government allows double deduction of overseas promotional expenses for income tax relief.

An area which offers opportunities for the export business stems from Singapore's membership to the UNESCO Agreement on the Importation of Educational Scientific & Cultural Materials. This Agreement permits members to export duty free to other member countries books, publications, periodicals, works of art and other materials of educational, scientific and cultural value. Our printers would, thus, be able to compete in this area without the obstacles of duties, tariffs and other non-tariff barriers.

The challenge facing the printing industry is upgrading into export production. Meeting this challenge will demand major decisions by printing managements. Once the decision to modernise and to export is made, determination and imagination on the part of managers and support from workers in the form of better work discipline, diligence, quality work and preparedness to be retrained will be called for. In this regard, the Master Printers' Association can encourage and assist its members to modernise and to export. In manpower, it can act as a feedback body to the Industrial Training Board and the Economic Development Board of the manpower and training needs of the industry. It can also be an information and clearing centre for the industry in regard to matters like printing technology and market opportunities and requirements. Like other manufacturing bodies, the Association

should identify potential markets and organise trade missions to help promote the printing business. Much needs to be done soon as the international market is becoming increasingly more competitive. I am confident, though, that given a pragmatic appraisal of the situation and a strong will to surmount problems, we can effectively meet this challenge.

In conclusion, I would like to congratulate the Association on the happy occasion of its 40th anniversary and wish it success in the years ahead.