

Singapore Government

PRESS RELEASE

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SPEECH BY MR SIA KAH HUI, MINISTER OF STATE FOR LABOUR, AT
THE OPENING CEREMONY OF HUNTON SINGAPORE PTE LTD, 17 JOO
KOON WAY, JURONG, ON SATURDAY, 15 MAR 80 AT 11.00 AM

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I am very happy to be here this morning because this occasion is the official opening of a British company. cause of our traditional links with the UK (several of our senior Ministers are products of British universities, and my personal links with Britain, having spent four years in Cambridge and taught in a British public school), it is with that extra pleasure that I welcome Hunton Singapore Pte Ltd to the Singapore scene.

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The establishment of this company marks the introduction of a new industry in Singapore - the production of heavy commercial trailer axles. This is a skill-intensive and high value added operation that fits in well with our new phase of industrial development. Hitherto, the Republic has been involved only in assembling and servicing trailer axles. Thus, it may be said that Hunton has taken the automotive component manufacturing industry in the Republic a good step forward.

The company has made a wise decision by establishing its factory here in order to increase sales in this region. It is an endorsement of the economic importance of Singapore and of our ability to enable it to become more competitive. Our wages, for example, are much lower than those prevailing in Britain. Our stable political and good industrial relations

climate allows the company to devote its full attention to business development.

In addition, the Republic has the infrastructure, skilled workers at all levels and a good range of engineering supporting services from foundries to precision springs to support manufacturers and of course there are attractive tax incentives.

In coming here, Hunton and the other British manufacturers already here in Singapore are following in the footsteps of Sir Stamford Raffles, who 161 years ago, established Singapore as a trading station to expand British business interests in South East Asia. I am sure Raffles would be pleased, as we are, to know of the growing presence of British enterprise here.

Indeed, British investments in Singapore's manufacturing sector have been growing steadily over the years. We wish the growth could be faster and greater. We would appreciate very much if those of you present here who are in a position to either set up factories here or persuade others to do so would do something about it. During the past decade, British investments rose from \$199 million to over \$900 million. This amount represents about 15 per cent of the total investments from all countries. But the United Kingdom leads among

the Western European countries in terms of investment, accounting for about 40 per cent of the total West European investment of over \$2,000 million.

The presence of British manufacturers here is benefitting us immensely in the form of industrial technical expertise they impart. For example, other than Hunton, there are British companies producing high value added products. They include those making laser range-finders, optical instruments, electrical measuring instruments, machine tools and intricate aircraft related components. We welcome the valuable contributions they are making towards our industrial development. There is much that Britain and Singapore can offer each other in the economic field.

May I end by congratulating Hunton's parent Company for its pioneering spirit and wishing Hunton Singapore every success in its operations. I now have great pleasure in declaring this factory officially open.