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SPEECH BY MR SIA KAH HUI, MINISTER OF STATE
(LABOUR), AT THE OFFICIAL OPENING OF DU PONT
(SINGAPORE) ELECTRONICS PTE LTD, 6 GUL STREET 5,
JURONG ON FRIDAY, 10 OCTOBER 1980 AT 10.30 AM

It is a pleasure for me to be here today to participate in the official factory opening ceremony of Du Pont (Singapore) Electronics Pte Ltd. Du Pont is the largest chemical company in the USA. I am told that its total sales last year ^{were} ~~was~~ US\$12.6 billion. It ranks therefore as the 16th largest industrial corporation in USA.

Chemicals have played a key role in improving the quality of life all over the world. Plastics is now an important industrial material that continues to gain wider applications as its use can result in manufacturing cost savings and lower weight as well as lower maintenance costs for the end products. The pharmaceutical industry has advanced tremendously because of breakthroughs in chemical technology, thus providing the world with more effective medicines, better health care and more nutritious foods. Chemical coatings protect and decorate our environment and synthetic fibres protect and decorate man. Du Pont's involvement in these fields, especially in high technology chemicals, plastics, fibres and other specialty chemical products, has therefore contributed significantly to human progress over the years.

In the eighties, the world will experience slower economic growth. However, the chemical industry worldwide

is expected to continue to grow at a faster rate than the world economy as a whole. With the ever-rising cost of crude oil and corresponding price increases in petroleum-based chemicals, the world will require higher grade chemicals that will result in more efficient applications. Those companies that produce high technology fine chemicals, have innovative research and development, as well as sufficient capital and talented human resources are the ones that will succeed in the eighties. Du Pont is clearly one of these companies. In the same way, Singapore is attempting to upgrade her industries to produce higher technology and more specialised products, to carry out more R & D, as well as to gear up technical education and training in order to achieve further progress in the eighties.

Like the chemical industry, the electronics industry involves high technology and enjoys rapid growth. Electronics technology has also spurred innovation and progress in many fields of human endeavour through the application of computers, electronic controls and instrumentation. It has also improved the quality of life through modern communications and countless variety of electronic consumer goods. Du Pont has wisely diversified into this field through the acquisition of Berg Electronics in 1972. Berg Electronics is a world leader in the manufacture of electronic connectors. These products are vital links that connect up electronic devices and circuits together to form working units and systems. The manufacture

of connectors requires plastic and plating technologies. Du Pont's strength in these fields clearly contributes to its success in producing connectors.

The strong link between the chemical and electronics industries is reflected in many products other than electronic connectors. Outstanding examples are printed circuit boards and semiconductor devices. Singapore is a major world producer of these electronic components. We are already producing more than S\$1 billion a year of semiconductor devices and within two years we shall be producing S\$130 million a year of printed circuit boards. Therefore, substantial volumes of various etching, plating and cleaning chemical are required. There are plans by companies to backward integrate into the manufacture of copper-clad laminates and silicon wafers. These projects will require even more substantial quantities of specialised and high purity chemicals. The Singapore Government welcomes companies that will manufacture such chemicals and will be prepared to offer them appropriate tax incentives.

Du Pont (Singapore) Electronics Pte Ltd was established in 1979 to manufacture electronic connectors. The manufacture of electronic connectors requires a high degree of technology and skills. It is also a process that is not labour-intensive. This company's value added per worker at full production will exceed \$60,000 per annum which is more than twice the present national average for the manufacturing sector. The company

will therefore not only use labour efficiently but also provide a higher level of job opportunities for our workers. Its location in Singapore is in line with our policy to upgrade our industries to a higher technology and skill level. Existing companies should also contribute to this upgrading by producing higher value added products and automating production processes. With our limited human resources, we have to keep increasing productivity so as to ensure continued competitiveness of our industries as well as increases in the earnings of our workers.

For a giant corporation like Du Pont, this plant in the Republic is but a small project. Nevertheless, it is very important, being the pioneer project by Du Pont in Singapore. Our industrial experience shows that the success of a pioneer project leads to other investments by the company. Companies such as General Electric, Philips, Siemens, Hitachi and Matsushita have each grown from having just one small plant to having a group of plants with multi-million dollar investments. I am confident that Du Pont will soon join this happy family of successful large corporations in Singapore.

It is now my pleasure to declare Du Pont (Singapore) Electronics Pte Ltd officially open. I wish the company every success in all its operations.