

**SPEECH BY MR CHAN CHUN SING, MINISTER FOR TRADE AND INDUSTRY, AT THE 30TH ANNIVERSARY CELEBRATION OF BECTON DICKINSON (BD)'S MANUFACTURING FACILITY AND OPENING OF BD'S FIRST ADVANCED MOLDING CENTER IN ASIA ON FRIDAY, 11 JANUARY 2019, 10:30 AM, 30 TUAS AVENUE 2**

A very good morning to friends, family members and colleagues of BD,

The MTI team,

Media partners,

1 Let me congratulate BD for 30 years of success in Singapore. It is a testament to your confidence in us and the kind of partnerships we would like to have with the MNCs in Singapore. The fact that you have chosen Singapore, stayed in Singapore, and expanded your operations in Singapore, to serve Singapore and the regional market, is a testament to this strong partnership. That is why, EDB will work closely with you to see how we can continue to strengthen your operations in Singapore, in service of the region and the world.

2 Today, in a fast-moving and fast-changing economy, with a lot of technological disruptions, many have asked if Singapore will continue to focus on manufacturing. They ask if manufacturing will still remain a core part of our economy. The answer, which I want to share with everyone here today, is a definite yes.

3 Manufacturing will remain a core pillar, comprising about 20 per cent, of our economy, now and going into the future. However, the nature of manufacturing is changing. And the composition of the manufacturing sector in Singapore will similarly change.

4 BD is a prime example of this evolution of the role and status of manufacturing in our economy. Today, while we still have largely about 20 per cent of our economy in manufacturing, the quality and the type of manufacturing that we are seeing is quite different. And I can say, it is fundamentally different from 30 years ago. In the next 10 to 20 years, we will see even more changes and even greater disruption. But there are a few ingredients in this new landscape of manufacturing that we can expect and BD epitomizes this journey.

5 First, you will notice that manufacturing is no longer just done in isolation. It will be closely tied to research and development (R&D). This is one way in which Singapore can entrench our competitive advantage. By combining manufacturing with upstream R&D.

6 Second, the type of manufacturing that we are in will also change. We are no longer competing with the rest of the world in terms of scale, size or price. The type of products and services that BD produce to serve the world are what we call “high-mix, low volume, high quality and knowledge intensive” goods. This will be the type of manufacturing that we will see increasingly more of in Singapore.

7 And if we are to move into this new “high-mix, low volume, high quality, knowledge intensive” sector, then we need to get a few fundamentals right. One of which is our intellectual property (IP) protection regime – one that is agile and trusted, that can give investors the confidence that their IP will be protected in Singapore.

8 Another factor that will be critical to the success of this new manufacturing sector will be the standards and quality that we can deliver. If we produce hundreds of millions of widgets, to have a flaw in one or two, may be acceptable because we have reached a “six-sigma standard”. But to produce medical device where each and every one is implanted into someone’s body – the bodies of someone’s loved ones, and it could be our loved ones – requires a very fundamental change in the way we do quality assurance and this is the kind of work that we will have to do. So when I visit many of the plants in Singapore, be it BD, or those that produce heart valves, or even – this morning I visited another plant – manufacturing vegetables, the similarity is the quality assurance, the trust mark. The trust mark speaks to the way that Singapore will operate. And therefore, we do not just compete on the basis of scale or price, but we compete on the basis of the quality standards, the trust that people can have in us.

9 If we can continue on this journey to make sure that we closely integrate our R&D with manufacturing, adopting the latest digital technology, such as artificial intelligence, and combining all this with a high quality trust mark that people can depend on, then I am very confident that, not only will manufacturing be here to stay, but high-quality precision engineering, high standards, highly trusted products will be here to stay.

10 Last but not least, one of Singapore’s competitive advantage is our supply chain. Because in today’s global production, it is no longer about production of widgets in isolation. Many of the things that BD does here, just like many of our other companies, rely on a trusted, resilient, and global supply chain. This is the quality that we can assure our investors, both local and foreign - that we will deliver the ability for Singapore to connect to the world and we will never be constrained by our size or geography.

11 If we can get these few ingredients right, I have every confidence that manufacturing, advanced manufacturing, will continue to grow from strength to strength in Singapore.

12 And this is why I am so happy to join you here today. Not just to celebrate 30 years of success for BD, not just to celebrate the partnership that EDB has with BD. But it is also a milestone, or marker, of the onward journey that we will take together.

13 Finally, I wonder if there is any BD employee here with us today that has been around for the last 30 years. I know there are some of you who have been here for more than twenty years. I am quite sure there are.

14 What BD has done also epitomizes the spirit of how we do things in Singapore. It is not just about growing the company, growing the GDP, and growing the products. It is ultimately about taking care of our people and developing our people to the fullest potential. Those employees who have been with BD for the last 30 or 20 years. You did not just grow old, you grew up, you brought up your family with a better paycheck over time as BD success continues to grow.

15 This is how we do business in Singapore. We grow our businesses, not as an end in itself, but as a way to grow our people, to take care of our people. With all the new technologies coming in – and I would not call it technological disruption but technological opportunities – there are opportunities for our workers to be upskilled, reskilled, so that they can take on higher productivity tasks and, ultimately, take home a better paycheck to take care of their families. In the process, beyond the monetary rewards, they also feel fulfilled, they feel they are growing up, they are growing wiser, they are acquiring new skills that will put them in good stead in the future economy.

16 I thank BD for your emphasis on developing your people. And that is why I can see that many of them are with you for so long. So thank you very much for your partnership. Thank you very much for taking care of fellow Singaporean workers. We look forward to doing great things with BD for years to come, to keep the Singapore flag, the Singapore manufacturing sector flag flying high for years to come.