

Parliament No:	10
Session No:	2
Volume No:	80
Sitting No:	4
Sitting Date:	2005-04-21

PARLIAMENTARY DEBATES

SINGAPORE

OFFICIAL REPORT

TENTH PARLIAMENT

PART II OF SECOND SESSION

VOLUME 80

Thursday, 21st April, 2005

The House met at 1.30 pm

PRESENT:

Mr DEPUTY SPEAKER (Mr Chew Heng Ching (East Coast)).

Mr Ahmad Khalis Bin Abdul Ghani (Hong Kah).

Dr Ahmad Mohd Magad (Pasir Ris-Punggol).

Mr Ang Mong Seng (Hong Kah).

Mr Alexander Chan Meng Wah (Nominated Member).

Mr Chan Soo Sen (Joo Chiat), Minister of State, Ministry of Education.

Dr John Chen Seow Phun (Hong Kah).

Mr Steve Chia Kiah Hong (Non-Constituency Member).

high. I hope our younger generation, our children, our grandchildren will not, in the next 20-30 years, pay this kind of "debt" incurred by the Government. I do not wish to see the Government being accused of leaving behind a heavy load of social debts for our future generations of Singaporeans.

Prof. Ivan Png Paak Liang (Nominated Member): Thank you, Mr Deputy Speaker, Sir, for allowing me to join in the debate. I just have two calls and a question. First, my call.

The call is that for the next big issue that we face as a country, would the Prime Minister and the Government please reverse the sequence - first debate in Parliament, then decide in Cabinet.

The present debate, which I have been following for the last four days, has all the flavour of a post-mortem. We have heard many moving speeches from senior Cabinet Ministers, honourable colleagues, but a decision has already been taken. I recall several years ago, the then Deputy Prime Minister Lee, gave an inspiring speech at the university. He urged our students to take an active role in the movie, not just sit back and be in the audience. So, next time, please, Sir, let us take an active role as actors and actresses in the movie, not just be the first audience. So my call for the next big issue is to let Parliament debate the issue before, and not after, the Cabinet's decision.

Sir, my second call. On this point, I echo hon. Members Mr Chiam, Mdm Halimah, Mr Loh Meng See and Prof. Ong. Will the Government please commit to the House that in the future it will not relax the conditions on admission of Singaporeans to the casino? We have heard from the Prime Minister, the Senior Minister, Minister Mentor, and others, that there are many plans for integrated resorts with casinos. If they do not come here, or even if they come here, they may set up elsewhere - Bangkok, Phuket, we have heard many places. When this happens, all these would be competing for the same tourist dollars from China, India and elsewhere. It may be that the business for our integrated resorts will slacken, then the management may come back to the Government to say, "Oh,

our business is not going so well. Please give us some concessions."

Sir, my call is, please, would the Government commit that there would be no concessions?

Third, my question, Sir, which is related to my previous call: who, if any, will regulate the quality of the other features of the integrated resort? On this point, I also echo hon. Member Dr Loo Choon Yong. Initially, as the Senior Minister has said, we will get Celine Dion, Norah Jones, one of my favourites. We will get Cirque du Soleil. But what if business is not so good? The integrated resort might downgrade. We will get second-rate singers, third-rate circuses. My question is: will the operating franchise specifies standards of performance to ensure that we get only the top-class?

The Minister for Trade and Industry (Mr Lim Hng Kiang): Mr Deputy Speaker, first, I would like to thank hon. Members for their very candid views of the integrated resort project shared over the past four days.

Many Members have spoken in support of this project. At the same time, many have also given their reservations. The economic merits of the integrated resort are clear but, at the same time, Members remain concerned about the social impact that casino gambling would have on our society. Many have given very thoughtful suggestions on how to implement and further strengthen the social safeguards against problem gambling. The Minister for MCYS will address these points later on.

What I would like to do right now is really to focus on two key economic questions that have surfaced during the debate. The first group of questions is related to some of the concerns raised by the Members: whether or not the integrated resort is an act of economic desperation. Members have asked: Why now, after 40 years of saying no to casino?

The second set of questions is to address the Members who asked: can we, indeed, have an integrated resort without a casino?

Over the last four days, Members have asked whether we really have no choice. They asked whether we are so economically desperate that we need to have a casino. It seems to me like they are asking whether we are discussing an integrated resort or the last resort. Or, as Mr Low Thia Khiang put it, he said, "Are we saying that if we do not have a casino, our economy will collapse and Singapore will have no future?"

Mr Deputy Speaker, Sir, the answer is, of course, a resounding no. As I explained earlier on, we have to put the integrated resort in its context. This is not the panacea to our economic challenges, but it is a very important element in what we intend to do.

Today, our economy is doing fairly well. We have made many changes and adjustments to the economy and, unless one is a casualty of the dot.com collapse or is in the construction sector or in one of the retail centres in HDB estates that are not doing well, I think, by and large, the other sectors in the Singapore economy are doing reasonably well.

If I can just take a quick survey of the economy. Manufacturing which constitutes 25%-27% of our economy is fairly robust. Electronics, one of the key sectors in our manufacturing, is doing very well. Electronics and precision engineering contribute around 10% of our GDP. If one looks at the petrochemical sector, it is doing very well because of the very high oil prices and the huge demand for petrochemical products in the world, especially in Asia. If one looks at the pharmaceutical and life-sciences, which contribute around 5% to our GDP, that is also doing well. If one discounts the volatility of the production month-by-month, looking at it over the years, the pharmaceutical

and life-sciences are doing well.

Our transport, marine and aviation engineering, overhaul, repairs, these sectors are all doing well. And we have a lot of projects in the pipeline. EDB is very confident of a very strong pipeline of investments. They are very confident that they can attract \$8 billion every year over the next few years. And we have been nurturing new areas - displays, medical devices, environmental engineering and alternative energy. These areas may grow and become new clusters of competencies in Singapore.

If one looks at our services, financial services is doing well. That takes up 12% of our GDP. Business services, we have many companies setting up regional headquarters here. The trade in Singapore is strong because our exports are up. The whole range of FTAs that we have signed is giving us a boost. Our position as a transport hub is being strengthened. The throughput in PSA is growing very quickly. For the first quarter, PSA handles the most number of containers in the world.

When we look at the tourism sector, it is just one sector in our whole economy. The tourism sector has been doing well the last few years, but if you look at it from a 10-year time span, we have lost a bit of our market share. This is where the integrated resorts come in. As many MPs pointed out, including Dr Ahmad Magad, as we go into the services sector, tourism, being less volatile, is a good sector to promote. And when you have the Asia-Pacific region growing so strongly, there is no reason why we should not strengthen our position in this sector and reinstate tourism as an important pillar of our economy. So we are going into this not because the economy is in desperate straits, but we are going into this because of the opportunity it presents to us.

A subtext of this question is: Why now? Why after 40 years are we doing this? Again, we are not doing this because we are desperate. We are doing this because this is a window of opportunity. The integrated resort is a matter of economic rejuvenation, not

of economic survival.

As I explained in my speech earlier on, the traditional gaming markets of North America, Australia and Europe, are now mature. So the major players in the world are looking for new growth opportunities elsewhere. And they are looking towards Asia. Because of the regulatory and shareholder requirements, these large gaming companies prefer markets that are similar to their home markets, such as a stable political environment, dependable legal structure, comparable gaming regulatory structure and the lack of corruption. Singapore is highly rated in this regard. So we do have a window of opportunity, but the investors would not wait forever at our doorsteps. If we say no, they will not hesitate to take their investments elsewhere in the region because the demand for integrated resorts will not disappear. So this, to us, is a window of opportunity.

The next question which Members raised is: why not have an integrated resort but without a casino element? I think here we can refer to the experiences recounted by the other Members. For example, Mr Lim Boon Heng explained why we need a big theme park for theme parks to succeed. In the past, we have had several experiments with small theme parks, but they have not done well. The reason is because, as Mr Lim Boon Heng explained, to run the theme park you need to refresh it every two or three years. So you need a sizeable theme park, so that while the rest of your theme park is in operation, you can devote one segment of it to come up with the new attraction. So we need a big theme park. We have tried many times to attract theme park operators to Singapore, without a casino element, but without success.

I think yesterday you have heard Dr Amy Khor, in her real estate professional experience, her company had tried bringing in investors in theme parks. Mr Ravindran also mentioned that he tried to bring in investors, but there were no takers. Why is that so?

I think there are several reasons. We ourselves have tried in the 1990s, talking to Walt Disney and Universal Studios, and we understand a little bit of their business. First of all, theme park operators are actually content companies. They only provide the software, intellectual property and brand. For that, they do not want to put too much of their own money. They take very little financial risk. So, first, they earn a development fee, even before the theme park operation starts. This is to bring in their brand and attractions. Then when the operation starts, they earn a management fee, top-line, not bottom-line, not only when you make a profit. They have a top-line management fee and they take a cut of the gate-takings. This business model is not unique to just theme park operators but, in fact, to all major international content providers.

When we were negotiating with the theme parks in the 1990s, I remember somebody told me that we should look at Walt Disney not only as a theme park operator, but also as a real estate player, because they want a big piece of land to build their theme park and then as the theme park becomes successful the capital value of the surrounding land appreciates and they make the capital gains of that land. For example, Walt Disney built Tokyo Disney over 70 hectares.

But when they were negotiating with us in the 1990s, they wanted 300 hectares. Seventy hectares for the first phase to build the first set of attractions, but they promised us that they would build Phase II and Phase III, and they wanted the other pieces of land for future expansion. We earmarked a piece of land in Seletar for them to look at. We even offered to build a MRT station between Yio Chu Kang Station and Khatib Station so that visitors can go to the theme park. We have Seletar Expressway, so transport is very convenient. It is a lovely site with the reservoir as a backdrop. But we were not prepared to pay the very high price needed to give away 300 hectares of land at a very low cost, development fee, management fee, etc. So the deal fell through. But we are constantly interacting and talking to the various theme park operators to continue to attract them. Unless we are prepared to put in a very high equity stake and fund many of these attractions, the theme park operators are not likely to come in.

If you look at the Hong Kong example, in Hong Kong Disney, the Hong Kong government in effect owns 57% of the whole operation. Their investment is 57% and the

ownership can go to as high as 75%, depending on the various scenarios. So this is not the kind of model which we are prepared to go in because we believe that a theme park should be run essentially by the private sector. It should not be owned by the Government. The reason why we prefer the private sector to run it is not just because of the investment upfront but because the private sector brings with them the expertise, the connections, the network, the ability to bring in celebrities and to keep the attractions fresh.

Also, in answer to Dr Geh Min, it also releases the Government and the Ministers of having to make difficult decisions. So if the operator introduces a whale, that is the operator's choice, not because I want to have a whale swimming in the aquarium. And if the operator has very excellent *foie gras* or shark's fins in its fine restaurants, well, that is his business. Those who object to shark's fins or *foie gras* will not lobby the Government. So that is another good reason why we should leave it to the private sector to do these projects.

So these are the two key areas that I would like to address: first, we are in this because it is an opportunity, not because we are desperate; second, we have explored many times the option of an integrated resort without a casino. And as many Members here would have experienced - Mr Lim Boon Heng, Dr Amy Khor and Mr Ravindran - this is not an easy task, and it is better if we are able to attract investors to do this entirely.

Before I end, I would like to also mention some of the comments about social safeguards. These would be addressed by Vivian, but I would like to respond to some of the points raised.

I would like to say that the analogy given by Dr Geh Min of a sugar-coated pill is not an apt analogy. I prefer the description put up by Ms Irene Ng - that this is really a buffet and you have many attractions to go to and you need not go to the casino. A sugar-coated

suasion which the Ministry of Manpower and NTUC apply on our employers will also apply to them. This means that the majority of jobs will go to Singaporeans, because they will be subject to the same quotas that apply in the service sector.

Beyond that, I think these are points which we can discuss in the House, but I do not want to over micro-manage the situation. If at that point in time we change our rules and our approach to the employment of older workers, then naturally these must apply across the board to all employers. But this is the subject of a tripartite committee which I believe has been formed between NTUC, the Government and employers. Let us wait for its recommendations. The problems of unemployment for older workers is a much bigger and more fundamental one which we need to fix and not just resort to a quick fix.

Mr Deputy Speaker: Prof. Ivan Png. One last clarification. I think we have to move on.

Prof. Ivan Png Paak Liang: Sir, the Ministers have not answered my question, ie, if the operators of the IRs come back and ask for relaxed conditions on admission of Singaporeans, will the Government commit that it will not relax these conditions.

Dr Vivian Balakrishnan: I said earlier that we would review our conditions from time to time.

Let me just put things again in perspective. Why are we doing this? We are doing this because we want to attract tourists. If the integrated resorts are unable to attract tourists and they are going to have to depend on locals, we might as well let them go bankrupt.

5.52 pm

The Prime Minister and Minister for Finance (Mr Lee Hsien Loong): Mr Deputy Speaker, Sir, over the last four days, Parliament has had a constructive and very fruitful debate. The MPs have offered many insights. They have shared their personal

experiences on gambling, whether winning or losing, and stated their positions and concerns. They have shown their personal convictions and well thought out stands, whether these are for or against the integrated resorts or, more specifically, against the casino component of the integrated resorts.

It is not the end of our journey, but it is a significant milestone after more than a year of debate. Now, what we have to do is to make the IRs work - to yield the economic benefits, to generate the jobs and, and at the same time, to limit the social fallout.

I have tried to explain the process by which we had reached this decision to proceed - how our thinking evolved, why we changed our long-standing policy, what we are still worried about. Usually, we avoid agonising over policies in public, wringing hands, wondering what to do before we make up our minds. Our preferred approach is to settle the main lines of a policy, explain the package, and then, if necessary, finetune as we go along, because we do not want to confuse people, we want to present a clear stand, and have the direction we are heading towards more or less worked out. But in this case, it has been important for us to talk about how we got here, in order to carry people along and understand our thinking.

We have been on a journey. The Government started out being against the integrated resorts. We had to review the evidence, confront the facts, rethink our conclusions and, in fact, re-examine our values and predispositions as we found our way forward step by step, as the phrase goes, feeling your way stone by stone across the river, and gradually crossing the river and reaching a new point. And to bring the population and the MPs along with us, we had to explain how we got here, how we took these steps forward, why we changed our minds and why we are now here today.

The hardest thing for us to do is to change a policy which is still working. The problems are not yet obvious; the new policy involves risk and uncertainty; so why not carry on until the problems become more serious? Maybe we will not have to change.

Whereas if the problem is already on your head and you are already in a deep hole, there is no question you will have to do something about it. But it is the Government's responsibility to look over the horizon, anticipate problems which are not yet looming large but which are visible in our telescope, and persuade people that we need to change now and to support the necessary change. So, what we are doing here is to look ahead 10 years, maybe 20 years, a responsibility that the Government takes very seriously.

Our economic policies today are working. In manufacturing, we are moving up the value added and technology ladder, and going upmarket. In electronics, bio-sciences, petrochemicals and fine chemicals, the industries are all doing well. We are getting new investments in research and development. Our financial sector is doing well, driven by the private banking and fund management industries. In fact, private banking is growing by 20% per year - the same market, by the way, which the IRs hope to target. Many more people are coming here from around the region, all the way from the Middle East to China, for education and health care.

We are trying to tap the growth of the countries around us and make a quantum leap in all of these areas. We want to become a leading centre for high-end manufacturing in Asia. We want to offer the best education and health services to clients from the Middle East to China, South Korea and Japan; to reinforce our role as a key logistics hub: to entrench our position as a major centre for entertainment and conventions, different from Macao and Las Vegas. We are not trying to be a strip with 17 or 19 casinos, with flashing lights, tempting sounds and images, but attractive and special in our own way.

We are developing ourselves to become the most cosmopolitan, most open, and also the safest city in Asia, where women and children can walk along the streets all hours of the day and night without fear. We have to preserve our brand as a well managed city, Asian at its core, but open to change and willing to try bold new ideas.

So, the decision on the IRs concerns the interests of Singapore over the next 10 to 20

years. It is not a short-term problem. For the next five years, the IRs are not going to make any great difference to the economy. Maybe the construction sector will benefit. But if we do not move now and do not have IRs up and running four or five years from now, by 2009, other countries would have moved ahead, we would have been left behind, and it would be too late to catch up. You can see where the others are but you are far behind. In Chinese, we say, *wang cheng mo ji*, ie, watch the dust and you are not in range to catch up.

In the short term, we have to overcome some political resistance. Many Singaporeans are opposed to the idea. They are not the majority, but they are passionately and sincerely against the idea, and we have to persuade them to accept it or, at least, to let them understand the reason why we have to move, even though we know they do not agree with the decision.

Finally, the Cabinet considered it carefully and we decided we cannot say no, we have to move now. In the long term, the IRs are an essential part of remaking Singapore. It is a judgement. Are there downside risks as Assoc. Prof. Ong Soh Khim asked? Yes, of course. There are upside risks too. We do not know how it will work out. Maybe, if it is too successful, we may get frightened of it because it is such an irresistible temptation. But we have to weigh it and decide the upside and the downside to the best of our ability and judgement. Does it look like it is a good decision for Singapore? Our judgement, as a Cabinet, is yes, it is a decision which we have to make.

Other countries are already taking note of our move. It is reported all over the regional newspapers, *The Herald Tribune* has it, the *Asian Wall Street Journal* has it, the *Financial Times* has it. The Malaysians are watching us carefully. Their media is reporting on this. Mr Zainul Abidin mentioned this yesterday. They are asking if this is a plus or minus for them. Some people say it is a minus, business will go out. Some people say it is a plus, because, then, there will be more tourists coming to the region who will visit both Malaysia and Singapore. Because having visited the integrated resorts in Singapore, why not go visit Genting too? I watched the Chairman of the Malaysian Tourism Board on television and she took that attitude that it is a plus. They welcome it. So did the Secretary-General of the tourism ministry in Malaysia. I think that is the right attitude for neighbours in Southeast Asia to take.

But the reaction is not just from Southeast Asia. The Chinese are watching us. Shanghai is watching us. The *China Daily*, which is an English newspaper in China, devoted half a page of its business segment reporting on our integrated resorts on Tuesday after I made the statement on Monday. One of our Singapore CEOs happened to be in Shanghai and met the Shanghai government officials. The officials told him, "Singapore, while small, has made such a tremendous impact regionally ... This decision [talking about the IRs] is another example of long-term planning that will no doubt improve Singapore business stature." So they are watching us. They are studying which way we go and I have no doubt that they are asking themselves, "Is it something which we should consider? If so, when should we move?" Because Shanghai has moved forward on many fronts and, in some areas, they are well ahead of Singapore, and this is not something unthinkable.

I am convinced that the majority of MPs and, I believe, majority of Singaporeans, support the idea of an integrated resort. I draw this conclusion based on the debate these last few days, my soundings with MPs and their grassroots, and feedback I received myself, visiting the constituencies, talking to the grassroots leaders and their residents. There is support for it. And after the debate and the explanations in the House, I am confident that the support level will go up. But the basis for this decision is not the popularity of the proposal, otherwise we could have done a straw poll or referendum, as Dr Loo Choon Yong suggested, and then gone with whatever the straw poll said. The right basis is what is right for Singapore in the long run. That is what we have to judge and decide.

Most MPs who have spoken disapprove of gambling, or, at least, they disapprove of excessive gambling. Some oppose it because of their upbringing, like Mr Arthur Fong, whose father left him an indelible experience, or their religious faiths, like Mr Loh Meng See, who spoke just now. Some oppose all forms of gambling, because of personal experiences of family members who are gambling addicts. And when you have gone through such an experience, that also leaves an indelible impression on you, and you say, "I do not want this ever to happen. Let there not be such an evil on the earth." Others have done their calculations and found that gambling is pointless because the house always wins, as the Minister Mentor explained.

Some of the shrewdest and wealthiest businessmen in Singapore do not gamble. They could be a whale if they wanted to, but they think it is foolish, and a waste of money. Mr Ong Beng Seng is one of them. I have got his permission to tell you his story. He said that he found out that the house always wins. So he must have played and eventually concluded that it is a mug's game, the player always loses. So he had a solution. He decided to be on the other side. He bought the house, and later sold it for a good profit. The shrewdest businessmen, the ones who are smartest at making money, will tell you, "If you want to make money, this is not the way to do it." This attitude towards casinos and gambling is a good one. I do not believe that having the integrated resorts will shift this basic attitude. This is an attitude and is the immune system in our society which will inoculate us against succumbing to excessive gambling.

But we also have to be realistic. Even without IRs, many people are already gambling, as Mrs Yu-Foo Yee Shoon and Mr Ong Ah Heng pointed out just now. They work with the unions so they know the ground, people's habits and how they behave. The MCYS' survey confirmed what we knew - 58% of Singaporean adults gamble. But what was interesting was also the amounts which they gamble. Median expenditure per gambler per month is \$83; average is \$244. If you base it on one year, the median expenditure is almost \$1,000 and the average is nearly \$3,000. This is what an average gambler in Singapore will spend. Most of these will be social and recreational gamblers, but a few will get into trouble.

I am not a gambler myself. I have been lucky. I have not experienced the problems of gambling, either me or my family. My family does not gamble. I was going to tell you all about my non-gambling occasions, but they paled in comparison with Senior Minister's and other stories which the House has heard, but I will just tell you one.

On a rare occasion, we were at a very serious meeting in Canberra in 1989, the first APEC Conference, and it happened to coincide with the Melbourne Cup. I was there with George Yeo. Everything came to a stop. This was in the middle of the day. The Prime Minister, then Bob Hawke, flew from Canberra to Melbourne to attend the race,

congratulate the winner and come back to Canberra the same day to receive us at dinner. We had to stop doing business because the whole country ground to a halt. All the Australian staff and officers were going to watch, so we had better watch too. Our attitude was, if we are going to watch, we might as well put some money on it. So we passed the hat around. This being APEC, we decided on a collective bet, 12 countries. It was not a big sum, so we bet one horse. My job was to name the horse. We chose the "Empire Rose". I cannot remember why, but I remember the name - there was a profound political reason. It lost. That has not been an indelible lesson, but it is a vivid example of how difficult it is to be smarter than the other guy and smarter than the house. So never believe that one can gamble to earn a living or to get rich. I have seen in MPS, families who are in trouble because of gambling, just as I have seen in MPS families who are in trouble because of other reasons, drinking or just being dissolute or unable to manage their finances. It is very sad and every case you see is one case too many.

Like everybody else, I would like to protect our people and our own children from ruining their lives through gambling. But I do not believe we can solve the problem by banning gambling. I also do not believe that gambling is something which we can completely outlaw. We take that attitude with drugs. There is no such thing as recreational use, whether it is cannabis, heroin, cocaine. For consuming drugs, you go to jail or the drug rehabilitation centre.

But we do not take that attitude with other social vices. We do not ban cigarettes, which are extremely harmful. All we can do is to tax them heavily so, at least, some public good comes out of a private addiction. You can also become addicted to alcohol, which can break up families and ruin lives. But we do not ban alcohol, because that does not work. We allow alcohol to be sold, and we tax it. And there is such a thing as a social drinker - you drink wine or beer, it is part of socialising, it is normal. Muslims do not. Some other people feel that they do not want to, but drinking is accepted within society.

Prostitution is a sin. It is wrong, but it is a reality. As the MM explained, we are a port city, if we do not allow it, you drive it underground. So we allow it, we regulate it, we have a system of health checks, and everybody knows the even numbered *Lorongs* are

different from the odd numbered *Lorongs*.

Gambling opportunities now are far more prevalent than they ever used to be. It is a fact of life. We have to accept it. Cruises to nowhere are common. Singaporeans go, grassroots leaders go, and MPs go with them because it is part of bonding amongst the grassroots. And the MPs tell me that when you go on a cruise to nowhere, before you can cross the international boundary, there is a queue outside the casino. The moment the doors open, people rush in. If you were not there and you were eating a chicken wing at a buffet, and you hear the PA system announce, "The doors are now open", you will drop your chicken wing, half-eaten, and run.

On the Internet, gambling is available readily. You do not have to visit the sites, the sites visit you. Because you may be at some perfectly innocent site and up it pops and says, here's a casino, try your hand at black-jack, or whatever it is, with bright flashing lights - a private casino in your own home. I was doing some research - I assure you - a few days ago, preparing for this debate and up came a site. So I decided to click on it. The site is called *popebetting.com* because a new Pope was being elected, and here is the chance for you to put some money on the candidates. There was a whole listing of the cardinals and the odds, the first one of which was Cardinal Ratzinger, 3:1. I regret I did not click on the next link. So the temptation is all around you. You have to teach people how not to gamble excessively and we have to have safety nets to catch and treat those who become gambling addicts.

We have to get our people to learn, and particularly the next generation to learn, that it is stupid to think of gambling as a way to get rich. If you have to gamble, treat it as a consumption item, and set a budget to spend. If I am going to have a fling this evening, here is \$50 or \$100 I am going in with, that is what I am going to spend. When it runs out, I go home. It is like going to the movies or on a holiday. It is spending money. If you lose, do not try to earn it back. That is disastrous, as Chia Teck Leng found out. I have had very intelligent, very well educated professionals explain to me how, if you are smart, you can outsmart the house. I have tried to explain to them that, mathematically, it is not possible, this is a well-known paradox, you may think double, double, double, and you will come ahead, but before that you will go bankrupt. But they say, "No. If you are not

greedy, you can make just a little bit of money." The glint is in their eyes, but they are quite wrong, and we have to get this message home, so Singaporeans know that if you are doing this, you are a sucker.

It is better for people to have the right values inculcated in them from young so that they can form their own right judgments. Then they can deal with many risks in the world which they are going to meet, more dangerous than integrated resorts on Sentosa or Marina South.

We teach pupils in schools, through civics and moral education, which already covers the virtues of thrift, hard work and being responsible to the family. The challenge is not to have more homilies and lectures. The challenge is to deliver this message effectively and interestingly, whether or not we have a casino. You have to do it through stories and parables, maybe some real life examples, or a visit to the casino. Then you know what it is about and you have some mental image of how to deal with it.

Families too play a role. Parents need to teach values, and also the basic facts about gambling. I know of one family who happen to be opposed to the casino, but they teach their children how to gamble because they want their children to understand it. So every Chinese New Year, their children play these games. As you all know, Chinese New Year is one of those ancient traditional family occasions where these are among the family pastimes. In this case, the elder sister was playing with the younger brother for a piece of cake. The elder sister won and so gave chance. Younger brother played again. Elder sister won again, gave chance again. Played a third time, elder sister won again, she promptly ate the cake, and younger brother burst into tears. That is the sort of lesson which we want to teach people and which will stay with them for a long time. That is what elder sisters are for.

Religious and social work groups also have a role to play - to exhort their followers to live upright lives, to have their social networks, so you know who is in trouble, who may be wandering too far, and to counsel and help those who get into trouble. So I hope that those who oppose the IRs on moral or religious grounds will continue to engage

themselves and exert a positive force on society. With the right values, people can choose and decide - either not to go to the casino or if they must gamble, then not excessively. They have to live their own lifestyles, maintain their own values, abide by their own rules, as Singaporeans have to do when they go overseas and live in a different society. As Mr Zainudin explained to us on Tuesday, what he had to do when he visited France and lived there for three years, and he still comes back as a good Muslim.

I am encouraged that MPs, despite personal reservations, understand the reasons why the Government has to proceed with the IRs. So too Singaporeans. Many have written to me to express their understanding and support since this debate began. After hearing our explanations, they realised the scale of the integrated resort and the benefits it will bring to the Singapore economy. They said the Government should have presented the IR concept more clearly earlier. If we had explained it like this, it would have been easier. Actually I should tell MTI that if they had explained it to the Cabinet like this, then Ministers might have been persuaded earlier. But we started off with this gambling component, and we must not lose sight of that, but we should see it in perspective.

Some people who wrote to me were struck by the descriptions of what other cities are doing and they said we better move too. They understood that the Government had made this decision after wrestling with its conscience, and was doing this to grow our economy, create job opportunities and renew Singapore. There were some who have strong religious beliefs who said that they themselves will not step into a casino, but they understand why we are moving, and they will devote their time and energy to help counter the negative impact. For example, one Muslim wrote to me, and I quote him, "I reject the idea of having a casino in Singapore, but as a secular Government, the decision can't be taken based on religious faith but for the sake of national interest. I have to respect the Government's decision. I also thank the Government for respecting religious faith ... and I trust that the Government is making a sound decision and I support the IR project and I hope other Singaporeans will also see it the same way."

I am also heartened that many social welfare and religious groups who had opposed

the IR, and still disapprove of it, are prepared to cooperate with the Government to help to tackle problem gambling. For example, the associate general secretary of the National Council of Churches of Singapore was quoted by AFP to say, "We are still opposed to gambling and all the effects of that vice. But the Council would encourage its member churches to educate their flocks against gambling. Christian churches would cooperate with the Government in dealing with the social fallout and offer counselling for people with gambling problems."

The Catholic Archbishop Monsignor Nicholas Chia told the BBC that he understood the economic arguments, but, of course, he was still very much against it, and he said and I quote, "We are very worried about the cost of human, family and social well-being. We will try to dissuade people from being addicted and educate people on the ill-effects of problem-gambling."

The Muslim groups too have spoken out. For example, the Darussalam Mosque Management Board Chairman, Abdul Mutalib Hashim, expected IRs to cause problems for Muslims, but he said that the mosque planned to enrich its mosque counsellors with comprehensive knowledge about gambling - not only basic knowledge, but also laws and the social impact of gambling.

Mr Ramli Puteh, who is President of the Ain Society, a Malay welfare group, hoped that Malay/Muslim organisations can work together to handle gambling-related problems later on, such as alcoholism and domestic violence.

We are very grateful for the understanding of these religious leaders, and we will make full use of their resources, networks and sense of mission to tackle the side-effects of problem gambling.

This has been an important exercise in public consultation and active citizenry. The

public discussion has been, on the whole, calm and rational. It has been a passionate debate, but I am not surprised at that, because in every other country or city considering a change in gambling policy, it has been a hot subject. Every society includes a range of views on gambling, and if we did not have a group of people who have strong reservations and are prepared to speak up, I think an important component would have been missing from our social immune system.

Some people have said that the Government was in a no-win situation. If it does not consult, it is seen as not consultative. If it consults, but then decides to proceed, it is seen as not taking in opposing views, and some people will say that the Government had decided already. I do not think that this is a decisive factor, because for an important issue which Singaporeans feel strongly about, I am convinced that this way is the right way to go - to consult, air, debate and, finally, to make a considered decision.

As Mr Tan Soo Khoon said, the Government having decided to proceed, it does not mean that one camp has triumphed over another. We have had to debate this, weigh this and, finally, we have had to find a position which we think is right for Singapore and which we can carry. That is what we have tried to do. We deeply respect views, like Assoc. Prof. Ong Soh Khim's or Mr Loh Meng See's, which treat gambling as an absolute no, no. But, as I have explained, that is not the society's view, it is not the Government's view. We have to operate on a secular basis, taking the national interest at heart and recognising that people will feel very strongly that they do not want to participate and they wish others also would be prevented from taking part. We can respect the first part, but we cannot prevent others from taking part.

The inputs did influence our deliberations. It gave us a sense of what people were worried about, what was acceptable, and it helped us decide what safeguards to take. For example, we took some time to come up with the entrance fee proposal. We floated other ideas. What about a total ban for Singaporeans? That was a no go. What about some cut-off in terms of income levels? I think that would have been offensive to many Singaporeans. Who are you to say that because I am poor, I cannot look after my own

money? Or entrance fee based on credit cards? We found that there would be too many. What about gold cards? But gold cards can get cheaper; even platinum cards get devalued. So, finally, we settled on this entrance fee. Whether \$100 is the right or wrong number, time will tell. I believe it is the right number. It will work in deterring casual gamblers from just wandering in and then getting hooked. It will not deter problem gamblers. They are already hooked. But for problem gamblers, we need a different solution.

Why do I think it works? Because I have asked around. How much money are people playing when they go to these jackpot machines? If they go to Batam, they carry with them maybe \$200-\$300. I asked how much do they come back with, and I am told, usually zero. If they go to NTUC Club, the operator tells me they come with \$200-\$300 too. They may go back with two-thirds of that, so the Club makes maybe \$100 out of them. I asked NTUC Club: what if I levy \$100 on you? He said NTUC Club will die. I think he knows what he is talking about. This is not a trivial levy. Time will tell, but the test is: is it cheaper to go to Marina South or is it cheaper to go to Genting or Batam? I think, based on the price we intend to set, Genting and Batam are cheaper. If that changes, we will have to look at the situation again.

We have had a substantive debate. We have come to this House after the Cabinet has decided. **Prof. Ivan Png** would like us to come to this House before the Cabinet has decided. We are prepared to explain our position even before we have taken a stand. But there has to be a certain ripeness in our policy, a certain crystallised proposal to focus the House's discussion so that when you debate it, you know what you are for, or what you are against. Our approach is to take soundings, assess, and come here with a proposal. There are views and ideas which we have taken in these last three days. We will study them, and where they are relevant and constructive, we will take them in. But there has to be a proposal to focus on and the decision really lies with the Cabinet, what we are going to do, because finally we are the ones who take the responsibility and carry that and have to answer for the consequences of making this decision.

This will not be the last time we have to go through such debates, and decisions have to be made which not all Singaporeans will agree with. We will continue to take a consultative approach on important issues that matter to Singaporeans, even though on some of these, we will not reach unanimity. Then we will have to manage the debate so

that we do not polarise ourselves and end up with a deeper cleavage in our society, which is harder to bridge. This has happened in Western societies. If you discuss abortion or gay rights, there is no possibility of meeting of minds. The extremes have polarised and we must not let that happen on divisive issues in Singapore. We have to develop the maturity for the Government to be open to modifying proposals to take in new ideas, and for the public to accept that consultation does not mean every input will become policy, particularly when there are different views among the public.

Now that the decision has been made, we have to move on, close ranks, and work to make the IR succeed for Singapore. The upside and the downside are not just matters of guess work, but they depend on how hard we work to get the upside and to limit the downside. As one young Singaporean wrote in an email to me: "Whether it is the Government, the gambler, or you, we are all a family walking and sleeping in the same piece of land. The best idea won't work if no one supports it. The worst one will work if everyone works towards a common goal." A very sensible young lady wrote that. So let us all work towards a successful project, a clean and safe, but vibrant and dynamic Singapore.

Column No : 535

Column No : 535

EXEMPTED BUSINESS

(Motion)

Resolved,

That the proceedings on the business set down on the Order Paper for today be exempted at this day's sitting from the provisions of Standing Order No. 2. - [Mr Wong Kan Seng].