

Minister for Trade & Industry Lim Hng Kiang at Parliament Sitting, 18 April 2005

The Prime Minister has explained clearly why the Government has decided to proceed with two Integrated Resorts, or IRs, after serious deliberation. I wish to elaborate on the tourism and economic considerations.

Tourism has always been an important sector for the Singapore economy and not simply for the tourism receipts that visitors generate. The more attractive we are as a tourism destination, the easier it is for us to develop our convention and exhibition industry, and grow as an aviation hub.

However, our tourism sector has faced major challenges over the past decade. Our total arrivals and tourism receipts have declined. Between 1993 and 2002, visitor arrivals stayed relatively stagnant at about 6.5 to 7.5 million visitors. Over the same period, tourism receipts fell by 17%, from S\$11.3 billion to S\$9.4 billion. The tourism sector has not been keeping up with the growth in the rest of the economy and consequently tourism's contribution to our GDP was reduced by half, from 6.1% in 1993 to 3% in 2002.