

STATEMENT BY PRIME MINISTER LEE HSIEN LOONG ON INTEGRATED RESORT ON MONDAY, 18 APRIL 2005 AT PARLIAMENT HOUSE

PROPOSAL TO DEVELOP INTEGRATED RESORTS

INTRODUCTION

1. Integrated Resorts (IRs) are a significant proposal to boost our tourism industry. The government has been studying this idea for over a year. The issue has been debated intensely, both among the public and within the government, because the IRs will also include a gaming component, i.e. a casino. Many Singaporeans have spoken up both for and against.

2. To assess the viability of the proposal, the Government called a Request-For-Concept (RFC) in December 2004, to invite interested players to submit concept proposals to develop IRs on two sites – Marina Bayfront and Sentosa. The RFC attracted 19 bids. After studying the bids, and considering all the views expressed, the Cabinet has decided to proceed with the project and to call for firm proposals to develop two IRs, both at Marina Bayfront and Sentosa.

3. Today, I will explain how the Cabinet reached this decision, and the key considerations that caused us to change our longstanding policy not to allow casinos in Singapore. I also want to acknowledge the concerns of those who oppose or have expressed reservations about an IR, and explain how we propose to limit the negative impact of the casinos. Finally, I hope to bring all Singaporeans together, so that even though we may not all agree on this issue, we understand and respect each other's reasons and concerns, and can close ranks and move ahead.

4. After my statement, the Minister for Trade and Industry, Mr Lim Hng Kiang, will explain the tourism and economic aspects of the proposal; the Minister for Community Development, Youth and Sports, Dr Vivian Balakrishnan, will explain the safeguards we propose to limit the social impact of casino gambling; and the Minister for Home Affairs, Mr Wong Kan Seng, will explain issues of law and order and enforcement. Members will then have the opportunity to fully express their views and raise questions on all aspects of the issue.

RE-EXAMINING OUR OPPOSITION

5. When the idea of an IR was first mooted, my sympathies were with those who opposed it. The Government's policy for many years had been not to have a casino, and we had repeatedly turned down proposals to open one.

6. In 1985, when Singapore experienced a severe recession, the idea to open a casino on Sentosa came up, not for the first time. Mr Goh Chok Tong, who was then the First Deputy Prime Minister, turned down the proposal.

7. In 2002, I chaired the Economic Review Committee (ERC) looking for new strategies to grow our economy. Mr Wee Ee-chao led the Tourism Working Group. He wrote to me proposing a “world class gaming facility”. I replied to him explaining why I was against it. Let me quote from my letter to Mr Wee:

“There may be economic merits to setting up a casino in Singapore. But the social impact is not negligible. By making gaming more accessible and even glamorous, it could encourage more gambling and increase the risk of gaming addiction. A casino could also lead to undesirable activities like money laundering, illegal money lending and organised crime. Although one can try to mitigate these effects, the long term impact on social mores and attitudes is more insidious and harder to prevent.”

CHANGING CIRCUMSTANCES

8. But the issue did not go away. MTI which is responsible for the economy was getting worried as the competition environment changed. Two years later, in 2004, MTI put up a case for an IR. Three major developments caused us to re-examine our position:

Tourism Trends

9. First, we are losing ground in tourism. Tourism in Asia is growing phenomenally, especially the traffic from China and India. Singapore's tourist numbers are up too, but we see warning signs of problems ahead. Our market share is declining (from 8% in the Asia Pacific region in 1998 to 6% in 2002). Tourists are spending less time in Singapore. They used to stay an average of about 4 days in 1991, but now they stay only for 3 days. In contrast, on average, they are staying for about 4 days in Hong Kong, 5 days in London and almost a week in New York City. We are losing attractiveness as a tourist destination.

10. Why is that so? The feedback we have been getting is that Singapore is seen as unexciting. We have not been investing in tourism infrastructure projects that are crowd pullers. So there are too few things to do that hold the attention of the tourists. Writers from Hong Kong and Taiwan laugh at us, saying that Singapore is 水清无鱼, i.e. the water is too clear, so that there are no fish. If we do nothing about it, visitors from the PRC and India will soon feel the same.

11. This is not just a matter of chasing tourist numbers. Many jobs are at stake – in the hotel, food and beverage, retail, taxi, exhibition, and aviation industries. All these depend on tourism traffic. As a Merrill Lynch report observed:

“The EDB has had successes with its initiatives in the areas of biomedical sciences, education, logistics and supply chain management, and financial services. But it is... (the IR project)...that tips investor mindset toward accepting that Singapore is transforming itself into a diversified service-based economy.”

Cities Reinventing Themselves

12. The second major development is that cities all round the world are reinventing themselves.

13. New York City has been undergoing a renewal. The current and previous mayor (Bloomberg and Giuliani) have remade the city by cleaning up the streets, and clamping down on crime. New York is rebuilding on the World Trade Centre site, a new and iconic development. They are building a New York Sports and Convention Centre (NYSCC), to draw in more tourists and convention traffic. The project costs US\$2.2 billion, and the city and state are contributing US\$600 million. New York is also putting up spectacular activities to draw visitors, a recent one being an eye-catching art exhibition in Central Park called “The Gates” – comprising 7,500 big saffron banners meandering through the park.

14. Paris is also getting a shake-up, even though it attracts 25 million tourists a year, 3 times as many as Singapore. The city is redesigning its traffic flow; the mayor has built a very popular artificial beach along the River Seine; and started nightlong street parties. During the first party, the mayor was assaulted and stabbed. But as he was carried away on a stretcher, he told the crowd to carry on partying.

15. London too is getting a face-lift. New architecture and attractions are sprouting all over the city, adding more life and colour to an already vibrant and cosmopolitan city. London has had private gambling clubs since the 1960s. The British Government wants to allow Las Vegas style super casinos to be built. It tried to legislate to allow up to 40 super casinos, but because of opposition from MPs and the impending elections it had to compromise and agree to build just one super casino somewhere in Britain. But it will try again after the general elections.

16. In Asia, Shanghai is full of drive and energy. Hong Kong will open its Disneyland very soon, and is planning a new cultural centre at West Kowloon that is seven times the size of the Esplanade. Hong Kong is talking about

building a casino on Lantau, to compete with Macao. In Thailand, Prime Minister Thaksin is likely to move ahead with IRs at Khao Lak in Phang Nga Province. Malaysia is developing the Kuala Lumpur City Centre (KLCC) project, a 40 hectare development which includes the current Petronas Twin Towers. They are also hosting Formula One racing, and Kuala Lumpur is buzzing with tourists from the Middle East.

17. The question we have to consider is: will Singapore be part of this new world, or will we be bypassed and left behind? We seek to be a global city, attracting talent from around the world, lively, vibrant, and fun to live and work in. We want Singapore to have the X-factor – that buzz that you get in London, Paris or New York. The ideas to do so are aplenty, but realising them is not so easy. As Mr Philip Ng said in a forum organised by URA recently: “Singapore is just among the ‘wannabes’ of sub-global cities.”

18. We cannot stand still. The whole region is on the move. If we do not change, where will we be in 20 years’ time? Losing our appeal to tourists is the lesser problem. But if we become a backwater, just one of many ordinary cities in Asia, instead of being a cosmopolitan hub of the region, then many good jobs will be lost, and all Singaporeans will suffer. We cannot afford that.

19. We need to do many things to become a global city. A casino by itself is not essential to this vision. But an IR is not just a casino. An IR is one significant idea we must consider, that will help us reinvent Singapore.

Not a Casino, but an IR

20. This leads to my third point, which is that we are not considering a casino, but an IR – an integrated resort.

21. Some of media coverage of this debate has focussed on whether or not the government will approve “casinos”. This has given the wrong impression that the IR project is only about building casinos here. We think of a gaming room with slot machines and game tables, perhaps with a hotel and some basic facilities. We think of Macao as it used to be, with a sleazy reputation and triad gangs ruling the streets, or Las Vegas in the movies, with organised crime and money laundering. But that is not what we are looking for. IRs are quite different. In fact, they should be called leisure, entertainment and business zones.

22. The IRs will have all kinds of amenities – hotels, restaurants, shopping, convention space, even theatres, museums and theme parks. They attract hundreds of thousands of visitors per year. The great majority will not be there to gamble. They may be tourists, executives or businessmen, who go to enjoy the resort, or attend conventions or conferences. But within this large development

and slew of activities, there is one small but essential part which offers gaming and which helps make the entire project financially viable. As a result, there is no need for government grants or subsidies for the IR. The investors will put in the money, and take the commercial risk.

23. Genting gives us some idea what the IR may look like. Genting started off as a casino with an attached hotel, but now it has many other amenities: good hotels, numerous food outlets, theatres, a huge amusement park, etc. Many Singaporeans go there for short holidays with the whole family, and not to gamble. The IRs we have in mind are much more than Genting.

24. On a smaller scale, we can think of NTUC Downtown East or the SAFRA Clubhouses. These are wholesome family destinations. People go there to swim, eat, golf and enjoy the facilities. But somewhere within the premises there is a small jackpot room that generates the revenue that helps to keep the place going. NTUC Club generates millions of dollars a year from the jackpot machines, which helps to pay to build the rides and other facilities in the Clubhouses. Without this revenue, NTUC Club would close shop.

UNDERSTANDING THE IR IN PRACTICAL TERMS

25. For these reasons, the Cabinet decided that we could not dismiss the idea of an IR out of hand, merely because it contained a gaming element. We had to study it seriously. So Mr George Yeo, then Minister for Trade & Industry, floated the idea in the Committee of Supply last year. This started the current debate.

26. After I took over as Prime Minister, the Cabinet discussed how to proceed. The public feedback showed clearly that some Singaporeans had strong views against the proposal. The Ministers themselves were evenly split. Some accepted the arguments for the IR. Others thought it sounded too good to be true. They also shared the qualms of the public about the social impact. They asked: are the promised spin-offs real or fluff? Are the economic benefits worth the social and law and order fallout? What safeguards can we put in to discourage Singaporeans from gambling? If we discourage Singaporean gamblers, will investors still find the project viable?

27. I shared these doubts. I did not believe that based on the arguments presented, we could be confident enough to proceed, and override the reservations of a significant group of Singaporeans. But neither did I believe that we should reject an IR based solely on first principles, just because it contained a casino, regardless of its economic benefits. To make an informed decision, we needed to understand what exactly an IR would entail. What sort of investment would it be? What benefits would it bring? We needed information to decide.

28. So we decided that as a first step, we would initiate a Request For Concepts (RFC). This is a process whereby interested bidders would present concept proposals for the IR. The concept proposals are not binding offers, and the government is not obliged to proceed with the project after the RFC. The purpose is to give the government a clearer idea of what is possible. If the RFC showed that the idea of IR was not viable, or that investors were only interested in opening gambling joints, then the government would say no. But if the RFC proved that the IR is viable, and that investors are keen to build high quality IRs here, then we could weigh the clear economic benefits against the social costs and intangible factors, and make an informed decision one way or other.

RESULTS OF RFC

Outcome

29. The RFC was a success. Many of the bidders were leading companies in the industry which had built high quality IRs elsewhere, and had solid track records and international reputations to protect. They had formed consortia with world renowned architects and creative firms, and obviously put a great deal of effort into their proposals. These were major projects, involving about \$5 billion of investment for the Bayfront and Sentosa sites together. Several bidders said this would be their flagship project in Asia.

30. Before making a decision, the Ministers viewed the designs and architectural models, and were briefed on the proposals. We found this very helpful in understanding what the IRs were about. I wanted to display the designs and models publicly, so that Singaporeans could see the high quality of the proposals and appreciate the impact of the IRs on our city. Unfortunately the bidders would not agree. They wanted to protect their intellectual property, and not allow their competitors to see their plans. So as a next best step, and with the permission of selected investors, we have made all Members of Parliament (MPs) sign non-disclosure agreements, including the opposition MPs, NCMP and NMPs, and shown the designs and models to them, so that Members know what we are talking about in this debate.

31. I believe most members who have viewed the proposals will agree with the government's assessment that the RFC has attracted some high quality proposals which deserve serious consideration. Let me describe briefly what the proposals entail.

32. The Bayfront and the Sentosa sites attracted two very different types of proposals. The Bayfront is suitable for a large business and convention facility. The target market are MICE visitors – i.e. people who are coming for Meetings, Incentive tours, Conventions and Exhibitions. This is a high value market, because MICE visitors spend much more per person than other tourists. The

Bayfront site (12.2 ha) is larger than Suntec City (11.7ha). Investors are prepared to put in 2 to 4 billion dollars to develop the entire area, filling it with hotels, shopping malls, convention and exhibition space, even museums and theatres.

33. The scale is large. If we take a typical proposal: it will have as many hotel rooms as the three 5-star hotels at Marina Square combined; more retail and F&B space than Ngee Ann City, i.e. Takashimaya plus all the shops and restaurants surrounding it; plus ample convention and exhibition space.

34. The Bayfront is a prime site in the New Downtown. Singaporeans would worry if it became a sleazy development, right in the heart of the city. We are very mindful of this. We want to see an iconic development, of excellent architectural design, one that will enhance the city skyline, and complement our role as a business and financial hub. We will subject the Bayfront IR to the same stringent urban design standards as other projects in the New Downtown. In fact an IR at the Bayfront will mostly offer the same activities that we would bring to the area even without an IR, namely hotels, conventions and exhibitions, shopping, restaurants, entertainment, galleries and museums. The only difference is the gaming area itself, but this is only a small part of the whole development – less than 3% of the total floor area allowed.

35. Without the IR, it might take us 15 years or more to tender out the land in individual parcels, and to develop the area on the same scale. But if we build an IR, within 4 years the Bayfront will be developed. This will complement other major developments such as the Esplanade, the new Sports Hub in Kallang and the Marina Barrage, to bring new life and excitement to the New Downtown and our city.

36. Sentosa is suitable for a family-friendly resort, attracting families and tourists who are coming for a holiday. At Sentosa, investors are also prepared to spend 2 to 3 billion dollars to develop the IR. This will transform an area (47 ha) that is equivalent to the size of the Zoo (28 ha) and Bird Park (20 ha) combined. It will bring to Sentosa a large scale, high quality anchor attraction which it has so far lacked. There will be theme parks, resort hotels, restaurants, shopping and many other attractions, enough to satisfy the critics who say there is not enough to do in Singapore. Here too gaming will occupy less than 5% of the total floor area allowed.

Assessment

37. The conclusion from the RFC is that not only will the IRs be viable in Singapore, but there is a major market opportunity waiting to be tapped. The Bayfront and Sentosa developments complement each other. Each will attract a different type of visitor, and together they enable Singapore to provide a broader

range of offerings for tourists. Significantly, most of the investors stated that they would not reduce their investments if we awarded both projects instead of one. Some even preferred two projects, because this would create critical mass and attract more visitors. This showed that they were not worried about competing for a finite local market. They intend to grow the market, by bringing in new visitors to fill their IRs.

38. The IRs will change our downtown skyline and transform Sentosa into a truly high-quality resort destination. They will make Singapore a centre for tourism, business and conventions, and attract hundreds of thousands more tourists each year. There will be spin-offs to the rest of the economy, because not all the visitors to the IRs will stay there. Altogether MTI estimates that the two IRs will create about 35,000 jobs, counting jobs within the IRs, plus spinoffs throughout the economy. These jobs in the hospitality sector will complement the jobs we are creating in other sectors, such as manufacturing, financial services or transportation.

39. The positive response from the IR operators is a tribute to Singapore's reputation, but it also reflects the attractiveness of the regional market. By acting now, we seize a window of opportunity to get ahead of our competitors. If we say no, the best proposals for the IR, together with the investments and the jobs, will most likely go somewhere else in the region. Then we will be forced to play catch up, and be in a much weaker position. As one Forum Page letter said:

“The issue is not whether we should allow a casino to operate in Singapore. If that was all, the Government's response is obvious. The real issue is whether an economic investment comprising an overall tourist integrated investment project running into billions of dollars should be disallowed because of a gaming component.”

EVALUATING THE DOWNSIDES

40. Thus from the economic point of view, there is no doubt that the IRs will be a major plus for Singapore. However, our considerations cannot just be economic. We must also address the non-economic issues – tangible minuses like an increase in problem gambling and broken families, and intangible losses like the impact on Singapore's brand name and social values.

Social Implications

41. The first implication of having the IRs is that people will gamble more, more people will get into trouble, and more families will suffer. This is the paramount and absolute issue for many who oppose the IRs - social workers, religious

groups, family based VWOs and committees, and people who have had personal experience of family members gambling excessively.

42. We must assume that the IRs will increase the amount of gambling in Singapore. The question is how much. This is not an all or nothing issue, because even without the IRs, there is much gambling going on, onshore and offshore, legal and illegal. Every year, Singaporeans spend \$6 billion on legal gambling in Singapore, and another \$1.5 billion in cruises and offshore casinos. Looking ahead, gambling will become even more accessible, especially offshore and on the internet.

43. Our estimate is that with two IRs, gambling by Singaporeans in the IRs is unlikely to exceed \$1 billion a year, or 15% of the current level. This does not take into account the IRs displacing other forms of gambling, or reclaiming some of the gambling which now takes place illegally or offshore. So the actual increase will probably be less.

44. More gambling will mean more problem gamblers. But again this is not an all or nothing issue. We already have problem gamblers today. As the MCYS study shows, we are not so different from other Chinese societies in this respect. The question is what we can do to mitigate the problem, to identify and help problem gamblers and especially their families.

45. MCYS has studied the experience of many cities with casinos. The extent of their problem varies. It depends on what kind of visitors they are targeting, whether the regulations are effective, and the scale and spread of the gambling activities. But there are best practices which we can adopt to mitigate the problem.

46. We seriously considered banning Singaporeans altogether from gambling in the IRs, but decided against it. This is because there is no reason to exclude locals who can afford to gamble and would otherwise just go elsewhere. Further, some Singaporeans feel strongly against such discrimination against locals. The operators also told us that they needed some local business, although they know that this cannot be their main market. However, we will put in place comprehensive measures to minimise the social impact of casino gambling.

47. First, we will restrict the admission of locals. We studied many alternative ways to do this, and finally decided to use price, and charge a high entrance fee, \$100 per day or \$2,000 a year. \$100 is more than the ferry ticket to Batam, and will deter many casual gamblers. This will apply only to Singaporeans and Permanent Residents.

48. Second, we will implement a system of exclusions. Those in financial distress, or receiving social assistance, will not be allowed entry. Singaporeans can also exclude themselves or close family members.

49. Third, the casinos will not be allowed to extend credit to locals, so as to make it harder for them to lose more than they can afford.

50. Fourth, we will make sure that some social good comes out of the gambling at the IRs. For other forms of gambling like horse racing, Toto and 4D, the profits are channelled to the Totalisator Board, which uses the money for charitable and worthy causes. For the IRs, we will similarly channel revenue collected from the entrance fee to the Totalisator Board for charitable purposes.

51. Fifth, we will set up a national framework to address problem gambling. This will include a National Council on Gambling, and also programmes to counsel and treat problem and pathological gamblers.

52. The Minister for Community Development, Youth and Sports will elaborate on these measures later.

Brand Name

53. The second risk of allowing IRs is that we may tarnish the Singapore brand name. Our reputation, built up over decades, is one of our most precious assets. Internationally, Singapore is known as being clean, honest, safe, law abiding, a wholesome place to live and bring up a family. We must not let the IRs tarnish this brand name.

54. The operators understand this. In fact, the operators want to come to Singapore because of our reputation for law and order, clean government and strict enforcement. They want to operate in a reputable jurisdiction, so as to enhance their own reputation and satisfy their regulators in their home countries. They too have an interest in ensuring that Singapore's brand name remains intact.

55. We are not aiming to become like Las Vegas or Macao, where gambling is the main industry. We will not allow casinos to sport garish neon displays on the faç ades and have jackpot machines everywhere from the lobby to the toilets. An IR will be as decent and wholesome as a SAFRA resort or an NTUC Club. The gaming area will be separate, so that visitors have to make a conscious effort to go there, and not be tempted to yield in a moment of weakness.

56. More importantly, we will deal firmly with the problems that tend to accompany casinos, such as organised crime, loan sharks, and money laundering. The Minister for Home Affairs will elaborate on this later.

57. Other countries and cities with casinos have maintained their reputations. London, Sydney and Geneva are all respectable places to live, even though they all have casinos. All three are financial centres which depend on their reputations for integrity and rule of law, just like Singapore. We can learn from them how to stay abreast of the times, be exciting and cosmopolitan, and still be a safe and well-managed city.

Values

58. Third, we are also concerned that the IRs will undermine the values of our population, especially amongst the young.

59. Singapore has succeeded through hard work and perseverance, and never believing that there was a quick and easy way to get rich. It is critical that Singaporeans continue to have the right values, as individuals, as families and as a society, values that will help us make a living for ourselves, live upright lives, and endure as a nation.

60. If IRs erode our work ethic, undermine our values of thrift and hard work, and encourage Singaporeans to believe that the way to success is to be lucky at the gaming tables, then we are in trouble.

61. In the past, we could keep Singaporeans insulated from sin and temptation, up to a point, by not allowing undesirable activities in Singapore. It made sense to say no to a casino, because it was not so easy for people to travel to Macao, and not many could afford to go to Las Vegas or Europe. But today the situation is different. Singaporeans make more than 4 million overseas trips by air and sea a year. What is not available in Singapore is all around us. With or without an IR, we must work harder to keep our values intact, but we cannot do so by cocooning ourselves. As Deng Xiaoping said, we have to “open the windows, breathe in the fresh air, and at the same time fight the flies and insects.”

62. So far, despite Singapore’s openness, we have upheld our basic ethos of hard work, excellence, and an emphasis on families. There are strong countervailing forces against negative influences. Community and religious groups play an important role. Their vigorous response to the IRs shows that they are concerned about values, and will work hard to uphold them. Even though we have to proceed with the IRs against their preference, I am sure they will continue to teach their followers good values, and strengthen our society. For its part the Government will continue to emphasise moral education in schools

and promote wholesome values in our society, while the media play a role in setting the right tone in their reporting. We aim to be a decent and wholesome society, but not a puritanical or hypocritical one.

Religious Objections

63. Finally, many Singaporeans, though not all, who oppose the IR do so on religious grounds. The main religious groups have all made their views known. The churches, the Buddhist and Hindu groups, as well as MUIS and Muslim groups have all stated their stands. I have also received letters from many Singaporeans, especially Christians, expressing their objections on religious grounds.

64. I fully respect the convictions and teachings of the different religious groups. I also respect the religious choices and beliefs of individual Singaporeans. These are personal choices for individual Singaporeans to make. Each person is free to follow his conscience, and follow the teachings of his faith. But in a multi-racial, multi-religious society, the Government must maintain a secular and pragmatic approach. It cannot enforce the choices of one group on others, or make these choices the basis of national policy.

65. To those who object to the IRs on religious grounds, no economic benefit justifies allowing a casino here. But the Government has to balance the economic pluses against the social fallout and the intangible impact on values, and make an overall judgment whether to proceed. For the Government, the key consideration is what serves our national interest in the long term.

66. I am confident that despite this difference in perspectives, the religious groups will continue to work for the greater good of Singapore, in the context of our multi-racial, multi-religious society, with tolerance, compassion and mutual respect. Religious faith is a powerful force motivating Singaporeans to help their fellow citizens, not just gambling addicts, but everyone who is in need of help. I particularly hope that the religious groups will work together with the government to help to build strong families, which are the basic units of a resilient and stable society.

THE DECISION

67. Building the IRs is a major decision, although not a life and death matter. The Cabinet discussed the issues and trade-offs over and over again, both in Cabinet and at our weekly Pre-Cabinet lunch meetings, before it took a final decision. We took into account feedback from the public, our discussions with MPs, and all arguments for and against. Some members of the public think that we had made up our minds right from the beginning, even before this whole

process of public discussion. They are quite mistaken. In fact the Cabinet started off mostly against the IRs. The views of Ministers mirrored the spectrum of views among the public. Some were for, others against. As we discussed the matter among ourselves, and understood better what the IRs actually involved, our views gradually shifted. When we saw the results of the RFC, we knew that we had to take the bids very seriously, and that if we said no there would be serious consequences.

68. We finally took the decision at a special Cabinet meeting convened on 9 April, a Saturday afternoon. Nearly everyone was present. Everyone expressed his view, for or against. Those who were away had also made their views known. Even after so many discussions, ministers were still not unanimous.

69. The first question was whether to have IRs at all. The answer was yes. Having settled that, the next question was whether to have one or two IRs. We decided on two IRs, because the Bayfront and Sentosa projects complement each other, because having two provides competition and critical mass, and because we believe that two projects will bring more economic benefits, without increasing the social cost commensurately.

70. This is a judgment, not a mathematical calculation. We see the trends, and feel the need to move. Whichever way we decide, there are risks. If we proceed, the IRs may not succeed, or the social fallout may be worse than we expect. If we do not proceed, we are at serious risk of being left behind by other cities. After weighing the matter carefully, the Cabinet has collectively concluded that we had no choice but to proceed with the IRs. As Prime Minister, I carry the ultimate responsibility for the decision.

MOVING FORWARD TOGETHER

71. Despite our explanations, I do not expect Singaporeans to support the IRs unanimously. Not everyone will be convinced by the government's reasons. The split is not between old and young, the rich and poor, or the PAP and the opposition. The views are deeply held and personal. As the Ministers hold different views, so too do MPs, and so too does the public. I have received many emails and letters from citizens, for and against the IRs. Some are from my personal friends, who feel strongly against the IRs and wanted me to know their views.

72. I respect those who oppose the IRs, and their views. We have decided to proceed, but not because we think those against the IR are wrong, or their views unimportant. Their reservations are valid and shared by the ministers, even those who support the IRs. These reservations are the reason why the government has said no to casinos for so long. But now we are confronted by a new situation, and the overriding need to remake our city and our economy.

73. I will meet community and religious leaders, to explain why we have to move, what safeguards we propose, and to ask them to work together with the government to minimise the social impact.

74. I encourage MPs to speak up in this debate. Explain your stand, whether for or against IRs, and help Singaporeans better understand what is at stake.

75. I thank Singaporeans for participating in the debate. Your views counted. They helped us understand your concerns and the potential problems better. They demonstrated that Singaporeans can have a rational and constructive public debate on controversial and serious issues. But from here, whether you were for or against, let us put the differences aside and move on. Let us work together to make the IR a plus for Singapore – by bringing in more tourists, creating more jobs, and teaching Singaporeans about the risks and folly of gambling.

76. The IRs are an important step forward, but it is only one of many things we must do to remake our city, and build a new Singapore. This is a larger task, and one which requires the commitment and efforts of all Singaporeans. Let us continue to work closely together to realise this vision, and make ours a vibrant and dynamic city in Asia.