

Clearly, we could have done more: PM Lee

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Yahoo News, 29 January 2013

Prime Minister Lee Hsien Loong on Monday admitted that his government “could have done more” to prepare for Singapore’s rapid population growth that has strained the capacity of existing infrastructure.

Speaking in a 90-minute dialogue at the Singapore Perspectives 2013 conference organised by the Institute of Policy Studies on Monday afternoon, PM Lee acknowledged the lapse in policy judgment, explaining that his government was trying to “make up” for time lost to the post 9/11 global economic recession in 2005-2006.

“I decided (by 2005 and 2006) that we should try and make up for lost time because you want the economy to grow,” he said. “You want Singapore to make progress and you don’t know how long the sun is going to shine. As it turned out, the sun remained shining for longer than we expected. So the population grew faster than we expected; our infrastructure didn’t keep up.

“Should we then have said, ‘I didn’t plan for this infrastructure, let’s tell the businesses to go away and let’s forget about the growth, we don’t need the IRs, we don’t need these extra jobs, we just stay where we were’? I think that would be very risky. So we went ahead,” he added.

Lee noted how the strains that subsequently showed up were “quite instructive”, because they did not show up gradually but “quite suddenly”, and by the middle of 2009 Singapore’s leaders were scrambling to devise measures to “cool things down” in the property market.

“We’ve been trying to cool things down ever since,” he said.

“So we lacked that 20/20 foresight. Next time, we will try to do better, certainly to have a bigger buffer and not to cut things so fine,” he continued.

“But I think it’s very difficult to know, 10 years from now, how many you will need. Even if you know how many persons there will be in Singapore, you can’t say how many houses they will need. Will they buy it? Or will they say, ‘Oh, I’m not certain because the economy is not looking good or the politics are not certain, well, I’ll hold off’? But when the market goes up, it goes up with a vengeance and we’ve paid the political price — we learn from it.”

Lee’s comments come in the wake of what has been described by political analysts as a “devastating” by-election loss in the long-time ruling party-held Punggol East Single-Member Constituency over the weekend to the opposition Workers’ Party.

Party leaders attributed the loss to the “by-election effect” where the ruling party is already set at a disadvantage, while Lee said he would be likely to field the party’s chosen candidate, colorectal surgeon Dr Koh Poh Koon, in the next general election.