

‘What is Govt’s role in business?’

Former minister Lim Hwee Hua discusses subject in her new book

By ROBIN CHAN

FORMER minister Lim Hwee Hua believes the Government should not apologise for being in business as it has a key role to play in regulating and managing the economy.

But to be a friend of business, rather than a foe, it must adapt to changing business needs and not cling to old doctrines, she said.

Mrs Lim made the point in her keynote speech before a panel discussion yesterday on the role of governments in business.

It is also the subject of her new book, *Government In Business: Friend Or Foe?*, which she launched at the event.

The book, published by Straits Times Press – the book publishing arm of Singapore Press Holdings – was written following her departure from politics after the Workers’ Party defeated the People’s Action Party in Aljunied GRC in the 2011 general election.

Now a director at private equity firm Tembusu Partners, she was in politics for 15 years, holding portfolios such as Second Minister of Transport and Finance.

With that perspective, she said yesterday: “Government should not apologise for being in business. But it must be clear about its criteria for participating and for how long.”

It can turn into a foe of business “when it clings to certain policy positions or rules, which may have worked well in the past but are no longer relevant”, she said.

Citing the recent government shutdown and debt-ceiling impasse in the United States, Mrs



Former minister Lim Hwee Hua signing copies of her book, *Government In Business: Friend Or Foe?* at the Tanglin Club yesterday. Mrs Lim wrote the book following her departure from politics after the 2011 polls. ST PHOTO: NG SOR LUAN

Lim said they show the important role governments play as manager of the national economy and provider of essential services.

During the panel discussion, a dominant theme was the role of government as a shareholder in a company and how it should provide such essential services.

Government-linked companies like Singapore Airlines have helped the economy develop but when should government get out?

Panellist Liew Mun Leong, chairman of Changi Airport Group and former chief executive of property developer CapitaLand, said the Government must be careful about which companies it privatises because of the services that may be needed.

For this reason, he disagreed with the decision to privatise the Public Works Department, which is now known as CPG Group and owned by China Architecture Design and Research Group, a Chinese firm.

“Today, we need these services. We are building airports,

we are spending tens of billions of dollars but where are they? They were sold to an Australian company, then sold to the Chinese. If you get them back, they will skin you. We have to be careful about what we privatise and sell.”

What is essential may also change over time, said Mrs Lim.

One growing need in Singapore, for instance, is eldercare, and panellist Mildred Tan, head of advisory at Ernst and Young Singapore, said a collaborative approach between the government and private sector is needed.

Mrs Lim later said at the book launch that she hoped it would “provide sufficient catalyst for a wider discussion” on the subject of government in business.

Mr Patrick Daniel, chairman of Straits Times Press, said: “This is certain to be a book that is going to be well-read and will continue to be well-discussed for anyone interested in this topic of government in business, especially Singapore’s unique brand of it.”

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