

**SPEECH BY MR LEE HSIEN LOONG, PRIME MINISTER, AT THE OFFICIAL
OPENING OF THE NATIONAL VOLUNTEER AND PHILANTHROPY CENTRE'S
THE GIVING PLACE, 7 JULY 2008, 7.15 PM AT CENTRAL MALL**

Mr Stanley Tan, Chairman, National Volunteer and Philanthropy Centre,

Distinguished Guests,

Ladies and Gentlemen,

1. I am delighted to join you this evening for the opening of The Giving Place. The National Volunteer and Philanthropy Centre (or NVPC) strives to promote volunteerism and philanthropy in Singapore, in partnership with the public, people and private sectors. Over the past nine years, it has made progress fostering the spirit of giving in Singapore – our national volunteerism rate increased from 9% in 2000 to nearly 16% in 2006, and about 9 out of 10 Singaporeans give to charity. This is a commendable achievement.

2. The NVPC is now a committee under the National Council of Social Service. Later this year, it will become an independent entity, incorporated as a company limited by guarantee. This move will put it in a better position to be a leading voice for the non-profit sector, working with the government and the community.

The Case for Philanthropy

3. Every society has to take care of its people, especially the vulnerable groups. Either the state has to do it, or it needs to be done through private initiatives. Market competition and self reliance help drive economic growth, which brings prosperity and progress. But taken to its extreme, the private model means “every man for himself”. The poor and needy will then be left to cope through their own efforts. They may be able to get by, but this cannot be the basis for building a nation.

4. On the other hand, if the government were to take upon itself responsibility for all these social needs, it will have to operate a system of high taxes and transfers, like the European countries. This is an impersonal, bureaucratic model – help for those in need becomes a matter of social administration, not compassion; an entitlement, not something to be grateful for. It would erode the work ethic, leading to slower growth and a loss of economic vitality.

5. Philanthropy is a better approach. The US has a long history of philanthropic spirit. America's great capitalists of the 19th century, like Andrew Carnegie and John Rockefeller, amassed enormous wealth, but also gave generously. Carnegie had a dictum: "the man who dies rich dies disgraced". Today's billionaires like Bill Gates and Warren Buffett are following in these footsteps, giving away the bulk of their wealth, and in the case of Gates, now overseeing this giving as a full time occupation. As another contemporary billionaire and philanthropist put it, they do not want to deprive their children of the pleasure of making their own money. Younger entrepreneurs are embracing the same ethos. For example when the founders of Google took their company public, they decided that a slice of its equity and profits would go to Google.org, a philanthropic arm. As a result of this spirit of giving, far more hospitals, libraries, universities and welfare services in America are funded by private donations than in other developed countries. Such philanthropic instincts have allowed America's "winner takes all" society to remain a cohesive one.

6. As a small island-nation with no natural resources, Singapore cannot afford to go the European way. We have to get our people to do their best, do well for themselves, and so help the whole country to progress. So we have gone for low taxes, low welfare, and self-reliance. Our system makes full use of the talent and entrepreneurial drive of our citizens. This has delivered growth and improved the lives of all citizens. But for this to be sustainable, our society has to remain cohesive and stable, and that means that those who have succeeded must feel the impulse to give back to society. The more they have gained from society, the greater their obligation to give back something to their fellow citizens. They must not allow society to be split between the haves and have-nots, and undermine the whole basis for able people to succeed and create wealth in Singapore.

Building a Giving Nation

7. We have not yet built up such a strong philanthropic tradition in Singapore. But many Singaporeans are donating generously to good causes. This started with our forefathers who arrived here in the banks of the Singapore River decades ago, in search of a new world of opportunities. Those who went from rags to riches took it upon themselves to give back to society, and help the immigrants who came after them. They set up charitable foundations like the Lee Foundation and Shaw Foundation. Where there were no temples or mosques, they donated and raised resources to build them. Where schools were needed, they established them to enable the next generation to benefit from the education that they themselves had missed.

8. The present generation have continued to uphold this tradition of philanthropic giving. We have buildings and school faculties named after major donors or their foundations, like the Lee Kong Chian School of Business in SMU, Yong Loo Lin School of Medicine in NUS, and Khoo Teck Puat Hospital. Singaporeans from all walks of life have also been donating to charities generously, and contributing their time and effort to do good works. Last year, charitable giving to Institutions of a Public Character or IPCs increased by more than 50% to \$820 million.

9. We are gradually becoming a giving nation, but there is potential to do much more. We need more Singaporeans to donate, according to their means and from their heart. This is especially crucial in this era of abundant economic opportunities, yet stagnating wages at the lower end, and widening income gaps. To respond to these trends, the more successful Singaporeans must pitch in to help the weaker ones. Collectively, these individual actions will make our society much more compassionate, and much more cohesive.

10. Like the American magnates and our own forefathers, we should also encourage successful Singaporeans to deploy a significant portion of their wealth to some larger purpose which they feel committed to, and endow charitable foundations which will continue to do good beyond their lifetimes. But setting up a foundation takes a major effort, so some may prefer to start on a more modest scale, outsourcing the hassle of paperwork and administration. Hence the idea of the Community Foundation of Singapore, whose purpose is to provide just such an option. The Community Foundation will offer personalised advice for high net worth individuals wishing to support worthy causes, and where feasible, pool funds from multiple donors so as to manage them more efficiently. The Government will contribute to the start-up and administrative costs of the Community Foundation during its initial years, with the aim of achieving purposeful and sustained community giving over time.

11. Besides charitable gifts and foundations, the practice of philanthropy also includes volunteer service. Indeed volunteerism plays an important role in creating a culture conducive to philanthropy. Surveys have shown that positive volunteer experiences in youth tend to lead to generous giving and volunteering later in life. Today more young Singaporeans are undertaking volunteering work, whether in causes they feel passionately about like protecting the environment, or in humanitarian work around the world. The NVPC is looking at ways to further promote volunteerism by creating convenient and flexible options for people to serve in community and non-profit organisations. As more Singaporeans put their resources and skills to use for a larger purpose and to serve a common good, we can build our own tradition of philanthropy and volunteerism, and keep our social fabric strong and vibrant.

Conclusion

12. With all these activities, it is timely that the NVPC now has a new home to call its own. Many individuals and organisations have pitched in to make this place a reality, especially Far East Organisation which generously donated the space. Such efforts show how the public, people and private sectors can work together for the betterment of our community. I would also like to thank the NVPC Chairman and Board Members, both past and present, for your invaluable contributions. Congratulations on the official opening of The Giving Place, and I wish all of you at the NVPC every success in the exciting years ahead.