

LUNCHEON ADDRESS BY THE MINISTER FOR FINANCE, MR HON SUI SEN,
AT THE LAUNCHING OF THE SINGAPORE CODE OF ADVERTISING PRACTICE
ON TUESDAY, 13 APRIL 1976 AT 12.45 P.M. AT THE KATONG ROOM,
SHANGRI-LA HOTEL

Advertising has become an increasingly sophisticated industry in Singapore. With so many brands and varieties of the same products on the market, the present-day tendency must be to stir, by "outside impulses" or attractions, consumers' conscious or subconscious feelings towards the particular articles being advertised. More and more money is being spent on motivation research with a view to increasing the effectiveness of advertising.

The growth in advertising volume over the years is reflected in the increase in RTS advertising revenues which almost trebled from \$3.5 million in 1964 to \$9.5 million in 1975. The growth in other media was of the same proportions. The estimate for the industry as a whole is of growth from \$35 million in revenues in 1968 to \$86 million in 1975. Even during the recent recession years, there did not appear to be any decline in the total volume of business, although there may have been a slowing down in individual areas.

It may be thought that advertising material should be relevant to the product advertised. However, with some commercial organisations, where the concentration is on profit to the exclusion of all else, such relevance in advertising is often disregarded so long as the advertisements attract attention and achieve the objective of greater sales. Thus we get not only irrelevant, but even wild and erroneous claims of all kinds being made. One has only to turn to the pages of the daily Press and to other media in Singapore to see the truth of this. While some media owners attempt some control of advertising material, others have not in the past done so.

There is a prima facie need, therefore, for some official regulation of such a large and increasing industry affecting the whole population. In Parliament last May when introducing the Consumer Protection (Trade Description and Safety Requirements) Bill, I observed that there were provisions in the Bill to regulate advertisements so as to prevent misleading statements in relation to goods being advertised. The Bill has, of course, now been passed into law. But legislation alone cannot provide comprehensive protection for the consumer against unfair advertising. Both the consumer and the advertising industry have positive roles to play. I am therefore glad that the consumers represented by the Consumers' Association of Singapore (CASE) and other bodies and the industry represented by advertisers, advertising agencies and media owners have got together and come up with a self-regulating code of advertising ethics to be administered by an Advertising Standards Authority of Singapore (ASAS). The consumer must be greatly relieved to know that such an organisation exists to supplement the efforts of CASE. The need to tighten the clamp on loose and irresponsible advertising can now be effectively met by ASAS implementing fully the 1976 Singapore Code of Advertising Practice. But it is important that the concept of self-discipline and self-regulation should remain strong in the minds of the organisations responsible for framing the code. There should be voluntary support and participation by advertisers and their advertising agencies in their strict observance of the rules of the code when preparing their advertisements. Media owners will need to be vigilant and meticulous in their selection of what to accept and what to reject, without undue regard to the effect upon revenue, profit and dividends. Under the discipline of the new Code, we should see a marked rise in the

standard of advertising and advertisements in Singapore.

I am therefore very pleased to be able to attend this launching of the Singapore Code of Advertising Practice. I would like to congratulate all those instrumental in bringing together for the first time the advertisers, the advertising agencies and media owners, and all the relevant consumer bodies under one umbrella and coming out with such an admirable code of advertising practice and ethics. I wish you all success in its administration.