

SPEECH BY MR LIM KIM SAN, MINISTER FOR NATIONAL DEVELOPMENT
& COMMUNICATIONS AND CHAIRMAN OF THE BOARD OF TRUSTEES OF
NTUC WELCOME CONSUMERS' CO-OPERATIVE LTD., AT THE OPENING
OF THE NEW WELCOME SUPERMARKET IN MARINE PARADE
ON 30TH JULY 1976 AT 7.30 P.M.

WELCOME is different from other retail shops. It is not purely a business proposition. Its customers are encouraged to become share-holders by joining as members. As members, its customers will be able to share in its profits in the form of dividends and rebates.

More importantly, it is set up to help stabilise and maintain prices of basic commodities such as rice and sugar. This was demonstrated in June '73 when there was fear of a shortage of rice and sugar. WELCOME through its chain of supermarkets and with the assistance of the Government was able to maintain the supply and prices of these basic commodities when some retail shops were taking advantage of the situation to indulge in profiteering. The scheme to profiteer was thus defeated.

You may also recall that not so long ago, a sizeable number of pork merchants and butchers threatened to boycott the abattoir and disrupt the pork supply. To ensure that there was sufficient fresh pork for consumers, WELCOME, with the assistance of the Primary Industries Enterprise (Pte) Ltd make the supply of pork available through all its retail outlets. The fear that the supermarkets would eventually replace them made the butchers and pork merchants withdraw from the boycott and normal supplies at reasonable prices were restored.

The advantage of having a co-operative like WELCOME is that it can help prevent unreasonable hike in prices and the withholding of supplies to create an artificial shortage.

In the last 3 years, WELCOME has established a reputation as a reliable supplier of essential commodities at reasonable prices. The combined sales of the 4 supermarkets for last year was approximately \$20 million. The increasing turnover and the growing clientele testify to WELCOME's success in fulfilling its objective of providing honest trading. It now has a sufficiently large turnover to undertake packaging and in some instances importing some of the products sold.

WELCOME will be licensed by the Department of Trade to import rice from 1 August '76. This will ensure that customers of WELCOME will be assured of a constant supply of rice at a reasonable price. News of WELCOME's intention to import rice has seeped through the market and I understand that rice merchants are now proposing to reduce the price of fragrant rice by 10% the moment the first shipment of rice for WELCOME arrives in Singapore. WELCOME's importation of rice will help to stabilise the price of rice further and discourage all attempts at creating artificial shortages to maintain high prices as experienced in the past. Direct importation and packaging by WELCOME will further reduce cost and this benefit will of course be passed on to its customers and members.

The extent of services WELCOME can provide depends largely on public support which so far has been very encouraging. I am sure this support will continue for in WELCOME supermarkets consumers have a "weapon" to combat profiteers and other irresponsible retailers.

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