

Singapore Government

PRESS RELEASE

Information Division, Ministry of Culture, City Hall, Singapore 0617 • tel: 328191 ext 352, 353, 354 / 362207 / 362271

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WELCOME ADDRESS BY MR BERNARD CHEN, MINISTER OF STATE FOR DEFENCE, AND CHAIRMAN, BOARD OF DIRECTORS NTUC INCOME, AT THE 1979 NTUC INCOME DAY HELD AT THE HAVELOCK COMMUNITY CENTRE HALL ON TUESDAY, 4 DECEMBER '79 AT 7.30 PM

On behalf of NTUC INCOME, I welcome you all to this Dinner to celebrate INCOME DAY 1979. This is the Ninth INCOME DAY since the founding of INCOME. Tonight's attendance is yet another testimony to the continued support we have received from all of you all these years. It has also made it difficult for us to find a venue large enough to accommodate this large gathering.

We are very close to successfully completing a decade of operation as a co-operative of the NTUC. INCOME has achieved substantial progress over these years. In the last five years (1974-1978), the number of policyholders has more than doubled from over 20,000 in 1974 to more than 50,000 in 1978. The volume of our new business has similarly increased from \$56 million in 1974 to \$137 million in 1978. These increases were made possible mainly because we have been able to cover the broad masses of the working population through the support of our Unions and the sales efforts of our Organisers.

For 1979, I am happy to announce that we shall be able to achieve our target of \$150 million in proposals set at the beginning of the year. To date, our result is 15,383 proposals for \$139.3 million in sums assured, and we have been able to surpass our target of 300 set for the recruitment of Organisers. We have at the moment over 900 Organisers in our books, 524 of whom are active producers contributing 75 per cent to the production for the year to-date. If our Unions can help in maintaining the current rate of recruitment, 1980 will be an even more successful year for NTUC INCOME.

Looking ahead, I would like to take this opportunity to outline what we would need to do in order to serve the needs of our working population in the 1980s. In view of the economic restructuring policy outlined earlier this year, and the uncertainties we are likely to face in the 1980s, we in the insurance business should also examine in more depth two important considerations.

The first is the element of savings. As pointed out by Dr Goh Keng Swee, our Deputy Prime Minister and Minister of Education and also Chairman of our Board of Trustees, in his keynote address at the recent NTUC Seminar on the Progress into the 80s, there is the need for us to maintain a high rate of savings in the 1980s, if we want to make progress comparable to what we have achieved in the last decade. Savings in life insurance policies has been a traditional and important source of national savings in many developed countries. Singapore is no exception.

In our sales drive, our field force must therefore take it upon themselves to emphasize the importance of the personal habit of thrift and savings not only to the individual but also to the nation as well. We should also elaborate how INCOME can help to inculcate this desirable habit.

Next is the protection element of insurance. In line with the new emphasis of higher productivity and better skills from the work force, our workers in Singapore can expect to increase their earning power. In case of any unforeseen calamity befalling on a worker who is insufficiently covered, it would be difficult to compensate for the loss of income for his dependants. Our working population should therefore be encouraged to take up not only just one policy but a second or even a third policy if his insuring needs are not adequately covered under the existing policy or policies.

To provide the required sales force to achieve INCOME's business targets, it is my sincere hope that INCOME would be able to realise its aim of building up a field force of 1,000 active Organisers by the early 1980s. As the membership of our Unions increases year by year, we should have a wider base to recruit our Organisers. Here, let me express our grateful thanks to

those Union /3.

those Union leaders and delegates who, at the NTUC Triennial Delegates' Conference in May, had pledged to nominate a quota of three persons each from their Union membership to be trained as INCOME Organisers. I am very pleased to report that most of these pledges have been met and I hope that the rest of the pledges could be fulfilled by the end of this year. To help us to realise our recruitment objectives, may I once again appeal to every Union leader and delegate to continue to nominate other incoming members to become INCOME Organisers.

Our field force must also take note of the vast sales potential presented by the ever increasing Union membership. There are more than 250,000 members in the Trade Union Movement at present. If our field force can reach out to these members and make them take up a life policy each, there would be a substantial increase in our business. I am pleased to mention that the following Unions: Singapore Manual and Mercantile Workers' Union, Singapore Bank Employees' Union and the Food, Drinks and Allied Workers' Union are at present conducting joint campaigns with NTUC INCOME to propagate life insurance policies to their members and the workers in the various establishments under their influence. These campaigns are producing encouraging results. I urge the other Unions to also organise similar campaigns so as to cater life insurance benefits to their members and to assist INCOME in its sales.

Customary in the programme at every INCOME DAY, we make acknowledgments to all those who have made contributions to the progress of INCOME for the year. Outstanding Unions who have supported INCOME by procuring sales in excess of \$1 million in sums assured are as follows:-

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| 1. | Amalgamated Union of Public Employees | - \$33,697,257 |
| 2. | Singapore Teachers' Union | - \$18,097,967 |
| 3. | Port Officer's Union | - \$ 3,336,400 |
| 4. | Pioneer Industries Employees' Union | - \$ 3,333,561 |
| 5. | Singapore Industrial Labour Organisation | - \$ 3,071,435 |
| 6. | Singapore Port Workers' Union | - \$ 2,555,938 |

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| 7. | Singapore Air Transport-workers' Union- | \$ 2,332,624 |
| 8. | Singapore Manual & Mercantile Workers' Union | - \$ 2,332,349 |
| 9. | United Workers of Petroleum Industry | - \$ 2,129,935 |
| 10. | Public Utilities Board Staff Union | - \$ 2,034,664 |
| 11. | Singapore Housing & Development Board Workers' Union | - \$ 1,820,244 |
| 12. | National Trades Union Congress | - \$ 1,061,658 |

On behalf of the Directors and Staff of INCOME I would like to congratulate them for their fine efforts. We look forward to more of our Unions joining their ranks. Tonight, a number of Unions, Organisers and Development Officers/Assistants would be receiving their awards for their outstanding contributions. I would also like to congratulate these Unions and people for their good performance. Finally, I would like to thank each and everyone of you for the hard work put in, making 1979 another successful year for NTUC INCOME.

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