

# SINGAPORE GOVERNMENT PRESS RELEASE

PUBLICITY DIVISION · MINISTRY OF CULTURE · CITY HALL SINGAPORE 6

MG/JUNE/10/77(Health)

SPEECH BY MINISTER FOR HEALTH, DR. TOH CHIN CHYE  
AT THE OFFICIAL OPENING OF NTUC SUPERMARKET,  
640 ROCHORE ROAD ON 7 JUNE 1977 AT 8.00 PM

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The rapid modernisation of Singapore in the last 15 years has been due in no small measures to the arrival of multi-national companies. Apart from helping Singapore to become an industrial and financial centre they have introduced modern techniques of management which are appropriate for running large scale enterprises.

Through economy of scale goods can be sold at lower profit margins than in small scale businesses. This is why supermarkets are mushrooming in Singapore. In fact there are more supermarkets in Singapore than in Hong Kong and shopping in supermarkets has become a way of life in Singapore. It is convenient to be able to buy a wide range of goods under one roof. Moreover the prices of goods are marked so that consumers can judge whether they are competitive.

The margin of profit on each item of goods is small which pleases the customers. However because of the large turnover of business profits at the end of the year can be considerable.

As an example in the case of the chain of NTUC supermarkets total sales amounted to \$20.56 million in 1976 on operating expenses totalling only \$1.80 million. The net profit from sales was 10% of operating expenses. The NTUC Welcome Consumers Co-operative is therefore to be congratulated for helping to keep the prices of consumer goods low and at the same time to be self-sustaining.

Inflation ..... /2.

Inflation and unemployment are two diseases which have defied the solution of industrialized nations in modern times. At the recent summit meeting of the big seven industrial countries in London inflation has been recognized as the greater evil as it leads to spiralling costs of living and demands for more wages but without creating more jobs.

We ourselves went through a critical period in 1973-74 when the Soviet Union bought large amounts of grain from the United States and the price of oil increased by 400%. The Consumer Price Index rose by 44 points in two years.

All efforts that can be made to cut down the costs of living deserve our support and NTUC supermarkets are playing an important role in this respect. The supermarket in the Rochore Centre is the ninth to be opened by the NTUC Welcome Consumers' Co-operative. I have great pleasure in declaring it open.

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