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SPEECH BY MR TEO CHONG TEE, PARLIAMENTARY SECRETARY (SOCIAL AFFAIRS),
AT THE SINGAPORE MERCANTILE CO-OPERATIVE THRIFT AND LOAN SOCIETY LTD
56TH ANNIVERSARY DINNER AND DANCE AT THE MANDARIN BALLROOM,
MANDARIN HOTEL, ON FRIDAY, 31 DECEMBER '82 AT 8.00 PM

My wife and I are happy to share with you the joy of celebrating the 56th anniversary of your Society. The fact that your Society has been in successful operation for so long is clear testimony that co-operation, based on the principle of democratic control, can be an effective way of promoting the economic interests of persons with limited resources.

Your Society has come a long way from its humble beginnings in 1926. I am pleased to note that you have now over 4,000 members with a paid-up subscription capital of \$4.5 million. In terms of membership strength and total paid-up subscription capital, your Society ranks second among the 37 registered thrift and credit co-operatives in Singapore.

It is not easy to have attained this position. Your success would not have been possible without the untiring efforts of past and present Committees of Management and the staunch support of all members. In congratulating you, I wish to see your success perpetuated.

Today's business environment is highly competitive. It would be imperative for your Society to introduce modern management techniques in order to increase productivity and improve the service to members. There is also a need to invest time and money in research and planning so as to upgrade and expand the range of activities of the Society, with a view to sustaining its progress through the 80s and beyond. The key to your continued success would lie in your ability to foresee problems and plans ahead.

Besides providing loans to members, your Society should assume as its prime responsibility the education of members in budgetting and prudent use of money. Easy loans at low interest

rates encourage /2.

rates encourage extravagance. Your members should be counselled not to utilise all their eligible loan facilities on some luxurious items such as expensive hi-fi sets, video cassette recorders, etc, but to reserve some money for rainy days. I understand financial counselling has been a distinct feature of credit unions which I think thrift and credit co-operatives would do well to emulate.

Your Society is run on democratic principles. Its leadership is elected annually by members at annual general meetings. Regardless of their ability, experience and integrity, leadership is entrusted to those members who could sway others into electing them into office. Each and everyone of you therefore has the sacred duty of ensuring that only the capable, sincere and proven are elected into the management committee. An effective and efficient management committee is the best safeguard for your Society. I understand only one-third of the members of the Committee of Management will retire each year. This is a good system as it allows induction of new blood without disrupting continuity.

Personality conflicts within the Committee can adversely affect the progress of your Society. A good, honest and capable Committee of Management, coupled with sound management, tight internal control, accurate financial records, greater efficiency through computerisation and sincere concern with the needs of members are the crucial qualities which any progressive society must look for. I hope you will exercise your judgement wisely in casting your votes.

I wish your Society success in the years ahead.

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