

11 JUL 1990

Singapore Government

PRESS RELEASE

Information Division, Ministry of Communications & Information, 38th Storey, PSA Building, 460 Alexandra Road, Singapore 0511. Tel: 2799794/5.

40-TR4-5

Release No: 19/MAY
06-1/90/05/19**SPEECH BY DR TONY TAN KENG YAM, MINISTER FOR EDUCATION,
AT THE OFFICIAL OPENING OF NTUC INCOME CENTRE
ON SATURDAY, 19 MAY 1990 AT 6.00 PM**

NTUC INCOME was born under unpromising circumstances. In 1969, the Labour Movement in Singapore was in a state of depression. The Employment Act and the Industrial Relations Amendment Act had just been passed. The purpose of the new legislation was to emphasise the greater social and economic role which trade unions had to play in the larger interest of Singapore. By spelling out the parameters of wage negotiations, the Acts sought to change the fundamental operating style of the trade unions from confrontation to co-operation between labour and management. Although the trade unions accepted both the spirit and the letter of the new law, it was not surprising that there was a lot of discussion as to what should be the role of the trade unions in the light of the changes brought about by the new law.

It was under these circumstances that the NTUC organised a seminar in November 1969 on the theme of "Modernisation of the Labour Movement". At the Conference, Dr Goh Keng Swee, proposed that NTUC should broaden its activities by setting up a life insurance co-operative in order to establish a financial base for the Labour Movement. In 1970, NTUC INCOME was registered with a paid-up capital of \$1.2 million. At the end of 1971, the first full year of business for NTUC INCOME, the total assets of the co-operative amounted to \$1.3 million with sums assured of \$15 million and with 3,700 life policies in force and no general insurance business.

National Archives of Singapore

Despite such a modest start, NTUC INCOME has prospered and grown tremendously in the last twenty years. By April this year, total assets of NTUC INCOME were \$686 million with sums assured of over \$5,000 million. Life and general insurance policies in force exceeded 300,000. Over the last twenty years, NTUC INCOME staff had grown from 14 to 340 and the number of field representatives increased from 256 to 2,300.

What were the factors which enabled NTUC INCOME to grow so vigorously in the last two decades? There are, I believe, four basic reasons: First, and most important of all, NTUC INCOME has at all times maintained the highest standards of integrity and honesty in its dealings with policyholders, the business community and members of the public. Second, NTUC INCOME has, from the outset, not sought any special privileges from the Government but has endeavoured to be fully competitive with the private sector. Third, the staff of the NTUC INCOME, from the top executive to the lowest employee, have been recruited, rewarded and promoted entirely on the basis of merit and performance on the job. Neither the Government nor the trade unions have tried in any way to influence any appointment or promotion in NTUC INCOME. And fourth, NTUC INCOME has always enjoyed the full support of NTUC and the trade unions whose leaders have helped to persuade workers and the public that life insurance is an important part of planning for the future of their families. The high regard in which NTUC INCOME is held today by the public, trade unionists and its policyholders is testimony of their trust and confidence in the Co-operative.

The visible symbol of NTUC INCOME's success is this building today. The NTUC INCOME Centre has a total of 61,000 sq ft of office space and ample facilities. The Official Opening today of the NTUC INCOME Centre marks a milestone in the development of the Co-operative movement in Singapore.

NTUC INCOME has come a long way in the last 20 years. NTUC INCOME still has a long way to go. But if NTUC INCOME continues to adhere faithfully to the principles which have seen

it through its first 20 years of growth and the Co-operative seeks at all times to have the interest of the public and the trade unions at heart, I see no reason why NTUC INCOME should not confidently surge forward to meet successfully future challenges.

In conclusion, I would like to thank the NTUC and its affiliated unions for their strong support and encouragement throughout all these years. I would also like to thank the Members of the Board of Trustees and Board of Directors, particularly Mr Bernard Chen - the Chairman of the Board of Directors, the Management and Staff headed by our Director and General Manager - Mr Tan Kin Lian, and field representatives of NTUC INCOME for their hard work and dedication which has made NTUC INCOME what it is today.

I now have great pleasure in declaring open the NTUC INCOME Centre.

National Archives of Singapore