

**WELCOME ADDRESS BY MR CHAN TEE SENG, SNCF CHAIRMAN AT SNCF
28TH ANNIVERSARY RECEPTION HELD AT THE GRASSROOTS' CLUB ON 10
JULY 2009 AT 6.30PM**

Guest-of-Honour, Mr S Iswaran, Senior Minister of State, Education, Trade and
Industry

Mr Othman Haron Eusofe, Chairman, Singapore National Co-operative Federation
Board of Trustees

Mr S Chandra Das, Chairman, Central Co-operative Fund Committee

Co-operative Leaders and Distinguished Guests

Ladies and Gentlemen

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Good evening and it is my pleasure to welcome all of you to this 28th Anniversary
Reception of the Singapore National Co-operative Federation. On this occasion, we,
the Singapore Co-operative Movement is also celebrating the 87th International Co-
operative Day.

Over the last 28 years, the co-operative movement in Singapore has made
significant achievements. During good times and bad, our co-operatives have
stepped in to moderate the cost of living. They are successful enterprises that have
gained global recognition. We have heard of the Fortune 500 for successful business
enterprises measured by market capitalisation. The International Co-operative
Alliance (ICA) launched its own “global 300” of co-operatives measured based on
revenue size. The Global 300 are responsible for an estimated \$1 trillion in turnover,
equivalent to the 10th largest economy of the world. Two of our co-operatives –
NTUC FairPrice and NTUC Income, are in the “global 300”. It is a commendable

achievement. The immediate past Chairman of the Singapore National Co-operative Federation, was elected to the Board of the International Co-operative Alliance in 2007, a first for any Singaporean.

In this current recession, experience throughout the world has shown that co-operatives are more resilient, and are leading the recovery. They are also taking the lead to mitigate the impact of the recession. In Singapore, co-operatives too help to cushion the impact on cost of living. NTUC Co-operatives are also hiring more than 1,000 staff this year.

NTUC FairPrice keep prices affordable, NTUC First Campus helps retrenched parents keep their pre-schoolers in school through the Bright Horizons Fund, Seacare reaches out to the elderly and their retired sea-faring members, and the NUS co-operative through their book assistance scheme for needy students, and many other co-operatives in their own ways.

The changing economic landscape presents challenges as well as opportunities. The co-operative movement must position itself for the future, and so too must the SNCF. It is for this reason that we have decided to embark on a strategic review exercise, to chart a vision for the future.

We will examine key trends affecting the co-operatives in the various sectors over the next 5 to 7 years. The SNCF will be reaching out to you, too seek your inputs, as we chart our future direction.

The current economic crisis has spared nobody. Some of our co-operatives have also been affected by the downturn, in particular, the decline in prices of financial assets. However, by and large, the impact has been much smaller compared to those of other financial institutions. The MCYS is now putting together a new regulatory framework. The credit co-operatives will have to find a way to respond to the new regulatory framework, and the changing economic landscape, if we are to stay relevant. This will be one key issue that the strategic review will attempt to investigate.

Another key issue is how can co-operatives play a more effective role in other sectors of the economy, and how can we reach out to the youth.

SNCF has started several initiatives to serve our affiliates better. One such initiative is a Shared Services platform. The idea is to negotiate common services such as audit services, legal services, secretariat support, and book keeping, to give our co-operatives a better deal.

Another initiative is facilitating the formation of new co-operatives. The SNCF has benefited from the support of the Central Co-operative Fund (CCF), under the leadership of its Chairman, Mr Chandra Das, himself. Through his personal persuasion, several of our Community Development Councils (CDCs) are considering the co-operative model to provide services to residents. One example is WeWorkz (a co-op that trains less well off and vulnerable women in home based skills to earn income), Community Kitchen (a co-op that serves as a welfare kitchen and generates income from push carts and catering). Another three CDCs are

combining forces to form another co-operative to provide services targeted at the seniors.

To promote more communities to adopt the co-operative model in the future, SNCF has come up with a guide book, called 'IN' guide. It explains what are co-operatives, its formation and the assistance schemes that are available. This book will be officially launched later in the evening.

A key enabler of success is human resources. Co-operatives must pay attention to attracting talent, so that it can compete with private enterprises. Last year, the co-operative scholarship scheme was launched and 3 scholars were awarded scholarships. I am pleased to announce this year, we have another 4 scholars. They are here with us and will be introduced later this evening.

At the SNCF, we are undergoing a process of leadership renewal and transition. Since September 2008, Mr Zen Koh has joined the SNCF as its Assistant Chief Executive. From July 2009, Mrs Dolly Goh has joined the SNCF as the Chief Executive Designate, to succeed Mr Zulkifli Mohammed. They are now in the process of handing over and transition and we shall announce the official hand over in due course. Please join me to welcome Dolly Goh to the co-operative family.

Finally, it leaves me only to welcome our Senior Minister of State, Mr S Iswaran, who is no stranger to the co-operative movement. Mr Iswaran was instrumental transforming NTUC's child care services into a co-operative way, back in 1990.

On this note, it is now my privilege to invite our Guest-of-Honour, Senior Minister of State for Education & Trade and Industry, Mr S Iswaran, to address us.

Senior Minister of State, please. Thank you.