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( PERDANA MENTERI )

UPACARA: MAJLIS PERASMIAN KOMPLEKS PERNAS SOGO DAN PELANCARAN SOGO  
PERNAS DEPARTMENT STORE (TRANSLATION)

TEMPAT: KOMPLEKS PERNAS SOGO, JALAN TUANKU ABD RAHMAN, KUALA LUMPUR

TARIKH: 18 JAN 1994

MASA:

Saya mengucapkan terima kasih kepada PERNAS kerana menjemput saya untuk merasmikan pembukaan Kompleks Perdagangan PERNAS SOGO dan seterusnya melancarkan SOGO PERNAS DEPARTMENT STORE pada hari ini.

2. Saya difahamkan projek ini adalah projek usahasama yang pertama antara PERNAS dan SOGO Group of Companies. Tahniah kepada PERNAS kerana memilih untuk memasuki bidang 'retail' atau dagangan runcit di ketika bidang ini berkembang maju kerana pendapatan rakyat telah meningkat. Kepada SOGO diucapkan terima kasih di atas keyakinannya kepada negara ini kerana memilih Malaysia sebagai salah satu tempat operasi seberang lautnya yang terbesar. Adalah diharapkan lebih banyak lagi PERNAS SOGO Department Store atau pasar raya akan diwujudkan di negara ini di masa depan.

3. The establishment of mega retailing enterprises is not a recent phenomenon in Kuala Lumpur. We have over the years witnessed the openings of large establishments like Yow Chuan, The Mall, Parkson Grand, Metro Jaya, Yaohan, Lot 10, Subang Parade, Ampang Complex as well as many other establishments. This has been made possible by the rising per capita incomes of the people. Malaysia's per capita income increased from US\$2,495 (RM6,238) in 1990 to US\$3,340 (RM8,550) in 1993. In terms of purchasing power parity, it had increased from US\$5,416 to US\$7,500 during the period. This increase, together with low inflation, enables Malaysians to enjoy a higher standard of living and a better quality of life. Of course at the same time low inflation causes Malaysian products to remain competitive at home and abroad, contributing to the economic growth of the nation.

4. The opening of this PERNAS SOGO Complex housing the SOGO-PERNAS Department Store, has special significance. Jalan Tuanku Abdul Rahman has traditionally been the premier shopping district of Kuala Lumpur. But the advent of modern shopping complexes in other parts of the city within the last decade had reduced its importance significantly. But now, with the imposing presence of the PERNAS SOGO Complex at the busy Jalan Dang Wangi and Jalan Tuanku Abdul Rahman intersection, this part of the city will regain its former glory.

5. At a time when we are doubling our efforts to realise our Vision 2020, the opening today of PERNAS SOGO Department Store marks yet another step in the standard and way of life which we can expect with development. With the growth in population, especially in the cities, and the new affluence, small 'papa' and 'mama' shops are no longer going to be able to meet the needs of the people. Roaming the city in order to buy the daily needs for different goods is also impractical. By developing shopping centres and large stores which cater to almost every need, the problem of modern city living is fairly well resolved. Small businesses will probably be affected but they, too, must adjust to a new way of life. The establishment of these complexes creates new business opportunities and revalues upward their assets. Theirs will not be a total loss. Indeed if they are willing to change they will gain a lot from the changed way of life that goes with development.

6. There is, however, a need to adjust to a more affluent life style. This is not because of snob value but there is money to be made from affluent living. To use highly valuable space for low-value business would be a great waste. Retailers and even hawkers operating 'gerais' must be more conscious of the need to cater to a more affluent clientele. If the authorities seem to be unduly strict with hawkers it is because we can no longer accept dirty, unhealthy and unaesthetic environment. Besides, they know that the so-called small businesses can afford and they will naturally make more by being cleaner and more aesthetically presentable. The enforcement of higher standards will actually increase the profits of the small businesses.

7. PERNAS SOGO has done Kuala Lumpur a good service by helping us remove the shabby flats of the former Sulaiman Court. In Malaysia we want the people to live in the cities so that they will not be deserted and dangerous at night as some cities in developed countries are. But the accommodation in the cities must not disfigure them. If unsightly extensions are allowed and dirty washing displayed, the occupants are actually devaluing their property. The replacement of Sulaiman Court with Sogo Department Store will renew this area and add value to it and to the city. Later I believe Pernas Sogo will build a hotel and urban flats which, hopefully, will not be used like Sulaiman Court.

8. I am glad that the PERNAS SOGO Complex and the SOGO PERNAS Department Store are joint-venture projects. This partnership is in line with the Government's policy of bringing in foreign expertise while retaining local participation in all sectors of the country's development. Retailing is an art which is very well-developed in Japan. Although department stores were introduced by the British during colonial period, the locals did not adopt their style of retail business. It is only now that department stores are being operated by local chains. The presence of the Japanese will no doubt provide keen competition. And, as

usual, it will lead to rapid upgrading and sophistication.

9. Kuala Lumpur has not been known as a shopping centre for foreign tourists who usually opt for Singapore, Hong Kong or even Bangkok as their shopping destinations. This is unfortunate for the tourists are really missing a good bargain. It is not generally known among travellers that most consumer goods are tax-free in Malaysia. Besides there are numerous tax-free shops for tourists. Besides, the low cost of living means low overheads for Malaysian retailers. Goods should, therefore, be cheaper in Malaysia than elsewhere. With the opening of more outlets, the range of goods will be as wide as in the better-known shopping destinations. Malaysia is, therefore, a good place to shop. Tourists must be made to know of this fact by the shops selling at bargain prices. It would be a mistake on the part of the Malaysian retailers to go for short-term profit rather than long term gains.

10. While we still welcome participation of well-known foreign retailers in the retail business in Malaysia we hope that Malaysian retailers will learn to upgrade their retailing methods and skills so as to be as good as their foreign competitors. One day we hope to see Malaysian department stores operating in other countries.

11. Malaysia is not quite like Japan or any of the 'four dragons' of East Asia. In the first place we are a multi-racial, multi-religious, multi-cultural and multi-lingual country in which the different ethnic groups are not equally developed economically. Additionally, we lack the capital, know-how and technology and marketing expertise. Under colonial rule we were not encouraged to think beyond our immediate locality. We knew nothing about manufacturing or adding value, or about exports. All these had an effect on our psyche. In other words we had an inferiority complex which undermined our actual capability.

12. Yet even the World Bank now acknowledges that Malaysia has performed extremely well economically and is an example to other developing nations. While we have a right to congratulate ourselves, we must also learn to understand why we have been able to overcome our many handicaps. In the first place we are politically stable. When Government feel safe they do not have to pander to extremist sectarian demands which are invariably selfish and disruptive. It is this confidence that has enabled the Government to formulate constructive policies. Of course the Government must have the necessary ideas, skills and sense of responsibility. That this Government has all these can be gauged from the results. If sometimes this Government comes up with ideas which appear outlandish, I hope that they will not be rejected off-hand.

13. In the interest of developing this country the Government may, off and on, come up with more outlandish ideas. It is hoped that there will be sufficient faith in

the ability of the Government to make these ideas work.

14. SOGO adalah salah satu rangkaian pasar raya yang terbesar di dunia. Dengan mempunyai 26 pasar raya di Jepun dan beberapa bandar utama di Asia dan Eropah, adalah logik bagi SOGO menjadikan Malaysia sebagai 'procurement centre' bagi sesetengah daripada keperluan bekalan untuk pasar-pasar rayanya yang lain. Malaysia mempunyai berbagai-bagai jenis barangan pengguna yang mempunyai harga yang kompetitif. Langkah ini bukan sahaja akan memberi perangsang kepada industri-industri kecil dan sederhana tetapi akan juga menggalakkan pembekal-pembekal tempatan untuk meningkatkan mutu dan rekabentuk barangan mereka. Adalah diharapkan di masa hadapan SOGO akan menimbang menjalankan usahasama dengan rakyat Malaysia di dalam sektor pembuatan.

15. Dengan ini, saya dengan sukacitanya merasmikan Kompleks PERNAS SOGO dan melancarkan SOGO PERNAS Department Store.