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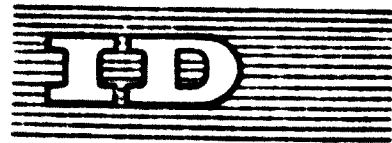
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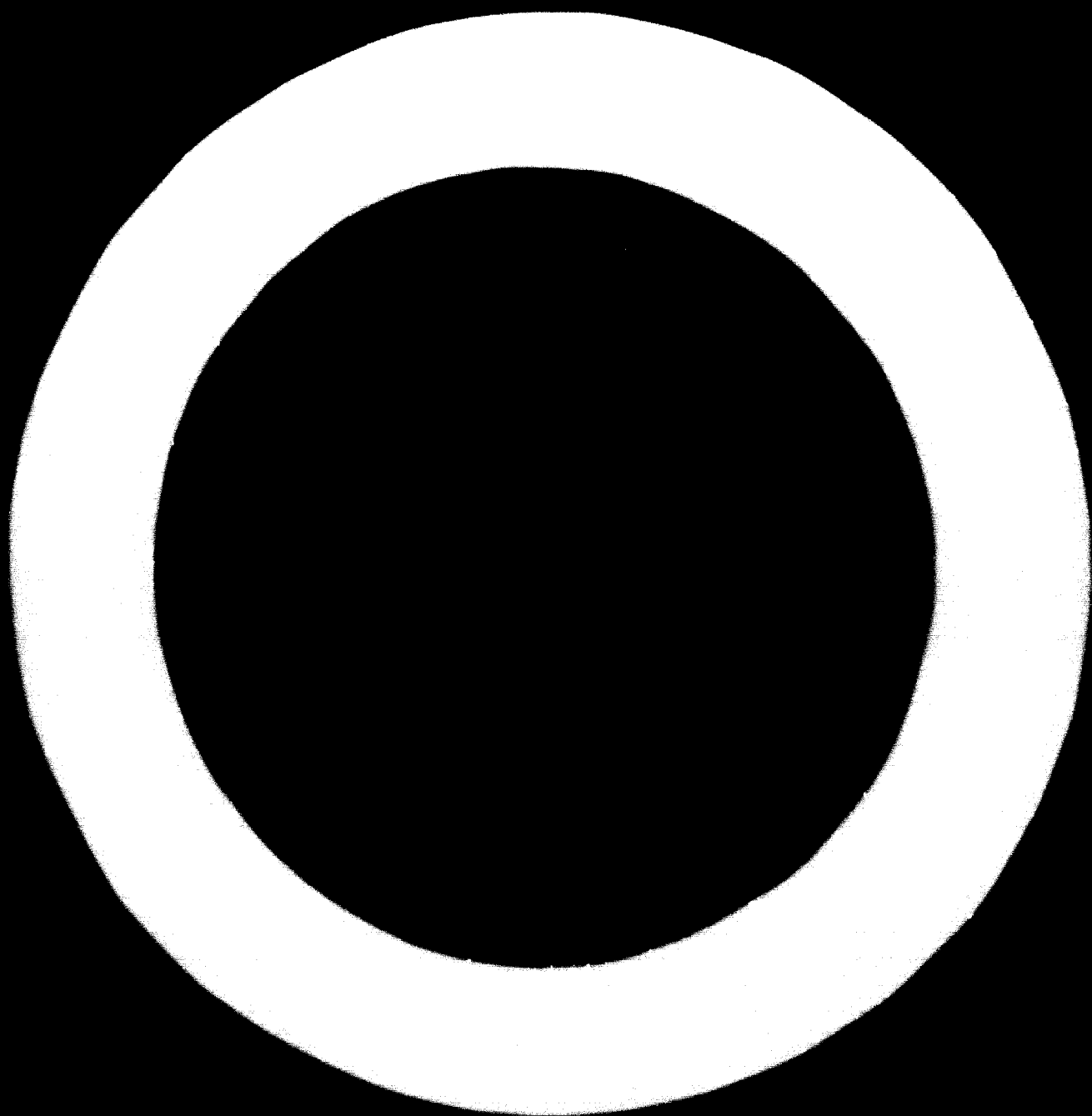
THE FURNITURE INDUSTRY OF SINGAPORE <sup>1/</sup>

Country paper  
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Singapore is situated in a region which is one of the world's major suppliers of hard wood and the local wood processing industry in Singapore has, as a whole, been termed a traditional industry. The furniture industry, in particular, has derived some advantage from Singapore's ideal situation as the supplies of sawn timber and plywood are readily available. Timber and plywood is also being exported to meet the world's requirements. The furniture industry in Singapore may, in the not too distant future, make use of local supplies of chipboard and blockboard and this industry will further diversify as modernization in industry progresses. As the cost of raw materials constitute a substantial portion of total cost in furniture making, Singapore's location has generally been advantageous for the furniture industry as a whole.

The manufacture and development of furniture in Singapore has been enhanced by the workforce. The average Singaporean worker, in the furniture industry has been traditionally trained in the manufacture of low cost furniture. With the trend for modern sophisticated furniture, workers, being educated and versatile, have quickly acquired the type of skills required. Modernization processes and new innovative technology play a major part in the development of this industry in Singapore today. The establishment of the Woodworking Industries Development Centre by the Government of Singapore provides some training facilities for the furniture industry as a whole, but further progress and training of local workers can enhance the development of this industry and upgrade natural skills acquired through process of time.

#### The present status of the industry

The development of Singapore's furniture industry was initially primarily geared to provide the necessary products for the local market and generally evolved from family oriented business. During the last few years, the general expansion of the economy of Singapore has led to an accelerated increase and to a demand for furniture particularly to meet the needs for furniture for both hotel and office.

Its pace of development, however, compared to other sectors of the wood processing industry in Singapore as a whole, is slow, and by 1969 it contributes to only 9.6 % of the total output of the wood processing industry. At the present moment, the industry comprises of some 30 odd industrial establishments with over 40 large artisanal workshops which are actively engaged in the manufacture of furniture. In addition to these 40, there are many others which are traditionally

geared towards the provision of furniture for different consumer needs. The larger firms with an output of S\$ 35,100,000 in 1969 have been primarily concentrated in the provision of furniture to satisfy large contract orders given by the hotel and catering industry. Smaller workshops supply standard household furniture to hundreds of furniture shops which are scattered all over the island Republic.

In 1969, the total sales value shows an increase of 32 per cent over the sales figures for 1968. Direct exports for the same period showed only a slight increase and this is attributable to the fulfilment of contract orders for furniture in Singapore. Brunei and Sabah were the main buyers in 1970.

The furniture industry in Singapore is placing greater emphasis on the establishment of export markets particularly those which would be suitable to the needs of the industry. With the emphasis shifting to the production of standard furniture, the local market is insufficient to absorb the existing capacities for production and therefore export outlets must be found. The Singapore Furniture Manufacturers Export Group has been established and will play an important role in this.

The industry at present comprises of large and smaller workshops which adopt the practice of engaging sub-contractors also to assist them in meeting demands. Such sub-contractors are usually responsible for the complete manufacturing process from the supply of raw materials to actual finishing of the products. In view of the trend towards the production of standard furniture, this nature of sub-contracting is expected to reduce.

Contract jobs done by the industry is dependent largely on designs which are provided by customers. Some difficulty exists as design facilities and capabilities are only now in the process of being developed. The lack of experience in the mass production of standard furniture together with insufficient and up-to-date knowledge of both technology and the equipment necessary for mass production has to an extent deterred the ability of the industry to shift immediately to the manufacture of standard furniture items. There are also some problems related to tool and machine maintenance as well as the initial fundamental problems related to selection of the right equipment.

The furniture industry could develop at a faster rate if a concerted effort is made to locate and ascertain the requirements that must be satisfied if overseas markets are to be served. These factors i.e. identification of price brackets, saleable products, volume, need to be classified and made available to local entrepreneurs. Sales promotion campaigns are also important. It is felt that as a whole, the quality of furniture produced in Singapore is high and will find ready acceptance. The only major problem that exists is marketing know-how. Furniture makers in Singapore have generally in the past tended to concentrate on satisfying the local market especially in the hotel trade.

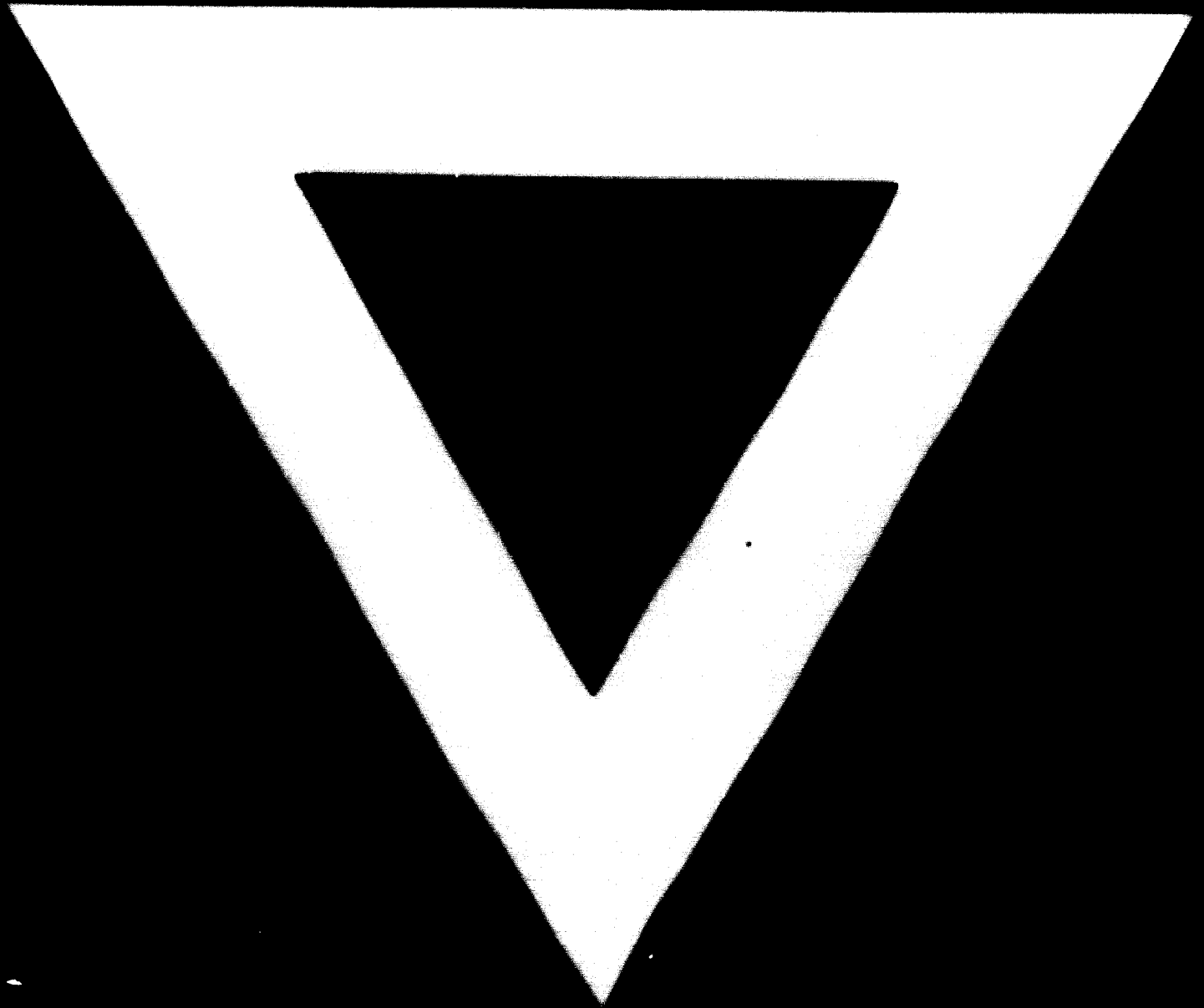
#### Future prospects of the industry

Although export markets are an important aspect for the future development of the furniture industry in Singapore, the potential of the local market and those of the surrounding region are also important. With the expansion of the economy in Singapore over the last few years, a demand continues to be generated for the provision of household furniture of the higher quality demanded by the discerning customer as well as for the many office complexes that are being built.

Singapore's political stability and its excellent infrastructure providing facilities in shipping, transportation, public utilities, etc. continues to be of assistance to the development of the industry. The centralisation plans now being laid for the wood working industry and development of new industrial sites particularly in the private sector will actively contribute to the development of woodworking industry in Singapore as a whole.

In the field of exports, there is scope for expansion in the manufacture of furniture components as well as knock-down furniture. Local entrepreneurs are encouraged to establish marketing contacts overseas and arrange for technological know-how to be imported and thereby fully exploit the possibilities of development in the furniture industry. There is generally a scope for improvement and expansion and active steps are being taken to ensure that in line with the trend for the development of industry as a whole, the furniture industry will continue to grow with it.





**12.7.74**