

SPEECH BY DR. GOH KENG SWEE, MINISTER FOR FINANCE,
ON THE THIRD ANNIVERSARY CELEBRATION OF SHELL
REFINERY COMPANY (SINGAPORE) LIMITED AT PULAU
BUKOM ON WEDNESDAY, 12TH AUGUST 1964 AT 5.30 P.M.

It is indeed a happy occasion for me to return to Pulau Bukom where three years ago we witnessed the birth of the oil refining industry in Malaysia. Since then, the sturdy infant has grown lustily and the stage is now set for even further growth. Naturally we are very pleased to learn of the large expansion plans which Shell will soon put into operation. Shell Refinery Co. (Singapore) Ltd. is the recipient of Pioneer Certificate No. 1 and the early success with which this pioneer company has met will no doubt encourage the others to redouble their efforts.

The success of Shell is due to three reasons, namely a rapidly increasing market for oil, second, good progressive management, and third, excellent management-labour relations.

I wish to take this occasion to say a few words on the third point, that is, relations between labour and management. It was not so long ago that Singapore acquired, for a brief and unhappy period, an unsavoury reputation in management-labour relations. That was the time when the Communists were able to manipulate substantial sections of the labour movement for political purposes. That was the time when politically-inspired strikes bedevilled the situation and cast a gloom over our prospects for rapid industrialisation.

Fortunately for Singapore, the anti-national evil-doers have been curbed. The excellent results that follow we can see for ourselves in the increasing tempo of industrialisation, to which this occasion itself bears testimony.

We must now look ahead and see what we can do to accelerate the pace of industrialisation. On a previous occasion, when on the 20th May this year, I opened the first Asian Seminar of the Public Services International, I said that trade unions have a vital role to perform in bringing about economic expansion and they are one of the partners in the national effort to bring about self-sustaining economic growth in our country.

This is a theme worth developing, for the time has come for us to translate words and ideas into a programme of action. In order to secure the closest co-operation between labour, management and Government in all fields of economic endeavour, I intend to set up a State Economic Consultative Council. In this Council will be represented in equal numbers, delegates

of the National Trades Union Congress representing organised labour, representatives of management through organisations such as the Joint Chambers of Commerce, the Manufacturers' Association, Employers Federation and others. Government representatives will come from the Ministries concerned, my Ministry, the Ministry of National Development and the Ministry of Labour.

I intend to make this Council an active body. The Council will be kept apprised of current economic and business conditions of the State. Important matters of economic policy such as the State's next Five-Year Development Plan, proposed legislation on the economic and labour matters will be referred to the Council for its opinion, advice and recommendation. I shall communicate to the Associations concerned details regarding the constitution, scope and function of the Council. Through the Council it will be possible to bring together in fruitful and purposeful co-operation the partners most concerned in promoting rapidly increasing standards of living for our people.

One of the problems facing our growing industries is the capture of export markets. This will not be an easy task for international competition is fierce and unrelenting. But the effort must be mounted. It is necessary that efficiency in industry is raised to the highest level through modern management techniques, through efficient and well-trained labour and through the application of the results of scientific research.

In this connection, I wish to say something about productivity. During 1960/61, a proposal was made by the Ministry of Labour to establish a Productivity Centre. The International Labour Office itself was willing, and indeed anxious, to provide experts and other services for the establishment of the Centre. I decided then not to proceed with this project because at that time, the Communists were in full cry, and nothing worthwhile would have been achieved. For the raising of productivity is not merely a responsibility of management, it is a joint responsibility of both labour and management. Unless there is a strong trade union movement which supports a productivity drive, the effort of the Productivity Centre will come to nought.

Now we have a situation under which organised labour and organised management can work together for the common good of all. We can therefore pay attention to the question of productivity. It is a crucial element in industrialisation, particularly with regard to our ability to compete successfully in the export market. As we raise productivity, so we would extend the range of possible industries and increase the scope of existing ones. If we succeed, we may, for the first time, have in sight the possibility of banishing the spectre of unemployment which has been haunting the island for so long.

AUGUST 12, 1964.