

4TH NTUC TRIENNIAL DELEGATES CONFERENCE

SECRETARY-GENERAL'S REPORT (APRIL 1982)

DEVELOPING OUR MOST PRECIOUS RESOURCE

COMING OF AGE

The NTUC was registered on 8 Jan 1964, over eighteen years ago. Over this relatively short period of about two decades, the NTUC grew from a chrysalis which was made up of a small group of workers struggling for the basic rights of employment and livelihood. It has now emerged as the national centre for organised workers, influencing and contributing towards nearly every facet of our workers' daily lives. Our trade union movement has transformed itself beyond recognition; from a band of committed and like-minded trade unionists locked in mortal combat with the communists, then later the communalists, to its present form as an equal partner in the development of our nation.

This transformation was the result of the commitment, perseverance and vision of one man, Sdr Devan Nair. He, together with a small group of dedicated workers, laboured mightily to build up the NTUC. It was Sdr Devan who had the strength of mind

and conviction to lead the workers away from the overwhelmingly attractive road to damnation offered by the communists. Instead, he and his workers forged a resolute relationship with a group of equally committed politicians in the People's Action Party. Together they fought our foes and won, then toiled and built modern Singapore.

Workers are today enjoying the fruits of Sdr Devan's singlemindedness and sacrifices. To him we all owe a <sup>a</sup>great debt, immeasurable and unrepayable. It was therefore with immense joy and pride that our workers celebrated the appointment of Sdr Devan Nair as the third President of our nation. We wish him good health and offer him our continued whole-hearted support as the President of our Republic.

It is fitting that the founder of our workers' movement is our head of State as Singaporeans surge forward, towards the twenty-first century. The NTUC under the leadership of Sdr Peter Vincent, who was elected NTUC President in October 1981, will keep the torch lit by Sdr Devan burning brightly. We shall not

slacken in our endeavour to help our workers seek a better quality of life.

#### THE COURSE AHEAD

Crystal-ball gazing is an interesting occupation for academicians and futurologists. Those of us who have to deal with the day-to-day needs of workers and run a nation cannot afford such a care-free pursuit. Our main pre-occupation is how to keep the bodies and souls of two and a half million Singaporeans together; how to ensure that the future of our young nation is secure and bright.

However, being down to earth does not mean acquiring the habits of ostriches - sticking our heads in the ground to avoid knowing the unfavourable conditions around us. Unionists with such inclinations are disastrous to themselves and to those they lead as ignorance is not bliss but ruinous.

Since crystal-balls are not available, at least not useful ones, it is important that we take a whiff of the wind and establish the weather conditions every now and then as we



chart the course ahead for our workers and unions. We need to peer ahead constantly and try to make out what the future has in store for us and then prepare ourselves adequately to negotiate the storms and rocks we will encounter.

#### Political Uncertainty

The main features of the international political scene are turmoil and uncertainty. Kampuchea, Afghanistan, Poland, Central America, and the Middle East have been and continue to be the hotbeds of super-power conflict. Refugees from IndoChina, the Middle East and various Central American republics are constant reminders that the Soviet Union and its allies are relentless in their pursuit of global power and control.

The suffering of the Polish workers is a sharp reminder of what can happen to a nation under the control of an outside force. The irony is that the regime that has been set up to liberate the Polish workers from their yoke of oppression is the very same one that is propagating unemployment, poverty, hunger and death amongst the Polish masses - so much for the rallying call "Workers



of the world unite". Can one believe and trust a system that brings misery to those it has set out to liberate? This has exposed the communist system for what it is: an unthinking, evil and all-powerful force relentless in its pursuit of more power and greater control over more people. The noble purpose of workers' solidarity disappears when the true intentions of armed might, invasion and occupation are exposed.

In many other nations poverty and misery are the only companions young workers and children are familiar with. Peace has been unheard of in scores of communities for decades as coup follows coup. New regimes are being replaced by still newer regimes in such alarming frequency that the only secure forms of employment in such countries are arms trading and tombstone making. Hopes turn into despair all the time. Those who seek to establish an even newer regime never fail to promise visions of progress and prosperity but each time these visions remain as dreams of the suffering masses. Those who promised equality gave it generously - equal unemployment and starvation for everyone with the sorry masses wishing that the madness will end soon.

Fortunately for Singapore, ASEAN solidarity has been a bed-rock for stability in South-East Asia despite relentless efforts by the Soviet Union and Vietnam to pry open the armour. For the past 3 years we weathered the difficulties in IndoChina well but there are too many imponderable factors for us to be sanguine about the future.

The next few years will continue to be years of greater uncertainty and more turmoil. Even as I write this report, close to half the British Royal Navy is steaming towards the South Atlantic Ocean to recapture some 200 rocky outcroppings barely suitable for sheep raising. Who can predict with certainty what is going to happen next, and where? The only solution is to be prepared for the worst and hope for the best.

#### Bleak Economic Forecast

The conflicts that are scattered like sores throughout a troubled world invariably affected the health of the global economy. This meant that only workers who have strong constitutions, physically and mentally, are immune to the destructive diseases of massive unemployment and widespread poverty.

The poor economic health of the industrialised countries poses a tremendous challenge for Singapore since we depend on a strong world economy for prosperity. As the world economic recession develops into a depression, our prospects for continued growth become even dimmer.

Protectionism has become a fashionable solution amongst the industrialised countries as their unions and workers clamour for quick cures to their unemployment problems. All sorts of barriers have been created and even more will spring up as the present economic recession appears to be unyielding. Consequently, competition for limited foreign investments and markets will be very keen amongst our competitors such as South Korea, Taiwan, Hong Kong, Brazil, Mexico and other newly industrialised countries (NICs).

Singapore will have to jostle with these NICs for larger market shares and better investments. We cannot afford to lose in this battle as better jobs and brighter employment opportunities depend on our success in attracting the higher-quality investments into Singapore and on our ability to market our goods world-wide.



Looking at the horizon, it becomes clear that the sun will shine only at the group which has made that extra effort and has risen to the top of the heap. Those who are left at the bottom of the pile will be left with the scraps. Obviously it will not be from such a position that our workers can secure a better standard of living. The challenge for us is to rise to the top of the heap quickly and maintain our position there.

#### PREPARING OURSELVES FOR THE CHALLENGES AHEAD

##### A Brief Review Of The Early '80s

Despite the bleak economic conditions that existed in the early 1980s, Singapore maintained a creditable performance. We managed to grow at 10.2 and 9.9% in real terms in 1980 and 1981 respectively. Real wages continued to increase for two reasons. Firstly, it was part of our 3 year corrective wage policy to encourage the economic use of our scarce labour resource. And secondly, it was a distribution to our workers of the reasonable productivity increase attained in 1980 and 1981.

Based on CPF contributions, the average monthly earnings including all forms of wage supplements and bonuses rose

from \$571 (1979) to \$648 (1980) to \$728 (1981). This represented a 27% increase between 1979 and 1981. Over this same period the consumer price index rose by 8.5% in 1980 and 8.2% in 1981. Singaporeans were fortunate in earning real increases in wages during this period when workers in most countries had to contend with holding their own against high inflation. The less fortunate ones even saw a shrinking of their pay packets as their economies floundered and their countries' inflation rates reached double digits.

While our workers have every reason to be proud and happy about their performance and increase in their standard of living, the future unfortunately is sombre. We will have to bear the consequences of the industrialised countries' inability to break the bind of inflation, high interest rate, low growth and unemployment.

In 1981, the growth of the OECD countries only amounted to  $1\frac{1}{4}\%$  while their annual increases in consumer prices raged in the double digit range, reaching nearly 13% and 11% for

1980 and 1981 respectively. What was even more disconcerting was their high unemployment rates which had a tremendous impact on foreign investments in Singapore. The number of unemployed in most of the OECD member countries rose to post-war record levels. In the United Kingdom the number of workers without jobs rose to nearly 3 million, a full half million more than the total number of Singaporeans. In April this year, the number of unemployed persons in the United States reached 10 million, nearly 10% of its labour force, while as a group, OECD unemployment is expected to exceed 9% in 1982, altogether a very grim forecast.

These bleak developments were reflected in our own economic performance. While we enjoyed a fairly high growth rate, the thrust of it came from our own consumption. Our exports did not do as well as expected. Singapore's domestic exports' growth dropped to 14% in 1981 compared to a healthy increase of about 42% in 1980. In fact our re-exports fell by 5% in 1981 compared to an increase of 23% in 1980. These poor performances resulted in an overall export growth of only 7% in 1981 compared to 34% in 1980. As we are primarily an export-oriented economy, these figures provide us with much food for thought about the future.



The bright spot in 1981 was the creditable growth in our productivity, particularly in the manufacturing sector. The overall increase in productivity in 1981 was 5.4% slightly higher than the 5% achieved in 1980. But our workers in the manufacturing sector did well in achieving a productivity increase of 9.5% in 1981, nearly twice the rate of 4.9% reached in 1980. On the contrary, productivity in the construction and trade sectors dropped.

While the efforts to increase our economic productivity bore some fruits, we still have a long way to go since labour upgrading, retraining and performance improvement had just started. The human aspects of productivity improvements were still not well considered in most enterprises and this would provide ample opportunities for even higher productivity growths to supplement the growth already achieved through capital investment.

Hence skills upgrading and the retraining of workers were given top priority in NTUC's programmes to supplement the efforts of the Skills Development Fund (SDF). The NTUC-Basic Education for Skill Training (BEST) was conceived to provide those workers who missed the completion of their formal

schooling with the opportunities to acquire basic writing and numerical skills. On completion of the BEST courses, they would be able to participate in most of the skill training courses organised by the Vocational and Industrial Training Board (VITB). In this way, workers who otherwise had limited scope, would be able to increase their employment opportunities and earning capacities.

With the increasing use of computerised equipment in the office and on the factory floor, the NTUC considered it imperative that as many of our workers as possible should be helped to understand and appreciate the functions of computers. Computer appreciation courses commenced in April after the first batch of 60 in-house instructors were trained by specialists from Mindef and the National Computer Board. The response to these courses was overwhelming and this gave us a good start in our preparation to meet tomorrow's challenges.

#### The Need To Excel As A Nation

There are certain basic qualities that determine the performance of a group - be it workers in a factory or members

of a rowing team. The most crucial factor is the group's collective ability to excel in its tasks. Members may possess outstanding skills individually but without the capacity to work as a team, the group will not be able to excel in its performance. Team members without individual abilities or not motivated to excel individually will also not add up to much as a team. The key lies in a careful balance between developing individual skills and encouraging group performance. In other words, the group's performance can be made greater than the sum of the individuals' performances if we add that quality known as team spirit to gel the highly trained but disparate individuals into one cohesive team

Every member of a rowing team is fully aware that to win, the whole team has to pull together with perfect timing, and that any incompatibility between any two or more members can only lead to disaster. Similarly, an enterprise cannot do well if its employers and employees seek to do one another in all the time. It seems obvious that, except for the mentally



deranged, no one will want to pull down the house that is providing him with a roof over his head. Yet why do employees and managements have to be convinced that no one benefits if the company fails to do well? Surely they must see that by working together they stand a much better chance of survival in a competitive world with bleak prospects.

The Japanese workers' ability to work as a team is legendary. It is not surprising that their productivity growth for the past few years has been head and shoulders above other groups possessing less ability to work together. Consequently the Japanese have been able to take the economic downturns in their stride while others faltered and wheezed with each economic blow. Is there a lesson in the Japanese experience for us?

Like Japan, our only natural resource is our human resources, two and a half million Singaporeans in 1982 and projected to reach three and a half million by the year 2030. It is therefore not only logical but also necessary that we do everything possible to make the best use of this resource. This means that we must find a way to maximise the potential of every Singaporean,

individually and collectively.

When we depend on our human resource for progress, it will be downright foolish to adhere to any practices that will reduce the performance of Singaporeans and deprive ourselves of greater heights of achievement. Confrontational attitudes between employers and employees or among workers themselves definitely do not lead to high performance. In fact confrontation stifles performance. On the other hand, a harmonious relationship will and does promote individual and group excellence.

#### Building Up Mutual Trust And Confidence

Our unions feel that this emphasis on group performance must be understood and appreciated by all employees, managers and workers alike. Hence the NTUC in late 1980 embarked on a programme of forming Work Excellence Committees (WE-Committees) in various enterprises to foster good employer-employee relations. This scheme received good support from quite a few managements and unions which were keen to improve their climate of industrial relations. Frequent exchanges and contacts through WE-Committees

enabled employees to see their interest in the enterprise they work in. They became happier and more productive as a result.

This programme led to the idea of company welfarism whereby managements show their sense of concern for their employees. In turn well-treated and satisfied workers soon acquire a sense of loyalty to their enterprise. They become aware that their own well-being is linked to the company's fortunes and that it is in their own interest to safeguard and promote the interest of their company.

The National Productivity Council was set up in 1981 to study ways and means of building up such mutual trust and confidence between workers and employers. As a partner of this tripartite Council, the unions through NTUC will encourage managements to pay more attention to productivity and performance schemes which are mutually beneficial to employers and employees.

In such a complex situation involving interpersonal relationships, unions, managements and the government must exercise tremendous flexibility and understanding when executing and



implementing various schemes and measures. Invariably, some will find the going heavy - unhappy workers, shorthanded managements, and others who are disgruntled for one reason or another - but the effort must be relentless if we are to build up a disciplined, skilled and dynamic workforce willing and able to face the challenges of new technology.

#### Meeting The Challenges Of New Technology

The advent of new production technology in the developed countries over the next decade will have a tremendous bearing on employment opportunities in Singapore. As increasing use is made of robots and other computerised equipment, manufacturers will rely less and less on a supply of cheap labour to man their production lines. The automobile industry in Japan is a good example wherein the total production of Japanese cars for overseas markets until now have been manufactured mainly in Japan using fully automated assembly lines. There was no pressing need for Honda, Toyota nor Nissan to locate their plants in countries where labour is cheap and plentiful. Recently they adopted a slightly different strategy because of protected markets

in Europe and the USA when they had to set up joint ventures in the locality of their markets to escape tariff and non-tariff barriers. But the relocation was not prompted by cheaper labour.

This development requires us to take a fresh look at our whole economic strategy. Our pre-conference seminar "Meeting The Challenges of New Technology" would have dealt with the issues at great length. It suffices for the main factors to be mentioned here.

Up to now, we have developed Singapore into an attractive investment centre by providing a source of skilled and disciplined labour at competitive wages. With the widespread use of industrial robots in production lines, cheap labour in plentiful supply is no longer an attraction. This is a critical development in view of the fact that our domestic market is too insignificant to provide any lure for relocation of a plant closer to the Singapore market.

This new factor in the equation of overseas investments requires very skilful footwork from us if we want to retain our position as an attractive investment centre. Our attractions

for foreign investments must be greatly enhanced quickly particularly in the type and quality of labour force we have to offer.

Our strategy is to pull in the high-quality plants which manufacture parts for these high-value equipment and robots, and eventually to assemble or manufacture these equipment. Servicing and adapting these equipment for particular markets will provide great opportunities too. This would include development of software packages, installing and maintaining such equipment in the region and even further afield.

To succeed in this we need to develop a pool of highly skilled, multi-disciplinary workers capable of operating, servicing, repairing and adapting complex numerically-controlled machines and computers. This pool of trained workers together with our greatly improved range of infrastructure and various fiscal incentives, such as those given for export development and R & D work, <sup>will</sup> ~~will~~ help us maintain our competitive edge in securing more investments. The most crucial part will be the availability of a skilled and high performance workforce - well-trained engineers, technicians,



production supervisors, maintenance and service staff, and line workers. Hence the importance of training and upgrading our workers of all grades.

While this development will present a formidable challenge to our workers, technological change is not new. It has been with us since the discovery of fire and the invention of the wheel. It has been and will continue to be the driving force behind progress. To stifle technological change is to retard progress. To reject it is to shun development. How should our unions best cope with the extensive technological changes that we are likely to face over the next decade?

#### Thinking Ahead

It will be necessary for unions to think ahead and review their organisation to see how best they can serve effectively a skilled, trained and educated labour force. The following table showing the estimated annual output of our institutions of higher learning, technical training institutions and various vocational schools illustrates the changing mix of our workforce. As we step up our training programmes, the figures could well

be on the low side.

*Table 9*

| Grade \ Year                    | 1980      | 1985      | 1990      |
|---------------------------------|-----------|-----------|-----------|
| Graduates/Professional          | 2,400     | 3,754     | 4,776     |
| Technical                       | 2,000     | 5,653     | 6,705     |
| Skilled and Job Related Courses | 8,000     | 14,624    | 15,204    |
| Total - Skilled Workers (I)     | 12,400    | 24,031    | 26,685    |
| Total Workforce (II)            | 1,116,000 | 1,225,000 | 1,300,000 |
| Ratio - $\frac{I}{II}$          | 1.1%      | 1.9%      | 2.1%      |

Estimated Annual Output of Skilled Workers

The union structure that has served us well the past two decades will be grossly inadequate for the future. Unless our unions make the necessary adjustments they will find themselves becoming increasingly irrelevant to the workers they seek to represent. You do not hope to run a Mercedes Benz car well with a Ford Model T engine.

A start was made when the NTUC Task Force was set up on 15 March 1980 to reorganise the two omnibus unions SILO

and PIEU which together represented some 500 union branches over a wide range of industries and trades, a cumbersome and inefficient arrangement. The re-organisation was completed in April 1982 when the last of the nine new unions was registered and its Executive Council elected at a delegates conference.

We take this opportunity to welcome to the NTUC fold the 9 new industrial unions:

1. National Transport Workers' Union
2. Shipbuilding & Marine Engineering Employees' Union
3. United Workers of Electronic & Electrical Industries
4. Metal Industries Workers' Union
5. Chemical Industries Employees' Union
6. Food & Beverage Industries Workers' Union
7. Singapore Industrial Services Employees' Union
8. Textile Industries Workers' Union
9. Building Construction & Timber Industries Employees' Union

Another new union, the Singapore Broadcasting Corporation Staff Union was registered in December 1981. We are pleased to welcome it as one of our 61 affiliates.

The formation of house unions or enterprise unions is being considered for a few union branches where the Branch Committees, workers and managements felt that such an arrangement will



strengthen the close relationship that already exists. In these companies the track record of management's attitude towards its employees and the workers' loyalty to the enterprise has been good. The prevailing mutual trust and confidence means that setting up a house union there is not only logical but will also help cement the harmonious relationship that exists and perpetuate the climate of mutual concern and cooperation for the common good.

For the objective to be achieved, this desire to set up an enterprise union must be felt by both the workers and management. Just setting up the structure ~~without~~ without the substance of a cooperative spirit will be a futile effort. A number of union branches and managements have indicated to the NTUC their interest in setting up house unions. They are being assisted by the NTUC in the preparatory work which includes a thorough explanation to workers of these enterprises the concept of house unions.

In April 1981, the National Productivity Board appointed a Committee on Productivity to identify the principles that govern good employer-employee relations and to recommend changes that will help employers and workers to take the right approach to increase productivity.

The Committee's Report was circulated to unions, managements and the public which discussed the recommendations in a public forum. It was felt that some of the recommendations were sound and could be implemented immediately while others required a more thorough consideration of the ramifications. A National Productivity Council with tripartite representation was subsequently appointed to oversee the implementation of these recommendations and sustain public interest in productivity. Sdr Peter Vincent, NTUC's President, heads a delegation of 6 members as NTUC's representatives on this Council.

#### Teamwork Is The Key To High Performance

These various efforts to develop an industrial relations climate in which employers and employees see the coincidence of their respective interests will help our workers and

managements shed their traditional confrontational attitudes. The reason for this is simple. Any enterprise that is plagued by conflict between workers and managers cannot survive for long. It definitely will not thrive. A company whose time, effort and resources are diverted to settling petty disputes, or combatting one another will have that much less resources to be used for productive purposes. Such a state of affairs benefits no one in that enterprise.

Equipment, machinery, and other forms of hardware can be purchased by any enterprise. The best operational or production system can be formulated. The sharpest financial and managerial expertise can be recruited. But what really determines whether that enterprise will do well and thrive is the ability of all members in that enterprise to work together as a team.

A good example is operating an airline. The best aircraft, equipment and other accessories can be purchased by any airline, whether it is Air Lanka, British Airways, Japan Airlines, Qantas, SwissAir or Singapore Airlines. Most of them purchase the same range of equipment - Boeings, Airbuses, or McDonnell-Douglas



aircraft. Routes and range of services provided are also somewhat similar. But what really enables one airline to do better than others is not the better model of Boeing aircraft or more expensive equipment it possesses. It is the commitment which every worker in that company shows in his work that brings accolades to the airline. When every employee endeavours to make that enterprise do well then that airline will surely thrive and everyone in it thrives along with it. In the end, the members of that airline, managers and workers alike, will reap what they have sown.

In any unfavourable circumstances, whether it is escalating fuel cost or economic recession resulting in poor load factors, the airline whose employees possess the strongest team spirit will have the best chance of survival. It will be the last to be hit by any extraneous adverse factors.

So it is with any other type of enterprise. When an enterprise does well, everyone in it gets a share. Should any company flounder everyone in it is affected regardless of his position in it. The common concern of the managers, supervisors, and production workers in Rollei when the company went into

liquidation is a clear illustration that when the ship goes down, so do the ratings and the officers. No one is spared.

#### NWC and Industrial Relations

As the skills of our workers are enhanced, the nature of their jobs become more complex and our wages rise, it will become increasingly necessary for the NWC to try and re-establish the nexus between workers and the company. A general guideline is desirable and workable only if our industries are labour intensive, the range of wages earned is narrow, and the skills required of workers are simple ones. As the economy matures, it becomes difficult to cater to a wide range of situations with a single set of recommendations. For this reason, the effort must continue to be made to break the rigidity of a scheme that penalises good and efficient employers who are already paying good wages to their skilled employees. If not, then employers will be discouraged to reward hardworking and productive workers.

The move towards normal collective bargaining began last year when the NWC guideline was over a range instead of being one single percentage figure. This innovation provided unions and employers some flexibility as they negotiate for wage

increases that were determined by the workers and enterprises' performances. This deviation from the annual June ritual which was practised since 1972 up to 1980 has roused us from the delusion that our reward would be waiting for us irrespective of our performance.

Our young labour force has a level of skills and education higher than ever before and they will understand that performance and reward are inextricably linked. Indeed if there were no linkage then the motivation for a trained worker to apply diligently the skills which he has acquired with so much effort will be lost. This will defeat the whole objective of re-training our workers to enhance their earning capacity.

To succeed in this drive towards greater flexibility, traditional fears and suspicions between employers and employees must be allayed. As we enter an era of rapid technological changes so too must we adopt a fundamentally different way of managing workers - away from the adversarial approach towards a cooperative one.



Industrial relations should no longer be characterised by uncaring managements trying to get the most out of their employees in a way that shows they are devoid of all human feelings. Unions and workers will also have to shed their image of being avaricious employees out to extract the maximum of wage increases and fringe benefits regardless of the prevailing conditions in the enterprise.

Instead we must create a new climate of industrial relations which encourages all employees to show greater interest in their companies' well-being and a sense of genuine concern for one another. When this is understood and practised by production workers as well as managers, then we shall succeed in bringing out the best in all Singaporeans.

#### The Underpinning For Progress

As we face the technological changes over the next few years, our workers will rise to the challenge as we have done in the past. Relentless in our pursuit of more skills and committed to the change of our attitudes towards our work, we will be well placed to grasp every opportunity that will come our way.

However it is not enough for unions and workers to discuss the technological changes which are coming and the forms and styles in which the trade unions and NTUC will then have to operate. More important is the question of how the intimate partnership between the political and union leadership is to be further developed so that our chance of success is higher than ever.

Over the past two decades, our workers have shown their understanding of and willingness to work in such a partnership. Working with the unions over the past twenty-five years, the political leadership in the PAP built up the trust and confidence of the workers in the PAP Government. This symbiotic relationship not only laid the foundation for the growth of our nation but also enabled Singaporeans to break away from the poverty and misery they knew and suffered in the 1950s.

Throughout the past two decades, our workers have placed their trust in a hard-headed, honest and disciplined PAP Government whose interest in the well-being of the workers has been demonstrated clearly time and time again. As a result, the national economic

cake increased many fold in size. Equally important, these fruits of our labour were distributed equitably and promptly. This is as it should be since striving for progress is but the means for our workers to obtain a higher standard of living.

That we have achieved this is seen by the increase in the standard of living of the average Singaporean family. They would have moved, over the past ten years or so, from an over-crowded zinc-roofed shack or a derelict shophouse to a 2 or 3-room HDB flat with modern conveniences. Their children are in school receiving an education that is the envy of many other developing countries. Grown-up children have steady jobs to supplement the family income and are very likely to be earning more than their parents because of the better training they have received either at a tertiary institution or some vocational training school. A TV set, telephone and other conveniences in the home are probably taken for granted now when it was not that long ago, say 15 years, when only a privileged few were able to afford such items. Our increasing affluence are clearly illustrated by the indicators



listed in Tables 1-4 in the Annex.

Our prosperity has shown that not only has the PAP Government demonstrated its close relationship with unions and workers but it has also clearly demonstrated its ability to ensure continued progress for Singaporeans despite many seemingly intractable external factors - the break from Malaysia in 1965, pullout of the British Forces in 1969, the two oil crisis in 1974 and 1979, and the regional and global economic and political uncertainty we faced since we achieve independence in 1965.

Our strategy of workers and the Government working together to create a skilled and disciplined workforce and attract high-quality investments which require such trained workers has served us well. This two-pronged approach to save us from the perils of poverty and unemployment becomes even more relevant as the major industrialised economies go into a tailspin.

While the rate of technological change will accelerate over the next decade, the pre-conditions for our workers to succeed in keeping up with and benefiting from these changes remain the same as ever - the acquisition of even more skills.

The relationship between skilled labour, high value investments and wage levels will be accentuated as labour-intensive operations are phased out and capital intensive operations manufacturing high-value added products are developed to employ our skilled workers. Better trained workers with higher skills will be able to find jobs that make use of their skills. As a result they will get wages which workers a generation ago would not have even dreamt of receiving.

Our track record for the past 15 years has confirmed this link between skills, jobs producing higher-value added goods, and high wages. Tables 5 to 7 in the Annex show how the average weekly earnings of our workers have increased in tandem with the increase in the net value of fixed assets per worker and the value added per worker over the years. What was enviable was that this improvement was achieved with a larger labour force and lower unemployment rates.

#### Union Activities and Activists

The strength of any organisation invariably lies in the commitment and competence of its membership. The body as a whole cannot flourish if its component parts do not pull

together for the well-being of the group. NTUC has fared creditably since the last Triennial Delegates Conference in April 1979 because our affiliates and members worked together to achieve the objectives to which we are all committed. Many a union leader and member have gone beyond the call of their duty to ensure that our workers' interest and needs are looked after.

The Secretariat Reports attached should provide the details of the variety of activities our affiliates participated in. As always, the thrust of the programmes has been to encourage our members to feel and be a real part of their union movement, not merely exist as subscribers. In this way we should be able to draw into our midst those workers who are as yet unorganised. With an increasingly educated and trained workforce, whose priorities and needs will change over time, we cannot afford to retain old fashioned and irrelevant modes of operation. To do so is to hasten the day when our union movement becomes irrelevant to society in which we live.



For this reason, we need to think ahead to see how best our unions can cater to the changing demographic pattern of our workers. As a result of our effective family planning programme, the increase in the size of our labour force has slowed down. This in turn will mean a decrease in the proportion of young workers over the next decade. Over the longer term we will have to examine the role of unions in providing a suitable range of services and activities to meet the needs of workers in an older workforce.

Table 8 - Projected Labour Force by Age Group, 1980 - 2000

| Age Group<br>(Years) | 1980                       | 1985                 | 1990                 | 1995                 | 2000                 |
|----------------------|----------------------------|----------------------|----------------------|----------------------|----------------------|
|                      | Number (% within brackets) |                      |                      |                      |                      |
| Total                | 1,115,958<br>(100.0)       | 1,225,263<br>(100.0) | 1,295,623<br>(100.0) | 1,338,155<br>(100.0) | 1,369,625<br>(100.0) |
| 10 - 24              | 399,951<br>( 35.8)         | 365,463<br>( 29.8)   | 314,010<br>( 24.2)   | 289,246<br>( 21.6)   | 273,639<br>( 20.0)   |
| 25 - 39              | 441,976<br>( 39.6)         | 554,704<br>( 45.3)   | 604,911<br>( 46.7)   | 585,236<br>( 43.7)   | 531,983<br>( 38.8)   |
| 40 & Over            | 274,031<br>( 24.6)         | 305,096<br>( 24.9)   | 376,702<br>( 29.1)   | 463,673<br>( 34.7)   | 564,003<br>( 41.2)   |

Source: Census Monograph No 1, Department of Statistics

The development of our unionists and members was given top priority in our activities over the past 3 years. Apart from skills and leadership training our affiliates in conjunction with NTUC have reached out to our workers through educational, sports and recreational activities. The establishment of the Queenstown Workers' Centre and another centre in Jurong will provide NTUC affiliates <sup>with</sup> even more facilities to serve their members effectively.

Whether it is expanding the number of children's creches, participating actively in the restructuring of our economy or helping our workers to be aware of the pre-conditions for our survival, NTUC and its 61 affiliates have always borne in mind that we are part and parcel of the whole community. This is the characteristic that distinguishes us from the run-of-the-mill unions we find around the world. This gives me every confidence in stating that our unions and members will continue to do all they can to secure a bright future for all Singaporeans.

INTERNATIONAL RELATIONS

The NTUC continues to maintain its link with other trade unions through the International Confederation of Free Trade Unions (ICFTU). We were particularly active in the programmes of the ICFTU-ARO (Asian Regional Organisation).

Sdr Devan Nair relinquished his post as President of the ICFTU-ARO upon his appointment as the President of our Republic. We gave our support to the appointment of the new ICFTU-ARO President, Sdr Tadanobu Usami of Domei. Our links with the ARO will continue to be maintained through our Deputy Secretary-General Sdr Wan Soon Bee who <sup>been</sup> has elected a Vice-President of the ARO.

We shall continue to develop our relations with fraternal organisations and international trade union bodies as long as our workers' interest are not compromised by so doing. Our facilities for the training of trade unionists from other organisations will <sup>continue to</sup> be made available as far as our resources permit.



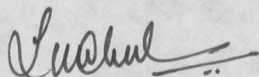
OBITUARIES

It is with profound sorrow that the NTUC Central Committee records the passing of one of its members Sdr R A Hamid who was also the President of the Singapore Organisation of Seamen (SOS). Sdr Hamid died in harness having given the greater part of his life to the union movement. His dedication to NTUC, SOS, and his fellow workers will long be remembered by those who knew and have worked with him.

ACKNOWLEDGEMENTS

On behalf of the NTUC Central Committee, I would like to express our deep gratitude to all those friends of labour who have contributed so selflessly to ensure the success of NTUC, our affiliates, cooperatives and business enterprises. They had guided us successfully through another difficult period. All of us are especially thankful to the members of the various Boards of Trustees and Boards of Directors. To them our workers owe an immense debt.

I would also like to express my gratitude and appreciation to all the staff of the NTUC-Research Unit and members of the various standing and ad-hoc working committees in NTUC. Your collective effort helped in no small measure towards enhancing the future of our workers and creating the union movement we are all proud of.



LIM CHEE ONN  
SECRETARY-GENERAL, NTUC

April 1982

Table 1 - Per Capita (a) GNP (b) Private Consumption and (c)  
Public Expenditure on Health 1960, 1970 and 1980

|   | 1960  | 1970  | 1980   |
|---|-------|-------|--------|
|   | \$    | \$    | \$     |
| GNP Per Capita                          | 2,649 | 5,045 | 10,801 |
| Private Consumption Per Capita          | 2,266 | 3,314 | 6,317  |
| Public Expenditure on Health Per Capita | 44    | 75    | 132    |

(Figures have been adjusted to 1981 Prices)

Table 2 - Selected Indicators of Standard of Living  
from 1960 to 1980

| Indicators             | Year          |                    |       |       |       |
|------------------------|---------------|--------------------|-------|-------|-------|
|                        | 1960          | 1965               | 1970  | 1975  | 1980  |
| Persons per TV         | No TV in 1960 | 30                 | 13    | 8     | 6     |
| Persons per telephone  | 27            | 22                 | 13    | 7     | 3     |
| Persons per doctor     | 2,553         | 1,956<br>(in 1966) | 1,523 | 1,311 | 1,222 |
| Persons per public bus | 1,220         | Not available      | 705   | 966   | 800   |

Source: Singapore in Brief 1980, 1975  
Singapore Facts and Pictures, 1976, 1981  
Singapore Broadcasting Corporation  
Annual Report of the Singapore Telephone Board 1965, 1970



Table 3 - Contributors to the Central Provident Fund by Wage Level

(end of period)

| Monthly Wage Level   | 1965    |       | 1970    |       | 1975    |       | 1980    |       |
|----------------------|---------|-------|---------|-------|---------|-------|---------|-------|
|                      | Number  | %     | Number  | %     | Number  | %     | Number  | %     |
| Below \$100          | 44,035  | 17.2  | 66,070  | 17.9  | 24,000  | 3.7   | 12,400  | 1.4   |
| \$100 to under \$200 | 117,218 | 45.7  | 146,753 | 39.7  | 117,500 | 18.1  | 51,300  | 6.0   |
| \$200 to under \$300 | 45,830  | 17.9  | 68,788  | 18.6  | 162,100 | 25.0  | 135,900 | 15.7  |
| \$300 to under \$400 | 17,600  | 6.9   | 31,578  | 8.5   | 93,100  | 14.4  | 165,800 | 19.2  |
| \$400 to under \$500 | 10,684  | 4.2   | 18,469  | 5.0   | 62,200  | 9.6   | 100,200 | 11.6  |
| \$500 and over       | 20,762  | 8.1   | 38,284  | 10.3  | 179,600 | 27.8  | 386,700 | 44.8  |
| Not stated           |         |       |         |       | 8,900   | 1.4   | 11,300  | 1.3   |
| Total                | 256,129 | 100.0 | 369,942 | 100.0 | 647,400 | 100.0 | 863,600 | 100.0 |

Source: Yearbook of Statistics 1967, 1970, 1980/81

Table 4 - HDB flat-ownership from 1965 to 1980

Flats Sold Under Home Ownership for the People Scheme

| Flat-type                      | 1965  |        | 31.12.71 |        | 31. 3.76 |        | 31. 3.81 |        |
|--------------------------------|-------|--------|----------|--------|----------|--------|----------|--------|
|                                | No.   | %      | No.      | %      | No.      | %      | No.      | %      |
| 1-room                         | -     | -      | 684      | 1.84   | 948      | 1.00   | 1,212    | 0.56   |
| 2-room                         | 432   | 12.40  | 3,128    | 8.40   | 3,968    | 4.20   | 4,017    | 1.85   |
| 3-room                         | 3,052 | 87.60  | 32,329   | 86.87  | 69,028   | 73.05  | 140,260  | 64.84  |
| 4-room                         | -     | -      | 1,075    | 2.89   | 14,912   | 15.78  | 51,288   | 23.71  |
| 5-room                         | -     | -      | -        | -      | 5,644    | 5.97   | 19,548   | 9.04   |
| Total                          | 3,484 | 100.00 | 37,216   | 100.00 | 94,500   | 100.00 | 216,325  | 100.00 |
| Population Housed in HDB flats | 23%   |        | 35%      |        | 50%      |        | 68%      |        |

Note : The Home Ownership Scheme was introduced only in 1964.  
Population housed in HDB flats in 1960 = 9%

Source: HDB Annual Reports (various years)

Table 5 - Average Weekly Earnings (\$)

|   | 1972  | 1975  | 1980  |
|---|-------|-------|-------|
| Professional, Administrative and Managerial Workers | 191.0 | 277.9 | 377.9 |
| Clerical, Sales and Service Workers                 | 64.2  | 92.1  | 130.8 |
| Production, Transport and other manual workers      | 50.5  | 73.8  | 110.4 |

Source: Yearbook of Statistics, 1980/81

Table 6 - Net Value of Fixed Assets per worker in the Manufacturing Sector from 1960 to 1980

| Year  | 1960          | 1965 | 1970 | 1975 | 1980 |
|---|---------------|------|------|------|------|
| Net value of fixed assets per worker (\$'000) | Not available | 6.4  | 8.7  | 18.5 | 22.6 |
| Value added per worker (\$'000)               | 5.7           | 7.1  | 9.0  | 17.7 | 29.8 |

Source: Report on the Census of Industrial Production 1960-61, 1965, 1970, 1975, 1980

Table 7 - Unemployment Rates and Numbers

|                           | 1965 | 1970 | 1975 | 1980  |
|---------------------------|------|------|------|-------|
| Labour Force ('000)       | 557  | 693  | 852  | 1,110 |
| Persons Unemployed ('000) | 48   | 42   | 39.5 | 33.5  |
| Unemployment Rate (%)     | 8.6  | 6.0  | 4.5  | 3.0   |

Source: Annual Reports, Ministry of Labour, Singapore (various years)