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**SPEECH BY MR LIM BOON HENG, MINISTER WITHOUT PORTFOLIO,
AT THE 12TH ANNIVERSARY DINNER AND DANCE OF
THE SINGAPORE INDUSTRIAL & SERVICES EMPLOYEES' UNION (SISEU)
AT THE MANDARIN BALLROOM, MANDARIN HOTEL
ON FRIDAY, 10 DECEMBER 1993 AT 8.00 PM**

Singapore has done well this year. We should end the year with economic growth of about nine per cent. No doubt not all sectors are doing well, but on the whole things are pretty good.

Certainly, Singaporeans have complaints. But we need to look at them in perspective.

Housing prices have risen sharply, but all Singaporeans have a roof over their heads. Compare this with major cities in Europe and the United States: thousands of homeless sleep in the streets. Even in Japan, the homeless have appeared sleeping in the streets. Singaporeans complain not about getting a roof over their heads, but that the cost of upgrading has gone up. For those who are chasing their dream of better housing, there appear to be signs that prices are softening.

Our workers are discussing their wage increases. Civil servants, for example, complain that their increases are not enough. Contrast this with what has been happening elsewhere.

In the United States, workers have not had real wage increases for the past 20 years. Today American graduates are working as waiters and bell-boys.

In Europe, the unemployment rate is about 12 per cent. A worker who loses his job is unlikely to get another one. Fresh school leavers have no jobs. In desperation, they are discussing reducing the working week, in order to create employment! It

means that take home pay has to be reduced. Indeed, they are now finding that the minimum wage does not work. Since they cannot bring themselves to abolish the minimum wage, they are talking about reducing it.

Even in Japan, the jobs prospects are not as good as they used to be. Some companies have had to depart from life-time employment, to retrench.

So while workers elsewhere would be quite happy to get jobs, our workers are discussing whether wage increases are enough.

Indeed, our job market is still so buoyant that maintaining union membership has been a difficult task.

Recently I met members of the National Trade Unions Congress (NTUC)'s Organising Council. You know we are losing members almost as fast as we are recruiting them. In the first 10 months of this year, we recruited 35,522 members but lost 32,206 mainly because members changed jobs.

One of the members of the Organising Council, Mr Ong Kung Yong of the Food and Drinks Allied Workers' Union (FDAWU) described the situation like this:

"...Today, Singapore is experiencing buoyant economic growth. Numerous job vacancies are created and are not filled up. The labour market is so tight that management has to increase the salary and to improve the perks drastically in order to attract and to retain workers. There is no fear of unemployment and retrenchment. Jobs are so abundant that the workers can pick and choose. Some of the workers therefore erroneously conclude that unions are no longer needed to fight for better wages. With better education, workers today are more confident to look after their own needs, their expectations of the union and its leaders are also higher than before. They are always concerned of what they can benefit after joining the union..."

If we do not have an active recruitment campaign, union membership would be drastically reduced in no time.

Workers also want to see strong unions. What do they consider to be a strong union? Their views are not much different from workers everywhere. They want to see the union take on management, or the Government.

But is a militant union a strong union?

A recent article in The Economist questions this. It described the widespread protests in Europe, including the calls for general strikes, and asks whether it meant the renaissance of the trade unions in Europe. The article answered the question, and concluded that it was not. In other words, all the protests were "...more show than showdown..."

In fact, "...the unions' attitude towards business has changed dramatically. ...most European trade unions now concede the importance of harmonious labour relations and greater labour flexibility, especially in businesses that face stiff international competition..."

This is what we have stressed all the time. What we have done all along has been right, and the European unions are finally coming round to our view.

Still, we need to overcome the workers' perceptions. Mr Chandra Mogan of the Union of Telecom Employees of Singapore (UTES) wrote:

"...Members can understand the need for tripartism. However, policies of the Government are often explained by NTUC more from the perspective of the Government rather than from the trade union's perspective. This has somewhat rubbed down on union leaders who are also inclined to explain policies of the management from the management's perspective rather than from the union's perspective..."

What NTUC and union leaders say or do are not wrong. If the policies are right, they should be upheld. And we are not the only ones facing problems of perception. Let me refer to The Economist's article again.

Spain is going through a tough time. The present Prime Minister of Spain, Mr Felipe Gonzalez, was the leader of the trade unions. Gonzalez was the darling of European trade union leaders. I attended a trade union conference in Madrid in the early 1980s. When Gonzalez spoke, trade unionists from all over the world gave him a standing ovation. Today, he is pushing through tough reforms to the country's labour laws. I do not believe he has turned against Spanish workers. I believe he knows the reforms are in the best interests of Spanish workers. Having served the Spanish unions, he knows the language of the unions. Yet he is facing protests.

In Singapore, our policies and attitude have made it more difficult for workers to understand what unions do. Because as a rule we do not negotiate in public, the hard bargaining is unknown to members. I know our journalists would love to report what happens blow by blow, and readers would enjoy seeing the punches. It would sell more newspapers. But that is not the best way to negotiate. Negotiating in public raises unrealistic expectations, and makes it very difficult for either party to compromise. The result would be a serious deterioration of the industrial relations climate, which would drive away investments. We would harm the very interests of workers which is our duty to protect.

How then should we win the support of workers?

Mr Ong Kung Yong made this observation:

"...The leadership of the union can greatly affect the relationship between the members and the union. Through experience we found that if a branch has good leaders, they can establish good rapport with the members and gain their support. If the branch

leadership is weak, the members will lose confidence in them and most of them may withdraw their membership or not want to associate with the union as they feel that the leaders cannot serve or lead them well..."

What Mr Ong wrote is absolutely correct. In the union chain of communication, the branch leaders play a crucial role. So he has suggested that union officials should enrol in training courses conducted by the Singapore Institute of Labour Studies (SILS), and we should give them as much information as possible.

There is no substitute for contact and communication between leaders and members. It is a time-consuming job, but it has to be done. Today expectations are even higher in this respect. Therefore union leaders will have to make use of radio and television to complement the direct meetings they have with the rank-and-file.

SISEU has done well. Membership has steadily risen. I encourage the leaders of SISEU to meet members more frequently, and to send branch leaders for leadership training courses. This way, SISEU will grow from strength to strength.

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