

EMBARGOED UNTIL AFTER DELIVERY  
PLEASE CHECK AGAINST DELIVERY

Speech by Dr Goh Keng Swee, Deputy Prime Minister and Minister of Defence on the occasion of the 29th Anniversary Celebrations of the Singapore Portworkers Union on Saturday, 6 December 75 at 7.30 pm at the Port Authority Recreation Club, Bukit Chermin Road

May I first congratulate all of you on this happy occasion of your 29th Anniversary Celebrations of your union.

On this occasion - a trade union function - I would like to say a few words about productivity. This word is used very often and sometimes by people who do not fully understand what they are talking about.

Higher productivity does not mean working harder, in the sense of longer hours or more intense effort. When an employee is not working diligently, and instead resorts to malingering, this is not a matter which concerns productivity. It concerns discipline. Slackers and shirkers have no place in a workforce and since they do not earn their keep, they should be dismissed. It is a mistake for unions to take up their cause because if re-instated they will encourage good workers to slack. This causes productivity to go down which is bad for workers because better pay depends on higher productivity.

When we talk about productivity, we mean the amount of value of output related to the workforce. In other words, output per worker.

Output per worker is raised when the system of work is improved. This can come about in many ways, including motivating the worker to apply himself with more intelligence and diligence.

But the main increases in productivity have come from improving the system of working, either as a result of work studies, joint management-union action, or other means. In general, improved methods of working require better tools and equipment, particularly the replacement of muscle power by horse power. Higher productivity therefore means not working harder in the sense of straining your muscles, but working more intelligently with machines and tools.

In some situations, workers object to such improved methods because this means laying off part of the labour force. This is a common problem when no economic growth takes place. Working more efficiently means requiring less workers to do the same work.

But when economic growth is taking place, as in Singapore, higher productivity does not mean the same output done by fewer workers, but a much larger output done by the same number of workers.

The history of the Port Authority illustrates this point very clearly.

In the old days, more workers were used in handling a given quantity of cargo. But with improved methods of working, gang size was reduced progressively from 37 to 27 and then to 23, then to 15 and at present to 12 men per unit. The average working hours per day also fell from 12 hours, including compulsory overtime, to a 7-hour shift work. Clearly productivity has gone up, but not because port workers work longer hours and use more muscle power.



The result of increased productivity has been an increase in average earnings per worker. In 1965, earnings of port workers averaged \$256 per month. By 1974, average earnings had increased to \$453 per month, a 77% increase.

This was made possible because of higher productivity. In 1965 cargo throughput at our port was 5.4 million tonnes. At that time the workforce numbered 9724. For 1974, cargo throughput was 17.0 million tonnes, and the workforce was virtually the same, 10,304.

So you see, rapid economic growth which Singapore achieved over the years had made easy the transition to better system of work resulting in higher productivity and higher pay with no reduction of employment.

If we consider the present position with the troubles which the port experienced during colonial times, the difference is remarkable. People today may not believe it, but there was a time, when the Port of Singapore was renowned for a high rate of pilferage and a totally disgruntled poorly paid labour force with an unenviable record for strikes and work stoppages.

Today, because management and workers share a common objective to provide the international shipping community with fast, efficient and low cost services, workers have benefitted, the PSA has benefitted; Singapore has benefitted and international shipping has also benefitted.