

Release No. 08/OCT
02-3/85/10/05

SPEECH BY DR WAN SOON BEE, MINISTER OF STATE (PRIME MINISTER'S OFFICE), AT THE UNION OF TELECOMS EMPLOYEES OF SINGAPORE (UTES) 3RD ANNIVERSARY DINNER AND DANCE AT THE MANDARIN HOTEL ON SATURDAY, 5 OCTOBER 1985 AT 7.45 PM

I am happy to be here tonight to join all of you in celebrating the third anniversary of your union. As the adviser of your union since its formation, UTES will always have a special place in my heart.

I have seen you being born and now grow. Although only three years old, I can quite confidently say that yours is a success story. As a house-union and indeed Singapore's biggest house-union, you have shown to others the merits and advantages of a house-union.

Tonight, I once again pay tribute both to the management of Telecoms and to the leaders and members of UTES, for having stood out as a shining example of labour-management relations.

When union and management work together everyone benefits. Telecoms is one of the most successful enterprises in Singapore and it has helped elevate Singapore to a world renown telecommunications and information centre.

I compliment the managers, union leaders and every single staff member of Telecoms for achieving such a distinction for yourselves and for our Republic.

Although Telecoms is doing very well now, you must not be lulled into complacency and expect things to be smooth forever.

If the economy takes a long time to pick up, even establishments that have done well so far can run into difficulties. Take Telecoms for example, over the year it is able to do well because the Singapore economy has been doing well. When the industries and businesses are doing badly, there will be less need for the Telecoms' services. Eventually the employees in Telecoms will also be affected. As you can see our fortunes are inter-related. If the economy prospers everyone prospers, but if the economy takes a downturn and remains in the doldrums for a long time almost everyone will be affected. This brings me to the subject of our wage policies and structures and the recent discussions about changes in the systems.

Our wage structures and wage payment systems are long established and any change would have wide implications on our workers. We therefore have to tread carefully and gradually when we make such changes. When changes are for the common good, we must change. We must therefore look at the merits of the proposals made and study them carefully before they are implemented. Our employers have been quite quick to react to these proposals and have come up with some of their own suggestions to modify the system.

They feel that annual increments should not be based on seniority alone and have suggested that any increment should be based on performance and other factors. They want to give greater weightage to performance in annual pay increases. They have also called for the abolishment of timescales.

I am surprised, however, to learn that some employers have already indicated to unions their desire to make changes to agreements that have been recently negotiated and finalised or are about to be settled.

Why do they have this sudden change of heart. It makes me wonder whether some employers are taking advantage of the situation. This is not healthy for it indicates insincerity or ignorance of the whole purpose of the need to change.

It will not help the good industrial relations that we have so carefully built.

We must be sensitive when dealing with change and to the effects of change to the ordinary worker. Wages constitute the most important element in a working man's livelihood. It provides income, security and a hope that the needs of the breadwinner and his whole family are met.

Wages alone should not be looked at as the only factor or predominant cause for high operating costs that require change or adjustment.

Productivity, efficiency, modern methods of management and motivation should all be taken into consideration when introducing the proposed changes.

Any system based on performance succeeds only with objective performance appraisal systems and the sharing of information. In these areas most companies still leave much to be desired.

Under the present difficult economic situation, there is need for greater co-operation and understanding.

It will be foolhardy for employers to take advantage of the situation. If they do, they do so at their peril. The current peaceful industrial relations climate has been painstakingly nurtured and built up. We must not forget that it has been our political and industrial stability that

propelled our industries and enterprises to the heights of success and profitability that they have enjoyed in the past years when Singapore achieved record growth rates annually.

Ignore these facts and Singapore will be hurled back to the days of the 1950s and 60s when industrial strife, riots and strikes were the order of the day. Having emerged to the levels of success that we are now experiencing, we should take great pains to preserve and built upon our success. This is the time for testing both the sincerity of management and the capability and reasonableness of union leaders. The need of the moment is for greater understanding and mutual respect.

Our objective must be to work for a better and brighter future and to be able to enjoy the fruits of our labour in a peaceful environment.

I urge managements and unions to ponder carefully and seriously of their changing roles as we move into changing situations.

The Telecoms management has always been a model of a caring and understanding employer. The Union of Telecoms employees of Singapore, on the other hand, has proved its mettle as a model of a trade union organisation.

Working together you have the formula for success which I wholeheartedly commend to others.

Your success makes your celebrations tonight sweet and well deserved.

It now leaves me to thank you for having given me the honour to address you and to wish you many more years of success and many more nights like tonight's.