## SPEECH BY PRIME MINISTER, MR LEE KUAN YEW, AT TANJONG PAGAR NATIONAL DAY CELEBRATION ON 15 AUG 80

## Attitudes of Workforce

To succeed in restructuring our economy, our workers must have the right work attitudes. Periodically, EDB and Ministry of Labour give me the feedback from investors.

I have released a recent report of EDB plus illustrations given by

Ministry of Labour of poor work attitudes they had come across in their latest
survey. Both reports list the more vivid examples of the shortcomings of our
workers. If such attitudes were the norm and widespread, then we would be in
grave trouble. Nevertheless, they disclose the beginnings of a lackadaisical
approach to life and work which Singaporeans can ill afford.

We must remain as keen, eager, and diligent in the '80s as were in the '60s when we were hungrier. I have brought out these signs of softening into the open. It is the best way to tackle the problem. A younger generation that has

not known privation and hardship must be tutored by their elders who have known unemployment and despair in the virtues of hard work, thrift and dedication.

Those problems that spring from too many jobs opportunities for Singaporeans, like job-hopping, will be solved by the restructuring. Labour-intensive industries must relocate or cut down on labour by mechanisation and better management. Over the last 15 years, we have admitted tens of thousands of work permit holders to do the jobs at the lower end of the skill and salary scales. This allowed Singaporeans to go up the socio-economic ladder without great effort.

As citizens they can afford to pick and choose. Now, it is time to bring in work permit holders in the middle ranges of the skill and salary scales.

Better quality foreign workers can put the spurs on the hinds of Singaporean.

Liberal immigration policies of skilled and disciplined workers for permanent residence with the view to later citizenship, will make Singaporeans sit up and try harder. Singaporeans who have been climbing up the socio-economic ladder on the backs of work permit holders must now make it on their own merits.

Let me recap their main criticism: our workers do not like to do shift work. They lack quality consciousness. Instead of detecting and preventing defective products as Japanese workers do, our workers leave quality controllers to discover and reject defective work.

Our workers are not interested in what happens outside their immediate area of job responsibility. They do not clean up their workplaces, not look after their fellow workers' duties when they are occasionally away at the toilets, for instances. They take no initiative to safeguard the company's interests or property. They are reluctant to accept redeployment during off-peak hours, unwilling to take work responsibility in a related area outside their immediate job function even though they are unoccupied.

Of course, we must remember that these critics come from

Japanese, German and American managements. Each management measures the

Singaporean worker against his ideal Japanese, German, Dutch or American

worker. Hence it is no accident that the most critical assessments come from

Japanese and Germans; and that the British have the least complaints. But if we

are to make the grade, then Singaporeans must measure themselves against the

highest standards, be they Japanese or German.

These shortcomings threaten our restructuring policy. They will discourage management from bringing in expensive high technology equipment that they must install to increase productivity and reduce the workforce. I am confident that a people who have responded to so many campaigns to improve social behaviour can respond to this challenge. A people who are prepared to and have changed their language habits to English as the first language, and Mandarin, Malay or Tamil as the second language, have that common sense and the desire for advancement to change their work attitudes.

Lim Chee Onn tells me that where management and supervisors have succeeded in motivating workers and welded their workforce into a good team, he does not hear these complaints. Attitudes to work are the result of learning at home from parents, siblings and relatives, in school from teachers and fellow students, in the work place whether factory or office, from supervisors and fellow workers. Attitudes to work, whether dedicated or indifferent, can be reinforced or changed by training and retraining on the job. Government, management and unions, together, must join in the campaign to change these bad practices. We must discuss our problems frankly and publicly, get down to the root causes, create a positive atmosphere for a change, and work out the right mix of incentives and disincentives to speed up that change. This is a task the younger ministers and Mr Lim Chee Onn are well equipped to discharge. I have

discussed this with them. They understand the problem. They are closer to this younger generation of workers.

This year, the NWC made a radical departure when they agreed that 3% increase will be an incentive payment at the discretion of the employer. It would have been easier and simpler for the government and unions to carry on the previous practice of a uniform, blanket increase. But this will aggravate the problem, the trend towards grey mediocre performance: outstanding workers will not be recognised and rewarded, and at the other end, bad workers are not reprimanded and made to pull themselves up. This 3% incentive payment will require employers to evaluate, identify and reward the above average performers. Our unions have agreed to and do support this policy. This is only the beginning of a process which over the next 5-7 years will get management accustomed to resuming and exercising control of the right to reward those who excel, withhold rewards from those who are not pulling their weight, and dismiss those who are unruly, recalcitrant or undisciplined.

This 3% incentive payment restores to management their freedom to reward productivity. If workers do not want to work overtime when there are urgent orders to fulfil, then they do not deserve this extra recognition. If workers do not wish to work the later shifts, perhaps management must pay more for the

later shifts, and those who do get this extra 3%. The result of trade union bargaining in the last 20 years, plus the uniform, blanket effect of NWC recommendations, an across-the-board percentage increase for good, fair, and poor workers, have compressed differentials in pay. Now, we must reverse the trend. The concertina of salary differentials which had been squeezed closer together towards more uniformity, must now be pulled and spread apart. The distinctions between the good, average and poor workers must not be blurred. I know it is difficult to change established habits, but it must be done. I know it is invidious to choose between people of the same grade. For example, when I travel, I have to choose which of the ten security officers to travel with me. Between the OC of Security Branch and me, we have to openly identify those who are more alert, more steady, more dedicated. We have to choose between them. Often, we agree in our observations and assessments.

## Namwork nal Archives of Singapore

Maximum achievement or the highest productivity in a nation depends upon team work. Each citizen must develop to his maximum potential. This is what I mean when I say we have "to convert our natural talent pyramid into our expertise pyramid". We may have the natural talent in our population. But it is not economically productive in the contemporary world unless they have

been trained in the skills and expertise required of the jobs in the present state of our economy. And they must be ready to upgrade for the next stage. The expertise pyramid can be fully productive only through maximum team work. Conflicts, whether between social classes or between management and labour, will cause a loss in total productivity.

To achieve this maximum productivity as we convert our natural talent pyramid to our expertise pyramid, there must be minimal demoralisation in those who do not make it to the higher levels. Every parent and every child hopes to make it to the highest level. The end result in every society is still the pyramid, not the mushroom: the higher the performance required, the fewer can reach those levels. Nevertheless, those in the lower levels of skills and education must feel that they are wanted and valued. They can feel this only if they feel themselves a part of a united team, of a united society, in which they will be looked after, fairly and justly, by those who have made it to the higher levels. This is the secret of Japan's success. Japanese dedication to their job, to their family, to their company, to their nation. The lowliest employee in the firm knows that his personal interest are cared for by the top managers. He is confident that when times are bad, those at the top will share his hardships; more, they will spare no effort to find a way to lighten his burden. Japanese managers,

even as recently as the recession in 1974, had committed harakiri when their companies went bankrupt and they felt they had failed their subordinates.

We have different cultural values and a different historical tradition. Nevertheless, we can build up this team spirit, this esprit de corps, where every individual gives of his best for the team, for the nation, to achieve its maximum. And the team, the nation, in turn, takes care of the individual, fairly and equitably. The art of government is the art of building up this team spirit. After 21 years, we have made everybody feel more secure, feel more assured of a place in society. If we all put in our best, there can be a decent life for everyone and, later, a dignified retirement.

\*\*\*

## National Archives of Singapore