

PRIME MINISTER LEE KUAN YEW'S MAY DAY RALLY SPEECH
AT THE SINGAPORE CONFERENCE HALL ON SUNDAY, 1 MAY 83

May Day evokes vivid memories for me of the 1950s, of mass meetings in packed stadiums, either the Badminton Hall, or the Gay World, or Jalan Besar Stadium. The speeches were fierce. They were filled with blood and thunder. Poorly dressed workers raised forests of clenched fists, responding to speakers shouting slogans. Interminable speeches in Hokkien, Mandarin, Malay and English denounced the injustices, the exploitation, the poverty. Life was miserable for the workers. They sweated and toiled to produce wealth and comfort for the exploiters, the British who were then colonial masters of Singapore. A May Day rally in an air-conditioned conference hall was unimaginable, a wild fantasy. Yet here we are, everybody well-clad and seated, with simultaneous translation available through headsets. And what is more, everyone has come on his own, not gathered, collected and packed in open lorries bedecked with banners painted with red or black slogans, and red flags of unions with complex designs of cogs and wheels or hammers and other primitive industrial implements.

I find it difficult to compress my thoughts, memories, experiences, analyses, judgments and conclusions of the last 30 years into less than 30 minutes. It is difficult because I have to simplify complex events which led me to reject apparently sound arguments, and explain why we need to accept certain assumptions if we are to progress.

One crucial lesson I have learnt is that militant, powerful, antagonistic trade unions who set to confront employers in order to extract the maximum for their members, regardless of the interests of the employers or workers in other sectors, end up by successfully scuttling the whole of their own economy and demolishing their own societies. Look at Britain and Australia. Singapore unions and leaders, including myself, were once as bloody minded. In our first phase, we were fiercely anti-colonial and anti-capitalist. We wanted to get rid of the British and their big business houses, to get independence and power into our own hands. We wanted to cut the cake up our way, with larger pieces for our workers. Fortunately, we learnt the hard facts of life quickly. From 1959, with self-government, and especially from 1965, with independence, alone on our own, we realised that we needed to create stable secure conditions for investment, with favourable prospects for profitable returns. Otherwise the economy would not have moved and unemployment would have become crippling. We first had to create the jobs to pay for the food, the clothes, the

schools, the hospitals, the homes that are necessary for life. Unions in many Third World countries have not been able to turn around from destroying a colonial government into working for their own governments. They continue to confront and oppose managements and their own governments. There are few new countries, like Singapore, with union leaders who have the courage to involve the workers actively in nation-building, cooperating with the government and management to create prosperity for all.

Another lesson is that self-renewal is never surprise-free. However careful and thorough the screening and nurturing of potential successors, unexpected problems arise to throw carefully planned transitions out of gear. Self-renewal needs to allow for changes in style and temperament. It was fortunate that we have included into the NTUC other men of ability and commitment in the last few years. Otherwise the problem of changing the Secretary-General would be more difficult. The difficulties that have surfaced in the past year do not mean that Lim Chee Onn's objectives were wrong. They were right. I encouraged him to recruit scholars and professionals. I encouraged him to improve organisation control. Unfortunately, Chee Onn has not been able to generate that sense of participation, that feeling of belonging to the movement.

Some old guards have come to the wrong conclusion over the change of the Secretary-General. They say that technocrats, by which they mean well-educated people with high qualifications, but without the experience of the rough and tumble of grassroots struggle before they get to the top, should be “backroom boys”. I agree that some technocrats may do better as backroom boys. But they are not the ones we must look for, either for the NTUC or the PAP.

Thirty-one years ago, in February 1952, at the age of 28, younger than most of the NTUC secretaries, I was employed as legal adviser, a technocrat, by the Postal and Telecommunications Uniformed Staff Union. The postman had gone on strike. As a technocrat, I argued their case and conducted their negotiations. I was also their press spokesman and psywar officer. The strike was settled successfully. I went on to become legal adviser to over 50 unions by 1959. Technically, I was a technocrat. In fact, I was organising the base of a political movement that grew into the PAP. If I had been only a backroom boy, I would have been frustrated. I had others, who were, at first, backroom boys, to help me: Goh Keng Swee, K M Byrne, and S Rajaratnam. They helped work out arguments and strategy, salary scales and differentials. If all I was good for was backroom work, and if Goh Keng Swee and S Rajaratnam had remained backroom boys, the history of Singapore would have been different.

Why did we succeed? Because we developed relationships of trust and confidence between ourselves and the grassroots leaders in the union committees. We had established our sincerity and credibility with rank and file workers. Through discussions, consultations, frequent contact and open communications, we established close rapport. We convinced union leaders workers that there was an identity of purpose. Later, when we became the government, the unions accepted the government's views, because they recognised that the overall purpose of government planning and policies was for the benefit of workers.

The question is how to keep alive, to nurture, and to transfer these historical and personal links between Devan Nair, the old guard unionists, and my senior colleagues and me? The NTUC was able to make a considerable contribution to Singapore's development because of two factors: first, the strength and quality of its leadership, which rested largely on Devan Nair's moral courage and his ability to carry the ground; and second, the trust and confidence between him and my senior Cabinet colleagues and me. The next Prime Minister must have faith in the integrity and moral courage of the Secretary-General of the NTUC and vice versa. This is the nub of the problem of self-renewal. For the NTUC to make a significant contribution in the future, the quality of its

leadership must not be lower. Our young workers are more educated and better skilled than their parents. From them, dedicated grassroots leaders must be encouraged and brought into the leadership of the affiliated unions and the NTUC. We must recognise that it is unlikely, because of university education and the abundance of scholarships, that people with ability and qualities of leadership would be left without university education to struggle up from the grassroots, like Devan Nair did through the Teacher's Union. So direct recruitment of talent into the unions is necessary. Otherwise the trade unions will not have the capability to play an equal role in any tripartite combination of government, unions and management. If we allow the unions to make do with whatever ability the grassroots can throw up, then the relationships will become unequal, to the disadvantage of the unions.

Therefore, Lim Chee Onn and I have persuaded some scholars and professionals, including MPs, to join the NTUC. This was most difficult. We have had to ensure no loss of incomes or prospects. Most scholars and professionals regard the NTUC as a non-glamour sector. It means an onerous and burdensome task, with no fixed hours of work, all for the benefit of the workers, at the expense of themselves and their families. Scholars are keen to join MAS, or GIC, or DBS, or SIA, fast growing sectors, where the financial knowledge and management skills they pick up will increase their market value.

Even the Admin Service, our premier service, has difficulties in recruiting top scholars. Therefore, do not make my job more difficulty by telling scholars that they are good as backroom boys. Young scholars do not see the unions as I did 30 years ago, as promising areas for mobilising people into a powerful movement to transform the nature of society. Our society has already been transformed. However further changes are inevitable. Scholars, many of them the sons and daughters of uneducated, unskilled workers, hawkers or drivers, no longer become manual workers and union leaders. They move straightaway into the upper reaches of the top companies, statutory boards or government ministries. Some scholars must move into the NTUC to help meet and shape the changing future.

Therefore, please understand that the only difference between Ong Teng Cheong and Lim Chee Onn will be in style and personality. The objectives are exactly the same. There can be no return to the past. You must prepare our workers for the future. The NTUC must throw up and nurture younger, vigorous and equally dedicated grassroots leaders. The older guards will be active for a few more years. Like the old guards in the PAP, their most valuable contribution is in passing on their experience, their sensitive touch, and their contacts, in the few active years they have left. The scholars and professionals need and deserve their cooperation. So do the young grassroots leaders. In return, the old guards

deserve respect and the right to consultation and participation in the changes that are necessary. They own it to themselves not to squander the balance of their active years in frustrating a successful transition to a younger generation. They will fail the workers of Singapore if, by wanting to hang on, they prevent younger, idealistic and energetic men from thrusting upwards from the grassroots, or withhold cooperation from the scholars and professionals. On the contrary, they can help the younger grassroots leaders to mesh with the young professionals and scholars into a cohesive team.

What is the most significant contribution the NTUC can make to Singapore? It is in changing the attitudes of our workers. They must be positive and cooperative, and not negative and adversarial. The “them” and “us” division between workers and managements must disappear. The NTUC must convince our workers what if the company they work for fails, then their interests must suffer, that if their company succeeds, they will be better off.

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During the past 38 years, the Japanese have risen from the ashes of defeat to become the most productive, efficient and competitive of all industrial nations. They produce some of the world's best cars, television sets, computers, watches, machine tools and robots. They have a productive workforce, organised in-house unions. House unions are better placed than industry-wide unions to generate team spirit and encourage cooperation in QC circles and in joint labour-management consultations. So they almost achieve zero defect for their products. Japanese house unions do not waste time in grievance procedures, or defending errant or wayward workers.

Therefore, where the pre-conditions are present, as when there are enough members in a particular company or statutory board, let us change to house unions. We know it is easier to generate team spirit and achieve higher productivity through house unions. Industry-wide unions pull workers' loyalties away from their own companies. Of course, where membership is very small and leaders are too few, it may be necessary to have the employees of small companies grouped together. The deciding factor must be whether the conditions in the companies are favourable, and not the vested interests of union leaders in existing industry-wide unions.

You need not worry that management will take advantage of the smaller house unions. The NTUC will closely monitor relationships for some time after any change, to ensure that all goes well. If there are managements who do not realise what the change is for, both the NTUC and the Labour Ministry will intervene. Managements who do not generate team spirit amongst their workers must lose out to competitors who do.

The acid test is whether the change will work better than the old system. Does it produce better results? We all know that communist-organised unions in communist countries do not work, whether in the Soviet Union, Eastern Europe, or China. The two tumultuous years of fever-pitch excitement in Poland over Solidarity, before it was banned in October 1982, exposed the hollowness of the communist unions. We also know that unions organised in militant fashion, advocating perpetual conflict and class struggle, do not work. Otherwise how can a country as richly endowed as Australia find herself in such an awkward economic situation? We also know that many American companies which have employee-centred management, like IBM, Texas Instruments, Hewlett Packard, General Electric, are highly successful. They have excellent relations between management and workers, and highly motivated and involved workers.

New forces for change are at work. Japanese enterprises are forced to manufacture in America and Europe because of protectionist barriers. They bring Japanese management styles into these countries. Japanese managers have already demonstrated that higher productivity can be easily achieved with British, American, and even Australian workers. In Adelaide, South Australia, Mitsubishi took a one-third interest in a Chrysler plant in 1979. They have reduced the number of man-hours needed to produce a car from 65 to 23. Faced with this challenge, American and European management systems will change to compete and to fight back.

Singapore's future depends on whether we can attract investments for high value-added industries with automation, computerisation and robotics. This will be difficult in a period of slow growth and high unemployment in the industrial countries. Several American companies have invested in Singapore only if they are allowed to operate without unions. And we have agreed, giving them a fixed period of years without unions. And if enlightened managements can persuade their workers that they do not need unions to defend them from abuses, good for them.

We must look ahead and recognise how totally different the future will be. This is one interdependent, interrelated and competing world. When a customer

goes to a supermarket, he does not ask what worker made the product, or what machines were used. He buys a particular brand because it has acquired a reputation for quality control and zero defect. And the price is right. When a product establishes that reputation, the workers of that company thrive and prosper.

Our progress depends upon ourselves, how well organised and productive we are. We need grassroots leaders. We need scholars. We need professionals. We need to organise into house unions. We need thinking leaders, able to adapt and adjust to changing conditions. Then the NTUC will be as relevant in the next 20 years as it has been in the last 20.

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