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KEYNOTE ADDRESS BY MR LEE YOCK SUAN, MINISTER FOR LABOUR, AT
THE 1ST ASIAN REGIONAL CONGRESS OF INDUSTRIAL RELATIONS AT
THE SHANGRI-LA HOTEL, ON 9 FEBRUARY 1987 AT 2.30 PM

Many countries in Asia are industrialising rapidly to achieve a higher standard of living for their people. As in the developed economies, industrialisation has brought along complex issues concerning labour-management relations. If properly handled, a harmonious environment could be created which is conducive for business expansion and economic development. If not, an adversarial situation could arise that will affect economic growth and job creation.

It is therefore timely that we are gathered here for this first Asian Regional Congress of Industrial Relations. Participants have come from more than 20 countries with different political, economic and social conditions. Whilst such diversity will add spice to your deliberations, it is a factor which has to be borne in mind. What works well in one setting may fail miserably in another. Nevertheless, through mutual exchange of views and experiences, I hope you will all be able to gain some insight into your own situations which will assist you in achieving your goals. All of us want the same basics in life. The question is how to create that wealth and, having done so, how to share it equitably so that all participants find it worthwhile to continue with the partnership.

As you probably know, labour-management relations in Singapore have not always been as cordial as they are today. In the 1950's and early 1960's they were adversarial

in nature, with numerous strikes and other forms of industrial action. These affected business confidence, the economy suffered and there was high unemployment.

When the present Government came to power in 1959, it marshalled the support of the workers and employers to adopt a new approach to industrial relations based on tripartite co-operation. The basic premise is that there must be industrial peace if we are to achieve economic progress for the benefit of all three parties. With a cooperative and responsible labour force, investors can concentrate on improving their operations to secure a share of the world market and higher return on investment. This in turn means better pay and job security for the workers. With economic growth, we have political stability and ample revenue for the Government to carry out its responsibilities. Thus all three partners have a common interest in maintaining industrial peace and harmony.

Singaporeans are fortunate that tripartite cooperation in industrial relations has worked well in Singapore. Tripartism is practised in the National Wages Council, the Industrial Arbitration Court, the National Productivity Board, the Central Provident Fund Board and other relevant organisations. Informal consultation among the three social partners is now a common feature of our industrial relations system.

It is the substance rather than the form of tripartism which is important. For it to work, there must be a strong commitment and constant effort by the three social partners. The labour movement needs to adopt a long-term national perspective in its approach to industrial relations. If necessary, it must be prepared to sacrifice short-term gains for long-term benefits. Workers have to be educated and persuaded that their job security and economic well-being are closely linked to their companies'

performance and their own individual effort. Unions have to widen their role beyond collective bargaining to meet wider needs of their members.

Employers, too, must adopt an enlightened approach in dealing with their employees and unions. They should realise that their employees are their most important asset and be prepared to share improved profits and productivity gains with their workers. Such a people-centred management philosophy will help to promote greater teamwork and higher productivity.

The Government has to play an active role in promoting and maintaining a peaceful and cooperative industrial relations climate. There must be suitable channels for consultation to help resolve disputes between management and labour before they erupt into industrial action. Suitable vehicles must be created to foster mutual understanding and cooperation.

Tripartism and good labour-management relations cannot be taken for granted. They have to be constantly nurtured and fostered. They can be jeopardised when there are changes in union leadership or management or changes in economic circumstances. Each new trial successfully passed will, however, strengthen the bonds of tripartism. The longer we can sustain it, the more durable it will become.

In the last two years tripartite co-operation in Singapore has been put to the test again and I am glad it has emerged strengthened by the trials. In 1985 our real GDP shrank by about 1.8%, the first time in the last 25 years. To overcome the recession, the tripartite National Wages Council recommended severe wage restraint in 1986. Most management and unions were able to reach settlements amicably in accordance with the guidelines.

Tripartism is under trial again as we embark on the reform of our wage system. The NWC Sub-Committee has completed its recommendations on wage reform and these have been endorsed by the Government, employer groups and the labour movement. Given the prevailing spirit of co-operation and understanding, I am optimistic that wage reform can be successfully carried out.

TRIPARTISM IN SINGAPORE DEPENDS ALSO ON PROFESSIONAL AND WELL-INFORMED INDUSTRIAL RELATIONS PRACTITIONERS WHOSE ROLE IS TO FOSTER GOOD LABOUR-MANAGEMENT RELATIONS. TO FOSTER SUCH PROFESSIONALISM, IT MAY BE WORTHWHILE TO SET UP AN INDUSTRIAL RELATIONS ASSOCIATION IN SINGAPORE. SUCH AN ASSOCIATION CAN HELP TO PROMOTE THE EXCHANGE OF IDEAS AND INFORMATION ON INDUSTRIAL RELATIONS PRACTICE, ENCOURAGE CLOSE INTERACTION AMONG INDUSTRIAL RELATIONS PRACTITIONERS AND HELP UPGRADE THE LEVEL OF PROFESSIONALISM THROUGH RESEARCH AND TRAINING. IN THE PROCESS, THE ASSOCIATION MAY BECOME ONE MORE INSTITUTIONAL ARRANGEMENT FOR THE FOSTERING OF TRIPARTITE COOPERATION IN SINGAPORE.

It is now my pleasure to declare open this first Asian Regional Congress of Industrial Relations and to wish you a successful conference.

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