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SPEECH BY MR ONG PANG BOON, MINISTER FOR LABOUR, AT THE OPENING OF
THE NATIONAL CONVENTION OF INDUSTRIAL RELATIONS FOR THE 1980'S
HELD AT THE HYATT HOTEL ON THURSDAY, 10 JANUARY, 1980 AT 9.00 AM

The decade of the eighties has just begun. We have left behind us a decade of relatively peaceful industrial relations. There were a total of 44 work stoppages with 42,928 man-days lost. This compares very favourably with 393 work stoppages and 1,303,988 man-days lost in the 60's. For the 80's we should strive for a better record in terms not just of fewer work stoppages but also of less disputes at the enterprise level. It is therefore timely for this tripartite gathering to review our industrial relations system and practice and make recommendations for improvements for the 80's.

Our ability to improve upon our industrial relations record will depend firstly on efforts made to overcome the shortcomings experienced in our industrial relations system during the 70's; secondly on correct responses being adopted by employers, workers and unions towards issues which will arise as a result of developments in the 80's that will affect industrial relations; and thirdly on each of the tripartite partners making improvements to its industrial relations role.

What then are some of the weaknesses in our industrial relations system and practice? Our system is designed to encourage the parties in a dispute to arrive at a freely negotiated settlement of their differences. Arbitration is turned to as a last resort. Most collective agreements provide for a simple grievance procedure aimed at expeditiously disposing of complaints from employees at the shop floor level. In the experience of the Labour Relations Division of the Ministry, this grievance procedure is not adhered to fully. Many workers all too often do not take up their

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grievances with their immediate supervisors but instead request their branch or HQ union to take them up with the management. Where workers do take up with their supervisors, quite often supervisors do not deal effectively with the grievances. The result was minor grievances which should have been resolved at a lower level being dealt with needlessly by management and union. For example in a factory which assembles lifts, a driver was asked to explain why he had failed to submit a slip showing mileage travelled. The company merely wanted to find out the mileage travelled by the driver which was a routine function. Instead of submitting the slip and explaining the omission, he took the matter up with his union. The result was that this became one of the issues of dispute between the union and the company which had to be conciliated by the Ministry. To ensure that there is less disputes at the enterprise level, managements and trade unions must promote the greater use of the grievance procedure. They must ensure that such a procedure is understood by personnel staff and supervisors as well as by branch officials and workers.

In addition the machinery for dispute resolution - collective bargaining, conciliation and arbitration - is not always fully used. When collective bargaining reaches an impasse, the dispute should be referred to the Labour Ministry for conciliation. However some unions adopt the tactic of conducting a secret ballot for a strike or other forms of industrial action even before referring the dispute to the Ministry. For example in 1979, 18 of the 903 disputes referred to the Ministry were of a serious nature. Nine of these disputes involved the taking of the secret ballot by the union even before the matter was referred to the Ministry. All nine disputes were eventually settled through conciliation. Premature resort to the secret ballot generates unnecessary tension and ill-feeling between workers, unions and management.

There are a number of developments affecting industrial relations in the 80's. The response of employers, workers and unions to them will affect industrial relations. A major one is the restructuring of the economy away from low-skilled and labour intensive industries and services to capital intensive and high value-added industries and labour efficient services. The re-

automate, computerise or reorganise their production methods and management systems. Managements should be sensitive to the problems created by such exercises. Care must be taken not to exploit the situation. They should not under the guise of upgrading retrench older workers merely to save on the wage bill. In genuine cases of upgrading, trade unions should be consulted to ensure smooth implementation of the reorganisation programmes. Where redundancy arises through reorganisation, retrenchment should be a last resort. Efforts must first be made to retrain and redeploy the redundant workers.

Trade unions and workers on the other hand should extend every co-operation to employers who are upgrading their establishments. There should be positive response to job enlargement or reclassification and retraining for additional skills and responsibilities. If our workers and unions respond to the restructuring of our economy by working towards professionalism and excellence in the products they make or the services they provide, our chances of attaining middle technology and higher skills will be more assured.

In this regard I observe that in the period 1970-79 trade unions presented 372 appeals against dismissals of their members, including branch officials and of these only 38 required ministerial intervention. These statistics show that some trade unions are still protecting errant workers. Apart from considerable time lost by all concerned in dealing with appeals, other workers might be led into believing that misconduct need not be taken seriously. It must be made clear that we will not tolerate employers victimising or ill-treating our workers. For instance a factory making aluminium products dismissed 18 workers under the guise of retrenchment to break the union which has recently been accorded recognition. The Union appealed against this victimisation under Section 35(1) of the Industrial Relations Act. The Industrial Arbitration Court heard the appeal and ordered the company to reinstate the workers. We will also not condone misconduct on the part of our workers. For example in a factory manufacturing springs, a machinist was frequently away from his workplace and inattentive when working at his machine. Despite several warnings against being absent from his machine and being told to improve, he persisted in his ways. As a result the

Company incurred substantial losses from defective springs made by the worker. The company terminated his services for this and a few other offences. The union appealed, however, unsuccessfully for his reinstatement. Unions should only make representation on cases with merit if they expect to be taken seriously by both management and the Labour Ministry.

Another relevant development in the 80's is that with continued full employment and a better educated workforce, workers will have higher expectations and be less tolerant of bad personnel management. With good physical work conditions assured in the form of modern factory buildings, workers will look increasingly to a better psychological work environment like good relations with their peers and supervisors, job satisfaction, recognition, career development and off job activities. Managements will have to look into the question of meeting these expectations. They will also have to look into improvements in the organisation and content of the job itself. The more highly educated the worker the less tolerant is he of repetitive and narrow type of dehumanised work where he does not see his contribution to the overall product. If there is a good work environment and job satisfaction, you are likely to have better productivity and less labour grievances.

Improvements in the role of the Government, employers and unions will also contribute to continued industrial harmony. The Ministry of Labour on its part is reviewing labour laws to ensure their relevance in the 80's and taking action to improve its industrial relations service to employers and unions.

Employers on their part must ensure that their personnel officers, supervisors and other staff who handle workers are trained in personnel management. Most managements of MNCs have been noted to have good personnel management. They must continue to maintain this. It is equally important for smaller and medium-sized establishments to develop and strengthen the management of workers by their supervisors, personnel officers and other staff.

Unions on the other hand will have to provide better training for their Industrial Relations Officers (IROs) and branch officials

who must know the labour laws as well as the economic realities both at the plant and national level. The NTUC may wish to examine with its affiliates the establishment of a common scheme of service for IROs to provide career prospects and conditions of service comparable to those of the public and private sectors. Such IROs can be posted on rotation to affiliates and the NTUC. Such a service may attract more of our good graduate into the trade union movement.

We have been able to maintain industrial peace in the 70's largely because Government, employers and unions have worked together each playing its respective role. If there is this continued tripartite co-operation, I am confident that we will be able to meet the industrial relations challenges of the 80's.

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