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11 SEP 1982

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12-2/82/09/06

**SPEECH BY DR WONG KWEI CHEONG, MINISTER OF STATE FOR LABOUR, AT THE
FOURTH ASEAN LABOUR MINISTERS' MEETING IN SINGAPORE ON MONDAY,
6 SEPTEMBER 1982**

The first objective of the Bangkok Declaration signed by the ASEAN Foreign Ministers in 1967 was to accelerate economic growth. Since then, we have been moving towards that goal.

Individually, our growth rates were quite satisfactory during the past decade. Collectively, the ASEAN region was considered the fastest growing region in the world with great potential for further growth and development. This success came about partly because of regional peace and stability.

However, we are living in an inter-dependent world. Economic and political developments elsewhere have an impact on us.

The global recession is in a serious phase and there are no indications in sight of a strong recovery. Rather than a cyclical disorder, there are every indication that the current recession stems from serious structural faults in the economies of the western developed countries. The solution lies in more imaginative long term solutions aimed at curing the disease instead of the symptoms. It requires stout hearted and unpopular solutions which will cut deficit spending through reduction of state welfare programmes. Their feeble attempts to cure the disease through various forms of restrictive trade practices will only aggravate the situation and worsen the disorder.

Such practices have resulted in slack demand internationally for manufactured goods and raw materials and have adversely affected us

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and other newly industrialised countries. We have to cut back on production, leading to lay-offs of our workers. Unless we can come up with practical and pragmatic solutions to maintain current employment levels and to create new jobs for fresh school leavers, high unemployment rates will result. This could create social unrest and destabilise internal security.

Individually, we may not be able to influence the industrialised countries and their trade unions to change their policies. However, collectively, we have greater political clout. Illustrations of the influence and capability of ASEAN are manifested in its relations with Third World countries and international organisations. The co-operation between ASEAN and EEC was successful in the expansion of GSP coverage to ASEAN products, the provision of technical assistance in export promotion to the EEC and the encouragement of long term investments in the ASEAN region. Other industrialised countries have also realised the need and importance of maintaining a dialogue with ASEAN.

Meanwhile, we could utilise this period of recession to review and restructure our labour and economic policies to meet the changing circumstances. In particular, the relationship between employers and their workers or trade unions could also be improved. Trade unions and employers should get together to reach an understanding based on co-operation instead of on confrontation. Instead of adopting the "them" and "us" attitude, they should veer towards the "we" attitude. More benefits can be obtained for a greater number of workers if the two parties can develop a relationship of working as a team to improve productivity instead of as two opposing teams to be one up over the other.

In Singapore, we are making use of the recession to upgrade the skills and basic educational levels of our workers to prepare them to meet the technological changes in the 1980s. Training will receive high priority to prepare the workforce. We are also propagating a new sense of awareness for employers, workers and trade unions to sink their petty self interests and to co-operate whole-heartedly to boost productivity. There are encouraging signs that we are succeeding.

Our approaches in meeting the adverse effects of recession may be different. But our aim is still the same when we signed the Bangkok

Declaration in 1967. That is, to renew our commitment to accelerate economic growth.

The ASEAN Labour Ministers' Meetings are occasions where we can share our experiences in labour matters and forge a common stand on issues which are of direct interest to us.

I hope that the discussions in the next two days will fulfil the objectives and strengthen the spirit of co-operation and friendship between the ASEAN countries.
