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**SPEECH BY MR EUGENE YAP, SENIOR PARLIAMENTARY SECRETARY
(LABOUR AND ENVIRONMENT) AT THE OPENING CEREMONY OF THE
NATIONAL TRAINING WORKSHOP FOR LABOUR OFFICERS AT FURAMA
HOTEL ON THURSDAY, 29 AUGUST 85 AT 9 AM**

Ladies and Gentlemen,

Over the past 15 years, Singapore has enjoyed industrial peace, particularly in the past 8 years during which there has not been a single strike. Industrial harmony has enabled our industries to be internationally competitive and has helped to bring about rapid economic growth and a higher standard of living for all Singaporeans. The reverse is true, of course. Industrial unrest - strikes, can be very costly and certainly unproductive.

2 Several factors have contributed to our favourable industrial relations climate. They include the good performance of our industries, responsible trade unionism, enlightened management, as well as a system of industrial relations where emphasis is placed on resolution of conflict through conciliation.

3 Over the past 5 years, only about 5% of the disputes
lodged at the Ministry for conciliation were referred to the
Industrial Arbitration Court for arbitration. This shows
that we have an effective conciliation service and a core of
able conciliation officers who have contributed in no small
way to our industrial peace and stability. My tribute goes
to all concerned including our workers.

4 For the Labour Relations Department of the Ministry
to see it fit to organize this workshop even under our
favourable and peaceful industrial relations climate, shows
the farsightedness of the people working in this
Department. Yes, we should not take our healthy industrial
relations climate for granted. There is always room for
improvement in anything we do. Therefore, the theme of your
workshop "Towards A More Effective Conciliation Service" is
indeed an appropriate one. Your aim of using the workshop
to further improve conciliation services speaks well of
your desire to strive for excellence. I am glad that the
Labour Relations Department is keenly aware that they may

lose their effectiveness if they are unable to respond quickly to changes or developments that affect industrial relations and collective bargaining.

5 Our economy is today on the sluggish side. But it will pick up. In such a situation, it is prudent for management to further explore various ways to improve productivity through technological and organisational advances, leading to cost-reducing innovations in the ways and means of production. These, in turn, derive from:-

(1) research and development activities in the given

firm, or by suppliers of producers' goods;

(2) tangible investments in the capital goods in which

technological improvements are embodied;

(3) intangible investments in education and training

required to produce and apply advancing technology;

and

(4) intangible investments in the health and safety of

our workers.

It is vital to keep on improving at the way we work, but we can only concentrate on improving our work if the environment is salubrious to good working relations. It is here that our conciliation officers can play a very important role in fostering camaraderie and esprit de corp between workers and management which is so essential to higher productivity. Therefore, besides being conciliators, they can help to promote greater awareness among employers and union leaders of the importance and need to adopt a pragmatic and sensible approach in collective bargaining. It is not so much as to who is the winner at the end of the game but more so, a win-win situation, an amicable and friendly settlement of differences that will establish healthier labour-management relations.

6 Today, the need to reduce costs and increase productivity calls for, among other things I mentioned earlier, the moderation or even restraining of wage increases by management and workers. But having been accustomed to receiving yearly wage increases and annual

increments, it is not an easy task getting workers to moderate their expectations while, at the same time, ensuring that employers do not take advantage of the situation. That some workers have already foregone their wage increases speaks volumes of the maturity and flexibility of our workforce. Wages depend very much on company's health and performance, and also workers' performance. Hence conciliation officers must painstakingly help parties in collective agreement negotiations to strengthen the linkage between reward and performance.

7 To meet the tough challenges ahead, conciliation officers could not have picked a more opportune moment than now to upgrade their services through this workshop. On this note, I have much pleasure in declaring this workshop open.