

The background of the cover is a textured brown color. It features several interlocking gears of different sizes, some of which are outlined in black. In the center-left, there is a large gear containing the NTUC logo, which consists of a square with a gear inside, and the letters 'NTUC' above it. The title 'Why Labour must modernise!' is written in a bold, stylized font. 'Why' is in a light yellow color, 'Labour' is in red, and 'must modernise!' is in a light yellow color. The text is arranged in a way that it appears to be part of the overall design, with some letters overlapping the gears.

Why Labour must modernise!

THE NTUC CASE FOR A MODERNIZED LABOUR MOVEMENT
FOREWORD BY DR GOH KENG SWEE

"Wherever we find the absence or poverty of a power of vision and of projection into the future we also find the poorly motivated individual, the stagnant society or trade union, and the people or nation destined for the rubbish heaps of history

"We have chosen to be spectators, instead of active participants, in the major social and technological changes which are taking place all around us.

"We choose only to be present at the distribution of the social cake, but are conspicuous by our absence at the many stages of its preparation.

"A modernized labour movement in a modernized society is much more than a bargaining institution

"And this is what the N.T.U.C. seminar on the "Modernization of Organized Labour" is all about.

"To take a hard look at ourselves and at our surrounding circumstances, and provide some positive ideas about how to become unstuck from the grooves of the past."—**Devan Nair**

Price: \$6.00

Why Labour must Go Modern!



THE NTUC CASE FOR A MODERNIZED LABOUR MOVEMENT
FOREWORD By Dr GOH KENG SWEE

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THE FULL REPORT AND DOCUMENTS OF THE
NATIONAL TRADES UNION CONGRESS SEMI-
NAR ON THE "MODERNIZATION OF THE LABOUR
MOVEMENT" HELD AT TRADE UNION HOUSE
SINGAPORE, BETWEEN SUNDAY, NOVEMBER
16th AND WEDNESDAY, NOVEMBER 19th, 1969.

TO ALL THE WORKERS OF SINGAPORE BY
HAND AND BY BRAIN WHOSE PIONEERING
TOILS BUILT THE SINGAPORE OF TODAY
AND WHOSE CONTINUING LABOURS WILL
CREATE THE SINGAPORE OF TOMORROW

this book is dedicated

Foreword

by
Dr. Goh Keng Swee

AFTER prolonged and painful soul searching the labour movement has charted a new course. This, I think, is the import of the Seminar on Modernization which the National Trades Union Congress organised last November. I believe the course charted is the right one, one which will bring in ripeness of time large and tangible benefits to the labour movement as well as to all citizens of the Republic. In essence, it means that the labour movement has decided to take a positive role in the development of the Republic's economy. It will cease to be a narrow, sectional pressure group whose interests and advancement are to be promoted at the expense of others.

On the contrary, the labour movement has now recognised that it is only when there is growth and prosperity in the Republic that its members can get the improvements they want. Further, the movement has also recognised that it has a positive contribution to make to economic growth.

The November Seminar, which will surely stand as a landmark in the history of the trade union movement of Singapore, goes beyond mere statements of pious hopes and good intentions never intended to be fulfilled. The Seminar examined in detail and in some depth, practical measures available to the labour movement to foster

economic growth and to participate creatively in the development process. On the basis of these practical ideas, the Seminar defined new targets and action programmes.

All this is a far cry from the sullen resentment with which some trade unions greeted recent Government measures introduced to give effect to rational policies in labour-management relations. It now remains for the labour movement, under the guidance and leadership of the National Trades Union Congress, to proceed with its action programmes.

When other sectors of the Republic's economy have produced results, I see no reason to question why the labour movement cannot succeed in an equally effective and dynamic manner. It is a matter of will and application.

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Trade Union Seminar on MODERNIZATION of the LABOUR MOVEMENT"

organised by the
NATIONAL TRADES UNION CONGRESS
16TH NOV.-19TH NOV. 1969



The first day of the "Modernization of the Labour Movement" Seminar which was to prove a turning point in the history of organised labour in Singapore. At the Chairman's table (from the left): Sdrs. Peter Vincent, President of the N.T.U.C.; Seah Mui Kok, Secretary-General of the N.T.U.C.; C.V. Devan Nair, Director of the N.T.U.C. Research Unit and Chairman of the Seminar; and Lee Kuan Yew, Prime Minister of Singapore. Behind them are: Sdrs. Joseph Tan, President of the Manual & Mercantile Workers' Union and Vice-President of the N.T.U.C.; Gerald de Cruz, Chairman of Workshop "A"; Professor Tom Elliott, Chairman of Workshop "B"; and S. R. Nathan, Chairman of Workshop "C".

The Preconditions for Progress*

THIS COULD BE a purely trade union article but we would miss the whole point if we failed to understand the rationale of progress.

It stands to reason that those who understand the requirements of social and economic progress will be able to make greater headway than those who do not.

Far too often nations, organisations as well as individuals fail to give due respect to the rationale of progress, and therefore create the mess they find themselves in.

Lost in the euphoria of the present, they fail to discern the vital pre-conditions which make for success and commit the blunders which guarantee for their organisations or their countries, not a respected place in the future, but a well deserved niche in limbo.

It would therefore be well if we took a larger view of our subject and sought a better understanding of the preconditions of success, whether they be social or economic, individual or organisational, national or supranational.

For the same laws and conditions apply in these various fields and we would be enabled to draw the moral for the trade union movement in Singapore.

There are three powers and capacities that alone can effect, in their conjunction, the task of the material, scientific and spiritual progress of nations, organisations or individuals. They are:

- **FIRST**, a capacity of self-exceeding;
- **SECOND**, a power of vision and of making projections into the future;

*Sdr. C.V. Devan Nair.

- **THIRD**, an adaptability to changing conditions and an effectuating will to realise the vision of the future.

The whole history of evolution, biological and social, provides testimony to the survival value of these three conjunctive powers.

Fossils of extinct species in museums and the sad chronicle of social and political failures in human history, tell of species and of human societies which perished because they lacked either one or two or all three of the pre-requisites of survival and progress.

Let us take, first of all, the capacity for self-exceeding.

If men had been unable to exceed their immediate selfish interests there would have been no story of progressive evolution, from the smaller group units of the tribe, clan or race to the larger group unit of the nation.

The next great evolutionary leap will be, as many hope, when nations are able to exceed their national egotisms in a larger supranational or planetary loyalty, to which all other interests and considerations become subservient.

The individuals who have made their mark in history are precisely those whose capacities for self-exceeding have been more than average.

They are the great creators of humanity, the nation-builders, the founders of the great religions of mankind, the men of science who have extended in an incredible fashion the frontiers of human knowledge and understanding, the artists and men of letters who have left behind them master-pieces of beauty and of psychological perception which grace civilised living today.

As with individuals, so with nations and organisations. The same capacity for self-exceeding makes for success or the lack of it.

Every successful nation or organisation can be viewed as the triumph of self-exceeding achieved by its constituent parts.

The tribes and clans, or the racial, religious and cultural groups constituting the nation must be able to exceed their

separate identities and interests if they are ever to coalesce into a nation.

If they are unable to do so, then they must inevitably fail in a welter of division, confusion and conflict.

A notable example of such a failure is that of the several Red Indian tribes which roamed the lush plains of North America for millenia, yet never coalesced into a nation.

And so with organisations as with nations, Just as a tribalist or a racialist cannot set himself up with any credibility as a nation-builder, neither can selfish group interests attempt to build larger and more representative organisations whose functions are to unite individuals and groups to engage in more widely-based endeavours towards larger ends.

Trade unions, as organisations of workers by hand and by brain, are no more exempt from the rigorous working of this law of self-exceeding than any other group or collectivity, if they are to meet the demands of progress.

Next we take the power of vision and the capacity for making projections into the future, without which there can be:

- (a) **NO** willed development of human capacity and resources;
- (b) **NO** intelligent avoidance or rectification of harmful and deleterious conditions, habits and practices, which can seriously prejudice the fulfilment of the ends in view; and
- (c) **NO** inculcation of those values and attitudes of mind which make for advancement, either in the individual, the organisation or the nation.

Wherever we find the absence or poverty of this power of vision and of projection into the future, we also find the poorly motivated individual, the stagnant society or trade union, and the people or nation destined for the rubbish heaps of history.

In this connection we in the developing world have an especial lesson to learn.

Very often we fail to develop this capacity for vision simply because we are prisoners of the lesser and narrower loyalties of the past—tribal, racial, religious or cultural.

And we cannot have a place or role in the future if we are to be tied down by a past which seeks to endure.

But, in the long run, the past never endures, except as fossils in museums.

There are nations and leaders of nations, as well as organisations and leaders of organisations, who suffer from a poverty of vision and are therefore unable to appreciate the damage they inflict on themselves and on their people through wrong-headed allegiances, squalid compromises, cowardly evasions and venal policies.

And they will deserve the fate that destiny invariably seems to decree for such failures in the evolutionary endeavour.

As with individuals and nations, so with organisations, and a trade union movement which cannot develop a vision of the future, and the capacity to work towards it, must naturally deserve to perish.

Last, we come to the third essential pre-condition for progress—an adaptability to changing conditions, and an effectuating will to realise the vision of the future.

An unadaptable individual must, at best, be tied down to his parish pump.

Not for him the adventures of association in larger endeavours and higher aspirations.

Neither will he find the will or the knowledge to change himself or his environment for the better.

A nation which cannot adapt its thinking and its policies to the demands of progress, or lacks the will towards change and national fulfilment in this Space Age, must inevitably cut itself off from the mainstream of human achievement and progress on this planet, and exist as the relic of a past which failed to exceed itself.

A social organisation, like the N.T.U.C. which effects no structural or functional changes in a political and social environment in which everything else is rapidly and visibly changing and modernizing itself must also suffer the same fate.

There is yet another conjunction of circumstances without which even the most enlightened of organisations cannot realise its potentialities.

Individuals, social organisations as well as national collectivities must all be simultaneously imbued with the values and attitudes which make for survival and advance.

In short, the best bet for all round progress must be the conjunction all too rarely achieved in the developing world, of:

- (a) **A NATIONAL** political leadership which is clean and honest, pragmatic and rightly oriented to the demands of the future;
- (b) **A POPULATION** which responds to the leadership and is prepared to make the necessary effort and sacrifice; and
- (c) **SOCIAL** and economic institutions which see themselves as an organic part of the collective endeavour to create a modern society, thrusting into the future.

The Republic of Singapore is fortunate in this respect. Here there is just such a conjunction.

The political leadership have got their priorities right, and there is an energetic, adaptable and responsive population.

Only organised labour has so far tended to drag its feet, with the result that the tripartite alliance between the State management and organised labour for social and economic advancement is a somewhat lop-sided and unequal alliance.

But organised labour has got only itself to blame.

Instead of cultivating a positive and creative attitude in relation to the development of future possibilities, many of

us have chosen to indulge in morbid self-pity and negative bellyaching.

We are continuously looking, not for paths to success, but for alibis for failure.

Such morbidities are generally the mark of those singled out by destiny for eventual failure and extinction.

If we are to get anywhere at all, these attitudes must be excised, by some ruthless surgery if necessary.

When talking about the problems of organised labour in Singapore, I have heard some who squeal:

"Nobody cares for us. We are not respected", as though respect were something which one got for the mere asking.

The obvious retort to this kind of sickening bellyaching is to point out that respect is something which has to be earned the hard way.

Nations, organisations and individuals who do not possess and actively exercise the qualities which call forth respect, neither get it nor deserve it.

These are the qualities of creative initiative and intelligence, of a will to achievement and success.

Judged by these standards we must confess that the trade union movement, as it stands today, falls short of its claim to the respect of the rest of the community.

For by and large we have become stuck in the grooves of our own making.

We have not bothered to develop beyond and above the status of merely bargaining institutions.

We have chosen to be spectators, instead of active participants, in the major social and technological changes which are taking place all round us.

We choose only to be present at the distribution of the social cake, but are conspicuous by our absence at the many stages of its preparation.

A modernized labour movement in a modernized society is much more than a bargaining institution.

It is also a significant social institution, providing a variety of services to the working population, by way of

workers' education and housing, consumers' and producers' co-operatives, workers' financial assistance, participation in economic planning and in the proper utilisation of manpower-resources.

And this is what the N.T.U.C. seminar on "The Modernization of the Labour Movement" is all about. It takes a hard look at ourselves and at our surrounding circumstances, and provides some positive ideas about how to become unstuck from the grooves of the past.

The confidence that we can become unstuck again is not a misplaced confidence.

For the same working population which has responded so well to the political leadership can also respond, equally favourably, to a sound and positive trade union leadership.

The success of the seminar will depend on the extent to which the organisers are able to impress on the participants the three powers and capacities that alone can effect, in their conjunction, the great task of transformation to which we are committed:

- the capacity for self-exceeding,
- the power of vision and of projection into the future, and
- adaptability to changing conditions, and an effectuating will to realise the practical programmes of modernization put up for our consideration at the Seminar.



A cross-section of the delegates and participants of the Seminar.

Why and How Trade Unions Should Respond to Technological Changes*

WHAT DETERMINES WHETHER a society has reached the stage of technological take off? And if it has, how can the new-found level of development of the society be consolidated and advanced?

Why are we in Singapore so certain that we have reached this stage, and why is it that so few other countries in the region, some of them vastly larger and all much richer than ourselves, have been able to do so?

The answer is by no means simple as a whole complex of factors is involved.

Certainly much more is needed—as the Japanese experience in particular indicates—than a few imaginative industrialists able to foresee the advantages to their enterprises of advanced technology.

The very least that appears to be necessary to take advantage of this, the latest and almost certainly the most profoundly significant human revolution, is a completely integrated political, financial, educational and social order, in which all participating are psychologically prepared for the new society that technology is generating.

Japan would not today dominate the world's camera and electronics market had there not been a perceptive political leadership 40 years ago which realised the necessity to set up the appropriate institutes of optical and electronics technology required by their charters to channel back to industry the fruits of their applied research.

**Sdr. Professor Tom Elliott.*

Finding the necessary finance has rarely been a problem, as Hong Kong and Taiwan have shown, provided there was an adaptable and effectively trained work force, willing to work hard and advance with the technology.

What is really essential for long-term success is a stable political environment, which in the long run is one in which each member of the community can be assured of his own personal success based upon his own personal merit.

That is to say, there must be a socially attuned work force which is unafraid to measure itself against the challenges of technological innovation because it is satisfied it has behind it both a politically sensitive leadership dedicated to the improvement of the lot of each worker, and a total community dedicated to the ideal of a more just and equal society in which loyalty and merit are rewarded by security and advancement.

Given that technological innovation has come to Singapore, and given also that the change properly directed does mean for all of us an improvement in our living standards, there are major problems for the trade union movement from which we cannot stand aside.

The trade union movement must involve itself, it must understand the significance of the process in all its dimensions.

It must have its own views about it all.

It must learn how, in giving active support for the operation, it can secure for all workers an adequate share of the benefits that technology brings, whilst minimising the harmful effects that it can also produce.

The problem is a venerable one dating back to the days when the cotton spinners of Lancashire, fearing the loss of their jobs, attempted to set the clock back by destroying Arkwright's spinning machines.

Whilst today there would be no one in the labour movement who would advocate the answer of the Lancashire cotton spinners, the old fears linger on.

Workers still fear that technological innovation will make them redundant.

They fear that their present skills will become outdated, that they will face the need to undergo continuous retraining to meet the ever-changing demands for new skills to satisfy the new machines, and that technology will lower the quality of their working life, their involvement and their job satisfaction.

At the political level they fear that technology merely means a further adverse redistribution of wealth.

Over the years many of these fears have turned out to be less substantial than they first appeared to be.

Nevertheless there remains a sub-stratum of truth in each one of them that demands careful consideration from a modernized trade union movement squarely facing up to real problems of its membership, and a clear enunciation of its policy towards the whole issue, so that an equitable balance may be struck between the natural aspirations of the workers for a satisfying life on the one hand, and the needs of the organisation in a competitive technological world to continue to be viable on the other.

Thus, although at first sight it would appear that machines that can produce manufactured goods a hundred times faster than individual craftsmen must inevitably cause unemployment, it has been found in the technologically advanced nations—particularly in Sweden where the trade union movement has made a particularly detailed study of the problem—that there is practically no direct relationship between productivity and unemployment.

The unemployment problem there is largely one of workers in industries other than manufacturing and the highest levels of unemployment were experienced in the agricultural and building industries where technological innovations have so far played little part.

It seems that where as a result of the impact of technology—for example in the textiles industry—there are contracting employment opportunities, workers tend to move into newer and more advanced industries with a consequent need for retraining, usually at a more skilled level.

We are not unacquainted with this problem in Singapore following on the reorganisation of the British military and naval establishments.

What has emerged from the Swedish experience is that although there is a movement from less skilled to more skilled jobs, the demand for unskilled labour may continue at the same absolute level, whilst those occupations that require relatively long periods of training increase their share of overall employment.

There is an obvious need for organised labour to see that adequate educational provisions are made to ensure that its members will be in a position to take advantage of the opportunities that will arise.

At the very least, labour should have an effective voice in the systematic long-term planning of vocational education, both for juveniles and for adults.

The impact of technology on the quality of working life is a much more controversial matter, because it is so much more difficult to measure.

But it does undeniably modify it and frequently lowers it.

It appears that adjustment to the new conditions is only possible if the job satisfactorily fulfils certain human needs such as job security, freedom of job choice, adequate leisure, a certain level of income, protection of health, life and limb, job satisfaction and job involvement.

Equally important is the need for variety and achievement, particularly the opportunity to display one's ability and develop one's capacity through performance.

The need for a certain autonomy for the individual over his own work situation is essential.

He must be able to determine his work pace and method and mode of co-operation with his associates and supervisors, if only because it enables him to see in perspective his own role in the production process and thus gives him a sense of identity from which he can derive feelings of esteem and prestige.

Changing technology, however, makes more immediate demands on workers, the most immediate being the inter-linked needs for physical and psychological adjustment.

Usually less physical strength is required for any given operation in a technologically based industry.

But if the machine is badly designed, or there are too many monotonous movements, physiological and psychological strains can be set up, leading to an increase in industrial accidents.

Changing technology can also cause a deterioration in the work environment.

Noise levels increase, hygiene may be lowered, toxic materials may affect the workers.

Such unresolved problems can lead to a lowering of the workers' health and a changing pattern of industrial illness—particularly an increase in psychosomatic illnesses.

These indeed are industrial problems with which a modernized trade union movement must concern itself.

As important but less frequently considered are the psychological demands that technology makes.

Where, as is so frequently the case, there is a demand for repetitive performance of simple undemanding tasks at a fast pace dictated by the machine, there can be created a severe threat to mental health, and in the American car industry it has been clearly shown that among the workers employed in repetitive pace-determined work there was a significantly higher number of individuals with a low degree of mental health, than in a comparable group employed in skilled jobs.

The need of the trade union movement to involve itself in the total problem is clear and unequivocal.

Technology has come, and come to stay. The impact it is making both for better and for worse is undeniable.

The role of the N.T.U.C. is equally clear. It can no longer passively accept the revolution in the hopeful expectation that it will create more jobs.

It must discard its old permissive and uncritical attitudes.

It must in its modernized form make a careful and informed study of this new dimension to industrial life.

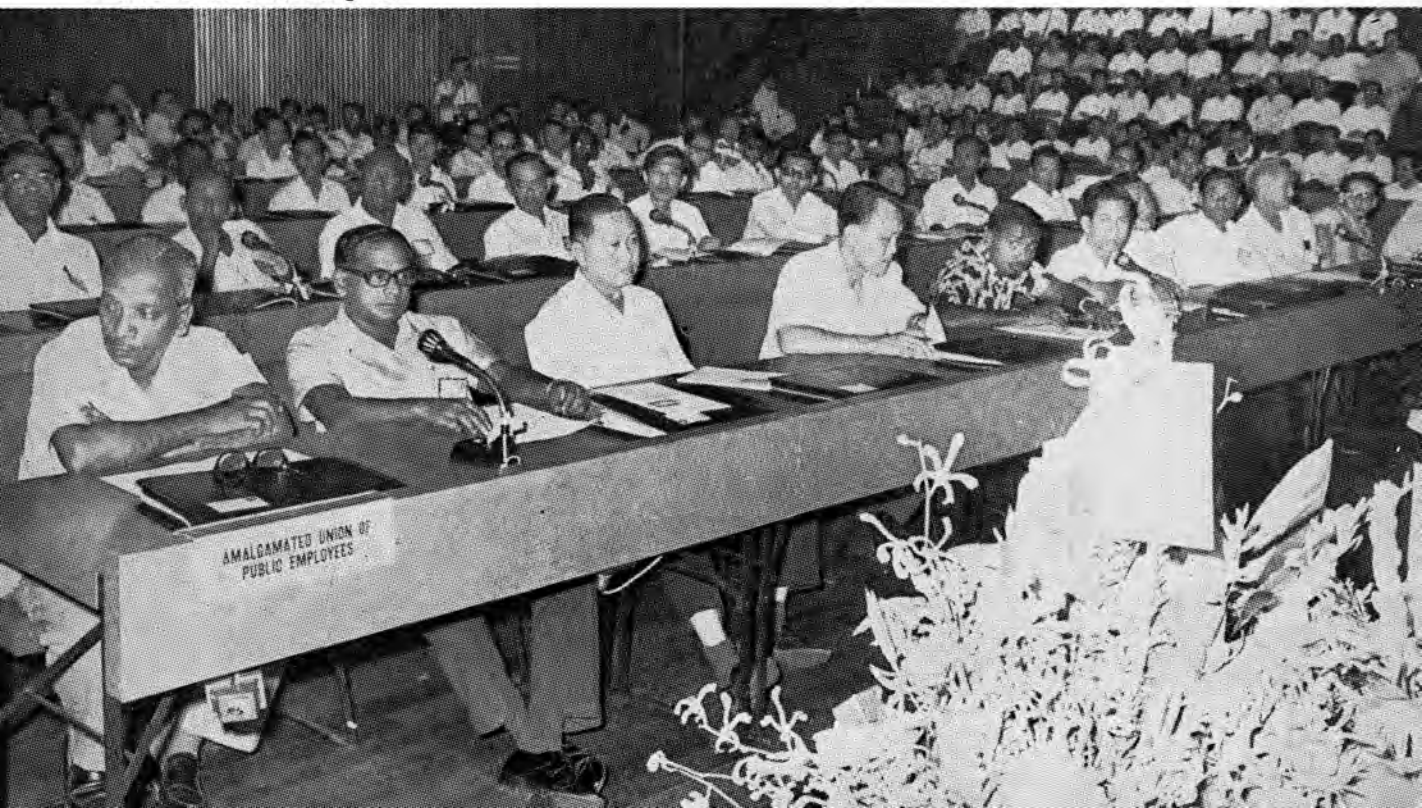
It must know clearly the potential benefits and potential dangers, so that when it gives its consent, it does so on the basis of a balanced judgment of the relative advantages and disadvantages, for we are committing the lives of our workers for generations to come.

In short, the N.T.U.C. must accept the responsibilities of its position and become an effective instrument in determining public opinion.

Nor can it afford to wait, for the problem is urgent.

The N.T.U.C. proposes to set up a special study group comprising economists, ergonomists, industrial health experts and workers who themselves have experienced the effect of technological innovations in their working lives, so that it can speak authoritatively on the problem, can influence future legislation, and can ultimately secure for the workers the benefits that our technological civilisation can, if properly directed, provide.

A cross-section of the delegates.



Secretary General's Welcome Address*

AS THE NATIONAL centre for trade unions in Singapore, the N.T.U.C. has the task of ensuring that the trade union movement is structured and oriented towards the very goals to which the society in which it lives and serves is oriented. In the past few years our society has openly debated the various options open to us. These debates have been carried on in various mass media and in Parliament itself but the trade union movement has had no opportunity to do the same.

It is with this purpose in mind that the present Seminar is being organised. We are all here to examine our past objectives, our results, our present position and our course for the future. In this task which we have set for ourselves, it is appropriate that we should have with us Comrade Lee Kuan Yew, our Prime Minister, who has long associated himself with the real interests of our working population.

During the past few weeks this Seminar received considerable publicity. The theme of the Seminar itself, namely "Modernization of the Labour Movement", attracts publicity. The people of Singapore, and trade unionists in particular, have been taken up by this frank confession that the trade union movement needs to be modernized. The N.T.U.C. has taken a very bold decision in this respect. It has admitted that the trade union movement which it leads has not kept pace with the rest of society. It has therefore hosted this Seminar to make a critical appraisal of the shortcomings of the labour movement and to find adequate means to enable a more positive role to be undertaken by workers, their unions and their leaders.

**Sdr. Seah Mui Kok, at the formal opening of the Seminar on the "Modernization of the Labour Movement."*

In order that this positive role may be clearly understood and freely debated, the N.T.U.C. has divided this Seminar into three parts. First of all, the N.T.U.C. would like every participant not only to understand but also to acquire an intuitive feel for the political and socio-economic context in which our trade union movement has to function. It is only when this has been done that a correct response may be expected.

Next, the N.T.U.C. has prepared a series of papers on the various ways in which the labour movement in Singapore can modernize. I am quite sure that delegates from various affiliates to this Seminar will have a very large reservoir of experience and ideas to draw from. If all this experience and ideas can be pooled for positive action, I am confident that we will be well on our road towards modernization.

To assist various delegates to arrive at practical solutions the N.T.U.C. has also prepared a series of papers dealing with the human and financial resources that the trade union movement can tap to realise its role. The N.T.U.C. is confident that from the dynamic workers of Singapore, whose efforts yield us a per capita income second in Asia only to Japan, will come the necessary human and financial resources.

In the course of our deliberations a great number of matters will emerge. Some of these matters may well be red herrings. If our deliberations are to be fruitful, it is necessary that we identify these herrings as early as possible. I am confident that with a proper understanding of the political and socio-economic situation of our country, we shall be able to distinguish the red herrings.

In this Seminar, a number of trade union grievances will undoubtedly be aired. Some of these grievances will be real, others less so. But let us not be carried away by them and make our Seminar a session for mutual consolation. Rather, let us spend our time examining them, not only critically but also realistically. The pragmatic approach has seen our society through very well indeed. I suggest that this approach will also serve us admirably.

This Seminar takes place over four days. There are plenary sessions and workshops. At the end of the Seminar on Wednesday, 19th November, it is the hope of the N.T.U.C. that very fruitful results will have emerged and wise and practical decisions adopted.

On behalf of everyone here, I extend our warmest welcome to Comrade Lee Kuan Yew and on behalf of the Central Committee of the N.T.U.C. I wish all participants a fruitful Seminar.

"The Harsh Realities of Today"

—The Prime Minister's Opening Address

THERE IS ONE school of thought that for rapid industrialization in an under-developed country it is better not to have trade unions. It cites Hong Kong, Taiwan and South Korea in support of this theory. But Singapore's objective is not just industrialization. The development of the economy is very important. But equally important is the development of the nature of our society. We do not want our workers submissive, docile, toadying up to the foreman, the foreman to the supervisor and the supervisor to the boss for increments and promotions.

To survive as a separate and distinct community we have to be a proud and rugged people, or we fail. You can neither be proud nor rugged if you have not got self-respect. Self-respect is what our trade unions have and will give to our workers, that protection for a man's right to his own dignity, his dignity as a human being, as a citizen. He may be an unskilled worker, but he is one of us. He must be prepared to fight and die for Singapore. He will be neither able nor willing to do this if he is a cringing coward.

To understand the present, we should briefly recall the past. The N.T.U.C., as we now know it, had its origins in 1952, 2½ years before the People's Action Party itself was founded. Some of us who later founded the P.A.P. were already planning a mass base for the political struggle for independence. We worked first amongst the government and City Council unions, then with the civilian employees of the

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NATIONAL TRADES UNION CONGRESS
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Sdr. Lee Kuan Yew, the Prime Minister of Singapore, giving the opening address.

armed services, then the shop and factory workers, and the bus workers. The rest is recent history.

It was a highly politicised trade union leadership. The primary targets were political. Anti-colonialism, anti-exploitation by foreign capital. The basis was solidarity of all the oppressed to band together and fight for freedom. Demands were issued accompanied by the threat of strike if demands were not met, and followed often by a strike even when demands were nearly all met. But with self-government and later independence things have changed. Independence gave us the power to take over whatever there was to take over. But it was accompanied by the responsibility to make things work, to make life better for all.

Then our moment of truth arrived. The British military forces were leaving. We wanted freedom. We have got it. Now we have to defend it, or be dominated and exploited all over again, probably much worse, for next time it will not be the British. So the mood was set for a fresh start.

The Employment Act eliminated bad practices which had crept into industrial relations from a previous phase of our history.

In July this year, a team from the World Bank came to assess our economic position. They reported in October that "in 1968 Singapore entered a new phase of accelerated growth with boom conditions in private investment, a decline in unemployment, buoyancy of government revenues, the emergence of an overall surplus of savings over investments, and a significant build-up of external reserves." They attributed "the greater than expected success in Singapore's drive towards industrialization" to four factors. They placed the Employment Act as the second of the factors.

Legislation can prohibit and punish abuses and malpractices. But it cannot give that positive urge to work and to achieve. This urge can come only from the conviction of a people that they must, and want to give of their best. It is the consciousness of our being co-owners of the new society we are creating that provides the drive for fulfilment. In

multiracial countries like ours, trade unions have a special role in building up this spirit of camaraderie amongst the workers. Developing the economy, increasing productivity, increasing returns, these make sense only when fair play and fair shares make it worth everyone's while to put in his share of effort for group survival and group prosperity.

We have five years of intense effort before us. We are doing well at present. But it does not mean our problems are behind us. The same World Bank Report warns that adverse factors, like the British military withdrawal, "are still the factors accountable for an expected slowdown in Singapore's economic growth during the next three years and a resurgence of unemployment in 1972, but the size of the problem now appears much reduced and the maintenance of GDP growth of perhaps 5 percent at the trough seems feasible."

It will be 1974, at least, before we have put these problems behind us. Last year, 1968, British military spending still contributed 11.1% to our GDP. In terms of GDP., the spending has gone down by half since 1965. But in terms of employment, however, it has been reduced only by one third. Unless we keep up the effort and get more industries and enterprises launched and operating profitably, about 20,000 civilian employees still to be discharged by 1971, and thousands more serving the needs of British Service families, will not find new jobs. When the British Government first announced that their forces will be out by 1971, there was considerable gloom and pessimism, particularly amongst the civilian employees of the armed services. Today, the pendulum has swung to the other end. Every employee about to be retrenched knows or believes that he can easily get another job.

Browsing through your working papers, I was struck by the buoyant and confident note they all exuded. This is as it should be, provided it is not forgotten that we have still some way to go. This is no time to talk about amendments to the Employment Act. Anomalies can be ironed out. But, the principles which the Act embodies will have to be part of

our way of life. Simply, it means that nobody can be a passenger, carried by a charitable employer, his shortcomings shielded by his union, and his well-being and security guaranteed by a benign government.

We have had two recent lessons of what happens to a people, their economy, and their standard of life, when workers and the unions take liberties with their country. The French unions went on the rampage in May 1968, 18 months ago. A year later the French franc was devalued. The French economy is still not out of trouble. The British unions with their unofficial and wildcat strikes cannot absolve themselves from blame for the devaluation of the pound in November 1967. On the other hand, it is because of the German workers and their unions, that their industrial managers did such a magnificent job. The German mark was revalued by 9.3%, i.e., the purchasing power of the mark, in terms of foreign goods, went up. There are pressures now for the revaluation of the Japanese yen. If Japanese workers and their unions were as destructive as Japanese students, the yen would not be in this happy position of being thought to be worth more than the official rate of exchange.

Before you discuss your future, remember how we got here—the past. You have a role to play in transforming a dependent underdeveloped community to an independent industrial society. It depends upon how successfully we can mobilize internal and international capital and expertise, get people to learn the skills and crafts, and acquire the managerial and marketing know-how. Only then can we produce goods and services efficiently and competitively for international customers.

So whilst throwing your eye towards the far horizon, do not forget the harsh realities of today. Let us first negotiate and overcome these immediate hazards.



Sdr. S. Rajaratnam, the Minister for Labour and Foreign Affairs, speaking to the delegates on the second day of the Seminar.

"The Crucial Role of Trade Unions In the Modernization of Singapore"

—Sdr. S. Rajaratnam,

Minister for Labour and Foreign Affairs

READING THROUGH the working papers prepared for this seminar I could not help but note the profound—almost qualitative—change that has taken place in recent years, in the outlook and attitude of trade union leadership in Singapore. I am not so much concerned with the contents and conclusions arrived at in your papers but with your new approach to problems affecting trade unions in particular and labour in general. It is so radically different that I am certain that many old-style trade union leaders will find this approach not only alien and incomprehensible but even a negation of what they conceived of as fundamentals of trade union theory and practice. Had working papers of this kind been submitted to a trade union seminar ten—and even five—years ago they would have been rejected as heretical and perhaps ceremoniously burnt as betraying the true spirit of the working class. The concepts these papers espouse, the mode of thought and even their literary style do not conform to trade union tradition. For example, these papers have eschewed the routine rhetoric about the oppressed and down-trodden proletariat mobilising to wreak vengeance on blood-sucking employers. None of the papers carry stirring slogans, printed in capitals, proclaiming the mobilised wrath

**Sdr. S. Rajaratnam delivered this speech on Monday, 17th November, the second day of the Seminar.*

and unity of workers or their impending victory over devils and demons.

The old-fashioned trade union leaders and trade union members will find these working papers dull reading. They will provide little material for the kind of poetry and oratory with which trade union leaders of the past solicited cheers and applause from their audience. These papers are, instead, business-like documents containing facts and figures, arguments and analyses demanding a great deal of thought and attention on the part of those reading them. This being so, it is possible that many of your union members and possibly some of your trade union leaders too, will find these papers not to their taste. The business-like, analytical approach of your papers will no doubt persuade some trade union leaders and members into believing that trade unionism in Singapore has lost its dynamism and vigour and that it has instead become, as you note in your "Report on the Labour Movement in Singapore", a "duplicating machine of the government" and primarily an organisation for holding dinners and dances. So long as workers continue to see the old-style trade unionism and trade union leaders as models of effective organisation and leadership, so long will they continue to view your style and leadership as feeble and futile. It is part of human nature to think of the old ways as being better and to be suspicious of new ideas and new ways of doing things. New ideas and new ways of doing things are always upsetting because they demand abandonment of habitual ways of doing things and thinking about things.

I know that there are many workers and trade union leaders who think that the N.T.U.C. is flabby and that it has lost its single-minded devotion to promoting the welfare of workers. In fact you state in your report that some trade union leaders have lost heart and are thinking of either retiring from trade union work or joining unions which still adhere to the spirit and style of the good old days.

So what I would like to do is, first of all, to examine a little more closely and objectively the old-style trade unions

and trade union leaders. It is perhaps inevitable that with the passage of time there should be a tendency to glamourise the old-style trade unionist into a heroic and formidable figure. This is not to deny his virtues or the substantial contributions he has made towards the growth of trade unionism in Singapore. I am here referring to the genuine and dedicated trade unionist of old and not to the opportunists and racketeers who exploited trade unionism for personal gain.

The old-style trade unionist had to be militant. His primary aim was to inject a corresponding degree of militancy into a docile and disorganized working class which for long had accepted injustice, exploitation and oppression as in the natural order of things. It was a time when the colonial government and the employing class were more or less solid in their belief that trade unionism, when not treated as a subversive movement, should not in anyway be allowed to unduly restrict the capitalist's right to enrich himself to the maximum extent.

Given this gang-up between a colonial government and the capitalist class, trade unionism had to be militant. Since there was no democracy the workers could bring pressure on the government and employers only by extra-parliamentary methods—by strikes, by violence, by intimidation and even by economic sabotage. In an anti-democratic, colonial atmosphere the workers could feel no loyalty to the state because it was not their state. Government appeals for co-operation between workers, employers and state to safeguard the national interests and promote the national economy were spurned because the workers quite rightly felt that the so-called national interests were those of a colonial government and the national economy one largely organised for the benefit and enrichment of a capitalist minority.

So, in the early days of trade unionism, a union leader was not concerned with the effects of his action on the national economy. It was not his responsibility, he felt, to promote either political stability or economic expansion and

thereby help to consolidate and strengthen the power of a colonial government biased towards the employers. On the contrary, a union leader felt that the more political and economic instability there was, the sooner could he weaken the stranglehold of the colonialist-capitalist alliance. The more he weakened the stranglehold the greater his prospects of organising strong and effective unions. He had to fight the government and demoralise employers. Because employers in those days were openly hostile to trade unions and quite ruthless about their anti-union tactics, trade union leaders had to be equally tough and uncompromising in their tactics in order to survive. They had to be leaders who could mobilize the courage and loyalty of workers against the might of a government which had considerable force and resources at its command.

In such a situation there was no occasion for the kind of working papers now before this seminar. They would have been irrelevant to the problems then facing trade unions and workers. The workers of those days were not interested in economic development, national economy or industrialization because they felt that they had no share in any of these things. The only two rational objectives the workers could then pursue were (a) to consolidate their power in trade unions and (b) to wring as much concessions as they could out of employers through such power.

This being so the organisational methods and trade union tactics and philosophy had to fit in with the economic and political realities of the day. The trade unions conceived themselves as being more or less in a state of civil war with the government and employers. The government and employers had to be treated as implacable enemies. And so in those days trade union meetings conferences and seminars were councils of war. Speeches, statements and discussions were not for the purpose of discussing and analysing national problems but how to mobilize workers for another offensive, for another raid against the enemy. That is why the most effective leader, the most popular leader was one well-versed

in the art of rhetoric. That is why statements and speeches had to be embellished with stirring slogans and wrapped up in chilling war-cries.

The trade union was a combat organisation. It was primarily an organisation for class war. It had to be because in those days the colonial government and the employers were at war with the workers. This was the historical environment in which trade unionism grew in Singapore and which in turn conditioned its organisational character, its techniques, its tactics, its conception of problems and its ideology. The vast majority of workers and trade union leaders of today are products of unions born and shaped in the pre-independence era. The attitudes and habits cultivated over a period of more than two decades cannot be easily shed even though the conditions and circumstances which shaped these attitudes have radically altered. Therefore if today there are union leaders who experience a sense of disillusionment, who feel that the N.T.U.C.'s approach to workers' problems is feeble and compromising, it is because the old habits and attitudes cannot cope with the new realities and the altered circumstances. People being what they are find it hard and painful to abandon ideas and concepts which helped resolve their specific problems at a particular time in history and in particular circumstances. When circumstances change their instinctive reaction is to deny that circumstances have changed and to hold fast even more passionately to the old concepts and ideas. This is true not only in the field of trade unions, but in politics, in economics, in industry and in other fields of human endeavour. That is why today, in developing as well as developed countries, most human institutions appear to be ill-equipped to deal with human problems. For example, even in advanced countries the traditional attitudes and ideas which fostered the growth of trade unions are today unable to cope with the new problems and circumstances that confront them.

Anyway it is not my intention, today, to stray into a discussion of international trade unionism but of the role

that trade unionism in Singapore should prepare to play in the present and in the future. But in order to think clearly and rationally about this role, it is necessary for union leaders not only to accept the fact that circumstances today are radically different from what they were when unionism was born but also to have a realistic understanding of the nature and character of these changes.

Before I go on to note the character of the changes that have taken place let me stress one point. There appears to be a belief among some unionists that in the new environment now being created in Singapore the role of trade unions must diminish in importance. This is not true. On the contrary in a truly modernized and industrialized Singapore the role of trade unions will not only grow in importance but they will and must play an actively crucial part in the total life of a modernizing Singapore. I say crucial because I cannot conceive of a successful modernization of Singapore, economically, politically, socially and culturally without the existence and active participation of strong and vigorous trade unions. Trade unions will grow and flourish in the new Singapore. What will wither away are the old-style trade unions and union leaders. The dismay, confusion and uncertainty which now afflict some union leaders are not, to me, evidence of the decline of trade unionism but of the inevitable and necessary decline of old-style trade unionism and unionists. It is the despair of the Old Testament Fundamentalists before the assertions of the New Testament Prophets.

Let me now deal with some of the major changes that have taken place since trade unionism took root over two decades ago—changes which require new concepts because they have created new problems.

The first of these is that Singapore is no longer an imperial property to be run primarily in the interests of an alien power. We are today an independent country and therefore the terms "national interest", "national economy", "national welfare", and "national security" are not meaningless and unreal concepts. If any of these interests is

adversely affected then all of us—workers, employers, political leaders and citizens generally—are also adversely affected. The safeguarding of these broad national interests is the responsibility of all of us because if these are not preserved then sectional interests go down with them. That is why no responsible government can permit the promotion of sectional interests—whether it be of workers, employers or any other group—at the expense of national interests. The old style trade unionist who, under colonial rule, fought to promote the interests of workers without regard to national interests (because in those days national interests were synonymous with imperial interests) is a menace to the future of Singapore and to trade unionism.

Let me state here that the old-style trade unionist has his counterpart in the old-style capitalist who is just as ready, if given the chance, to promote his sectional interest at the expense of the national interest. But the capacity of Singapore employers to oppress and exploit workers is not as great as it was twenty years ago. The advent of an independent democratic Singapore has deprived the employer of the necessary power to achieve this. In the old days he had behind him a colonial government which was not dependent on popular support, including that of workers. Today with a popularly elected Government the employers have no political power. In Singapore there is not even a conservative party to represent and promote their interests constitutionally and legally through parliament. They know that in Singapore today real and effective power resides in the hands of a political party which is in no way bounden to them. They also know that the present government has a place for them in society simply because the enterpreneurial class has a useful role to play in the modernization and rapid economic development of Singapore. They know that were they to hamper us or frustrate us in our twin objective of modernization and economic development they would get into trouble.

I make this point to counter the tendency among some old-fashioned trade unionists to present every conflict they have with employers as a life and death struggle between saintly workers and wicked employers. I have no doubt that there are wicked and selfish employers, ready to take advantage of some of the legislation we have passed to accelerate the modernization and economic development of Singapore. But let me state here that though there have been complaints of misuse of some of the provisions of the Employment Act by some employers such abuses, investigation has shown, have been very few. I am not, therefore, suggesting that workers should cease to be vigilant or that they should cease to report suspected cases of abuse of the Employment Act. Overvigilance on the part of workers may be a practical deterrent to employers. What I am suggesting is that union leaders should get out of the habit of treating every move by an employer as a hostile move designed to do the worker in. The new trade union leader should have enough confidence in himself to be able to negotiate with an employer or his representative on the basis of skill, argument and intelligent tactics.

In the Singapore of today modernization and economic development are the overriding considerations. Modernization and economic development, I have said on previous occasions, are goals which require discipline, restraint and sacrifices on the part of workers and citizens in general. There is no easy comfortable road to modernization. There is no short cut to it except that if we undertake this task in a planned and disciplined way it need not be accompanied with the unnecessary brutalities, inhuman exploitation and injustices that accompanied modernization of societies in the past.

I believe that modernization and rapid economic development can be put through in Singapore with the least sacrifice and least discomfort if the operation is undertaken as a joint effort by Government, entrepreneurs and workers. This means that all three must make modernization and

economic development their common objective and overriding consideration. This is not to deny conflict of interests. But such conflicts will generally arise in regard to how the fruits of economic development should be divided. But there should be no conflict or disagreement over the need for rapid and sustained economic growth. No sectional demand or sectional conflict should be allowed to hamper the impetus to economic growth provided by recent measures and legislation initiated by the Government. I believe that the Prime Minister in his address yesterday has already explained to you why it is vital that the pace of economic growth should be sustained and increased and so I shall not belabour this point.

However this does not mean that workers must resign themselves to abstinence and self-denial even as our economy grows, particularly if employers and others enjoy the fruits of growing prosperity. A fair proportion must also filter down to the workers. It will be the function of the new-style trade unionists to think out ways and means of how workers can get a greater share of the growing cake without slowing down the rate of development or the flow of investments from within or from abroad. This, I know, is not as simple as all that when it comes to practice but that does not mean practical plans towards this end cannot be worked out. There has been already some discussions about relating wage increases to rising productivity. Also, given the present pace of industrial transformation workers can, by taking the trouble to acquire new skills, move to more lucrative occupations. This is why I believe that one of the functions of trade unions, apart from pressing for better wages for its workers, should be to educate workers to acquire new and more sophisticated skills and therefore more remunerative or learn to perform their present tasks more skilfully and more productively.

All this implies a new approach to trade unionism. Slogan shouting and oratory will not get you far in this style of trade unionism. What all this means is that the new trade union leaders must become skilled executives to look

after the interests of workers. They must become counterparts of the executives that the capitalist classes have created to run their enterprises and promote their interests. The trade unions must therefore create skilled executives of their own—well-paid, well-educated, with deep knowledge of the workings of modern industrial and commercial enterprises, possessing the skills and intelligence to negotiate effectively with their counterparts representing the employers and finally possessing a perception of the overriding need to give priority to national interests.

It will undoubtedly take some time for this new kind of trade union leader to emerge in sufficient numbers to bring new life into the trade union movement. At the moment we are in the transitional phase when the old-style trade unions and their outlook have not completely died and the new style unions have yet to develop confidence and clear cut ideas to waken the interest and enthusiasm of their members.

This seminar that you have organised will I am sure do a great deal to hasten the emergence of the new-style trade unionism. The old-style trade unionism must slowly die away not only because its ideas and techniques have become irrelevant in modernizing, industrializing Singapore but also because increasingly the workers of Singapore are better educated citizens possessed of skills and knowledge which a large proportion of earlier generation of workers did not possess. The new generation of workers will not respond as readily as the older generation to the slogans and ideas forged during a different and now largely irrelevant phase in the history of Singapore trade unionism. It is up to the leaders of the N.T.U.C. to convince the new generation of workers that modernization and industrialization are goals worth pursuing because in them are guarantees of a better, more secure and more satisfying life for themselves.

"The Basic Strategy for Rapid Co-operative Development"

**—Sdr. Dr. Goh Keng Swee,
Minister for Finance***

IT HAS BEEN EVIDENT for some time that the labour movement has been in a state of depression, if not of demoralization. No doubt the passing of the new Employment Act and by a socialist Government which has enjoyed the support of the broad labour movement, has come as a disappointment to the rank and file membership and possibly even to some in the leadership. The Employment Act enjoins upon the labour movement higher standards of discipline, restraint in wage negotiation and, generally, a greater awareness of the social responsibility of organised labour in the larger framework of the national interest.

It is to its credit that organised labour has accepted both the spirit and the letter of the Employment Act. Considering the somewhat hectic past of the trade union movement, this may come somewhat as a surprise to observers. In the early history of the trade union movement in the post-war years—when the influence of the Communist Party of Malaya was dominant—the main standard of excellence by which a union was judged was militancy of the membership. The labour movement became an important arm of the political struggle for independence. Further, when the boss is in many instances a citizen of the imperial country, bashing him is not only a rewarding activity, it is also a patriotic one.

* This speech was delivered on the third day of the Seminar, Tuesday, 18th November, 1969.

**Trade Union Seminar on
"MODERNIZATION of the LABOUR MOVEMENT"**
organised by the
NATIONAL TRADES UNION CONGRESS
16TH NOV.-19TH NOV. 1969



Dr. Goh Keng Swee, the Minister for Finance, addressing the Seminar.

We all agree that all this is part of the past. And yet, in the new situation facing the movement, it is curious how the old instinctive responses survive. No doubt many of the old vanguard will ask the question 'If bashing the boss is to be foregone, what is there left for the labour movement to do?' And the answer provided by the organisers of this seminar is "Quite a lot."

I wish to congratulate the N.T.U.C. and all those who took part in preparing for this Seminar, particularly those who produced the excellent series of study papers, on facing up squarely to the challenges of the times and not ducking the issues. Without a doubt, the labour movement is now at the crossroads. It can take a new direction, develop new fields of endeavour and thereby grow from strength to strength. Or it can take the other turning, sulk away in resentment and despondency, and then be cast into the limbo of history.

I would like to think that the labour movement will take the positive road—the road to greater, more responsible and possibly, more difficult means of participation in the national life of the Republic.

I would like to take this opportunity not to discuss the history and philosophy appropriate to the labour movement, important though these subjects are in their context. I would like to discuss certain practical problems which the labour movement would encounter should it take the positive road which I hope it will.

I want to confine my discussion to a relatively narrow field, namely, how organised labour can develop the co-operative movement in the Republic, to its own advantage as well as to the national advantage. An excellent background paper has been prepared for the seminar and I would like to supplement this paper by suggesting a practical approach, a correct strategy if you like, whereby the co-operative movement in the Republic, now in very rudimentary form, can develop as an important element of the broad socialist movement.

There are, as a paper noted, several forms of co-operatives—Consumer Co-operatives, Rural Co-operatives, Industrial Co-operatives, Co-operatives for Housing, Credit, Insurance, Investment and so on. In my view, the potential for growth of the co-operative movement, if supported and sustained by organised labour, is excellent, provided the right strategy and the right methods are employed.

But before I go on to suggest the growth strategy for the co-operative movement, let me first lay down certain principles under which such a movement will have to operate in the Republic.

The first principle is that the co-operative must be fully competitive with private enterprise. It cannot expect privileged treatment by the Government. We want sturdy co-operative units and extension of preferences to the movement will result in weak structures and not robust growth. I underline this point because anxiety has been expressed both privately and in public by businessmen in the Republic that the Government intends to extend privileged treatment to enterprises in which it has a financial interest. Such fears are completely without foundation. It has not been and will not be the policy of the Government to single out individual enterprises for favoured treatment. This also applies to co-operative ventures which the labour movement may sponsor in future.

The second principle, which derives logically from the first, is that the labour movement should engage in co-operative enterprises in those fields in which it has a natural built-in advantage. In so doing it will be easier for the co-operatives to compete successfully with private enterprise.

The third principle is that the highest standards of integrity must be established and maintained. This would imply, in our stage of development, that there must be one central authority which supervises co-operative enterprises launched by Trade Unions and will have the power to take remedial action where weaknesses in this respect are detected. Such authority, I believe, rightly belongs to the N.T.U.C.

The fourth principle is that the co-operative must have effective management. I will elaborate on this point at a later stage.

I will now propose a strategy of development which, if these four principles are observed with fidelity, will ensure successful and rapid growth of the co-operative movement. Let us first take a lesson from the experience of co-operatives in other countries. These have not grown up purely as a result of ideology or dogma, nor because people believe in socialist principles, but to fulfil practical needs. Second, growth has been slow and, often, painful and difficult. But eventually, co-operatives grow to very substantial size not because of any feather-bedding by the Government, but by the strength developed by the movement itself.

In Singapore, however, we would like to avoid, if we can, slow, difficult and painful growth. Just as we have to develop industries in a hurry, so must we achieve as much, in co-operative development, in years as in others took decades. To do this I believe that it is essential the co-operative movement should start with a firm and solid financial base. In our industrialization programme, if we had not started up the Economic Development Board with a fund of \$100 million, it is unlikely that we would have achieved the industrial growth we did.

Now let me immediately disabuse your mind of any prospect of a similar bonanza to start up the co-operative movement. The labour movement must find the money itself, without any financial assistance from the Government. The first step in our strategy, therefore, is to solve the problem of just how to build this financial base.

One possibility of building the financial base could be to start a Co-operative Bank or a Workers' Bank or something like that. I would, however, advise against this. People will not have confidence in the Bank, unless they have confidence in those who are starting it. Unless the co-operative movement has already behind it a string of successful enterprises, it is unlikely that people will put money in a co-operative

bank, except perhaps the small group of loyal and faithful members. Regrettably these are seldom people of substantial means.

I suggest that the financial base could be built upon a Life Insurance Co-operative. The insurance co-operative should not, at any rate in the initial stages, move into other fields of insurance such as fire, marine, motor and general insurance. There is no advantage that a co-operative enterprise enjoys in these fields over private enterprise. It is otherwise in respect of life insurance.

Private enterprise life insurance business depends on a large corps of salesmen, in return for whose services substantial commissions and rebates are paid. In the special multi-racial and multi-lingual society of the Republic, an insurance sales canvasser, unless he is an exceptionally gifted and versatile person, is restricted in his field of activity by virtue of language, education and class.

As compared with this, the labour movement straddles all barriers of community and language, and even, to some extent, of class. There is a widespread network of contacts which extends through many strata and sections of our community and which has no counterpart in private enterprise. This network is formalised in structures such as individual trade unions, their branches, shop stewards and so on. For the purpose of publicity, mass education in the benefits of life insurance, and sales of policies, this network provides the life insurance co-operative with a clear advantage over private enterprise.

For instance, individual unions as well as the branches may benefit financially from the activities of the insurance co-operative as they may legitimately retain the commissions or rebates which normally would go to the insurance canvassers. Competitions can be arranged between unions and branches in the spirit of socialist emulation. I need not elaborate on these possibilities but I would urge that if unions were allowed to retain commissions and rebates, these

should be vested in a separate fund usable only for co-operative development.

But there is another aspect to this. And this is whether a life insurance co-operative would be fulfilling a genuine social need. Unless this is so, there is no reason to expect that it will be successful. In my opinion, there is a genuine need for members of the working class to take out life insurance policies. If the need is not fulfilled, it is because private enterprise cannot reach these strata of society or the workers themselves do not understand the value and benefits of taking out such policies.

Because social security in Singapore is in an extremely rudimentary form, the death of a wage earner almost invariably results in a harsh and cruel fate for the widow and surviving children. They often are reduced to immediate and appalling destitution. Life insurance taken out by workers would alleviate such hardships. Further, even if the risk against which the worker is insured, that is, of premature death, does not eventuate as would be the case for most of the insured, premiums paid on life insurance policies and annual bonuses received, will accumulate as a valuable form of savings for these people for their old age.

To the labour movement as a whole, a co-operative life insurance enterprise would provide a good financial base. For instance, if no more than a quarter of trade union registered members took up policies with premiums averaging, say, \$150 a year, this will mean a cash flow of some \$5 million a year. With an annual cash flow of \$5 million, it should be possible to accumulate a fund of a respectable size within a few years. Of course, there is no reason why actual performance could not be considerably better than \$5 million a year. The potential market is not restricted to union members; it can extend to all employees as well as to small businessmen, hawkers and taxi-drivers and others who work on their own account. The outcome depends largely on the intensity of intelligent effort put in.

The next type of co-operative which I would recommend for early growth is the Consumer Co-operative. Experience of the labour movement in other countries shows that, given sustained effort and dedicated leadership, this kind of co-operative is not too difficult to establish and can take permanent roots in society. In Singapore a Co-operative Consumer Society was established in the early post-war years when there was a shortage of consumer goods. The Co-operative, however, died when shortages disappeared. The lesson here is that it is necessary to propagate the principles of the co-operative movement so as to ensure membership loyalty.

The best way to start a co-operative is probably to select a good locality in one of the major housing estates where a good number of trade union members live. Possibly some part of Queenstown may be suitable. Jurong may offer some possibilities; one of the larger firms there is running a thriving co-operative for its members.

The first Consumer Co-operative should be started as a pilot project. If the top union leadership were to lavish care and attention on its growth, the consumer co-operative should succeed. After some time the leadership would have valuable experience which can be used to good effect in starting up co-operatives in other housing estates. Once a network of co-operative shops has been established and the advantages of consumer co-operatives made apparent to all members, the movement could develop its own momentum of growth with the growth of population, improvements in standards of education and increases in personal incomes and wages.

I should sound a word of warning. There is little gravy in the retail business in Singapore and much effort, dedication and an enormous amount of ingenuity and skill, will be needed if the Consumer Co-operative were to succeed.

Housing co-operatives also offer a promising field of development. It is, however, very specialised work and you will need a good band of workers with professional qualifications, experience, zeal and dedication. It is better to

wait until the Life Insurance Co-operative has accumulated sufficient funds. At that stage, the Insurance Co-operative will no doubt want to invest some money in real estate and that will be the time when it may be willing to finance a housing co-operative.

I may mention here that Government employees through their Housing Co-operative are able to own houses of their own on reasonable terms. The Government assists this Society by extending loans to meet the cost of such houses. The Insurance Co-operative will perform this function for the Housing Co-operative.

The Co-operative Bank I regard as an essential element in the later stage of co-operative development. If and when the Insurance Co-operative has established itself on a sound basis, with accumulated funds of \$20 to \$25 million, and when the co-operative movement has established a string of Consumer Co-operatives, and when the Housing Co-operative has got off to a good start, the time may come to consider setting up a Co-operative Bank. By that time, I expect the broad base of the co-operative movement led by the trade union movement, would have won the confidence and participation of a sizeable part of Singapore's population. It would have behind it several major successes. It would have experience in the management of financial and business affairs. That would be the time to think of starting a Co-operative Bank.

As regards other types of co-operatives, the N.T.U.C. study paper mentions Producers' Co-operatives and notes the fact that the Ex-Detainees' Association has succeeded in establishing a Producers' Co-operative engaged in the production of shoes. In this enterprise, the Government advances the money in the form of a loan, to pay not only for the training expenses of the ex-detainees, but also for the purchase of machinery and equipment. Though still in its infancy, the Co-operative shows every sign of promising growth.

Another Producers' Co-operative consisting of members who are ex-political detainees has been launched. This is in the field of ornamental ceramics. A group of eight are undergoing training.

The second Co-operative undoubtedly faces more formidable challenges than the Shoe Co-operative. They are mainly concerned in making souvenirs for the tourist trade and clearly there are difficult matters of design of product which have to be solved, as well as the marketing of their output. However, with the assistance of the Tourist Promotion Board, we hope that these problems can be solved.

I make this point to show that Producers' Co-operatives are quite a tricky business. This explains why, under a system of free enterprise, there have not been many successful instances of Producer Co-operatives. Where these have emerged and survived, as in Israel for instance, they are the result of special historical circumstances.

So far as Producers' Co-operatives are concerned, I suggest that the matter be treated realistically. It is easy enough to produce study papers to show that this or that kind of Producers' Co-operative has a potential. But unless you have the people who are willing to put in the effort and sustain it over a long period, you are not likely to achieve much. The ex-detainees are good material for Producers' Co-operative because they have been unemployed a long time and some local employers, enlightened in other ways, are somewhat chary about giving them employment, for reasons which we can understand but not sympathise with. So unless there are union members who are highly motivated, for one reason or other, with the desire to start up a Producers' Co-operative in a trade in which they have the necessary basic skills, I suggest that you do not give much further thought to this.

As for the other forms of co-operatives, Agricultural Co-operatives, Investment Co-operatives and so on, I see no special advantage which the co-operative movement can

enjoy in these fields and suggest that such time and energy as people can spare be better directed elsewhere.

But whatever type of co-operative you decide to establish, whether it fails or whether it succeeds depends as much on one factor alone as on all the others combined. And this is the factor of management. If you have good, keen effective management, then any kind of co-operatives that you establish, even the Producers' or the Agricultural Co-operatives, will succeed. On the other hand, if you have a lazy, fumbling, ignorant, indecisive kind of management, even the most promising project will fall apart in your hands.

This is not the place to expound the principles of business management. However, I think both the N.T.U.C. leadership and the trade unions will have to adhere to certain principles very strictly, if the co-operatives they establish are to have any chances of survival. The first principle is that the staff of the co-operative, be it the top executive or the general run of employees, should be recruited entirely on the basis of merit. The co-operative should not be made the dumping ground of loyal and aged union members who are tired of their present employment and believe that they deserve a more congenial occupation at better rates of pay. Nor should appointments and promotions to any position in the co-operatives be subject to political pressures or influence. Merit and performance must be the only criterion. Staff recruited on unsound principles cannot be properly disciplined and trained. Favouritism, intrigue and eventually complete demoralization will set in and reduce the organisation to a moribund condition.

The second principle to be observed is that while it is proper that the professional staff of the co-operative be held responsible to a committee, Board of Directors or whatever the governing body be called, it should be given considerable scope for the exercise of initiative, judgement and enterprise. The committee or board should not interfere in the day-to-day management of the co-operative. Its duty is one of laying

down policies and guidelines and general supervision of affairs of the co-operative.

There are other principles of good management, such as staff training programmes, effective audit and accounting systems, but these are of a specialist nature and I will not deal with them here.

These then, are some of the opportunities as I see them of how the trade union movement can move into new and productive fields of endeavour. The Government, while it cannot extend direct financial assistance in launching any of these co-operative enterprises, would be willing to assist in whatever other ways it can, such as for instance, in giving technical assistance in the formation of the co-operatives. But the principal task must be faced by the trade union movement itself.

The movement is faced with an unprecedented challenge created in the new situation where the simple traditional virtues of militancy and struggle are of little relevance. It must seek a new role in society and in seeking, and eventually performing, the new role, it will need to adapt to the changing environment.

A bird's eye view of the N.T.U.C. Seminar.



The Trade Union Movement in Singapore*

INTRODUCTION

THE AIM OF this paper is to outline briefly the development of the trade union movement in Singapore. This is divided into three sections: the first is a bird's-eye-view from the early days of the trade union movement to the present time; the second section outlines membership trend in the N.T.U.C.; and the last section describes the structure and power concentration in the union and the relationship of the respective unions to the national centre.

1. A BIRD'S-EYE-VIEW

Modern trade unionism in Singapore is of very recent origin, although its embryonic form was evident in the latter part of the 19th century when Chinese traders and labourers began to migrate to this part of Asia. This period of the trade union movement is not very significant.

The modern history of the trade union movement began after the Japanese Occupation of Malaya and Singapore. During the period of the Japanese Occupation the Communists had been lying low on the labour front. After the Japanese surrender, attempts were made by the M.C.P. to bring trade unions under its control via its allied organisation, the Singapore Federation of Trade Unions (SFTU) which had as early as September 1946 asked the authorities whether it was required to register itself as a trade union. Evidence of the SFTU's communist proclivities may be gauged from the constitution of this Union:—

* Prepared by Sdr. Teddy Lim Khek Chuan.

“The organisation or constitution of this Union is based on Democratic Centralism.

“The Constitutional discipline is a minority to be subordinated to the majority, the lower to the higher ranks, and the individual to the body.”

This gave rise to an interesting question—if the SFTU was an allied organisation of the M.C.P. why did the Colonial Government not act against it? The answer is that the authorities decided not to take any action until the SFTU had been proved illegal. John Alfred Brazier who was to become the Trade Union Adviser in Malaya had advised the Singapore Government that it was not yet strong enough to declare the SFTU an illegal organisation. The policy prevailing at that time was to encourage the formation of individual Unions and then to discreetly coax them to leave the SFTU and fend for themselves. It was only in April 1947 that the Government decided not to register the SFTU.

The SFTU was affiliated to the Pan-Malayan Federation of Trade Unions which had its headquarters in Kuala Lumpur and was controlled by the Malayan Communist Party. As a constituent member of the Pan-Malayan Council of Joint Action—the Communist United Front Organisation—the Pan-Malayan Federation of Trade Unions and its affiliate, the Singapore Federation of Trade Unions, had played a role in the independence movement of the post-war era.

At the outbreak of the emergency in 1948, there were 10 registered Unions with a total membership of some 74,000. The following year saw a decline in membership to some 47,000 members.

In late 1948, the Trade Union Adviser submitted a memorandum to the Singapore Government pointing out the need for some central organisation to co-ordinate the activities of, and render assistance to, unions formerly under the influence of the moribund SFTU. This was the origin of the Singapore Trades Union Congress an organisation which had the support of the English-speaking and white-collar unions. The Singapore Trades Union Congress was slow to

take off. One reason was that it was to be not merely an anti-Communist body but also a fighting organisation. Another factor was that the Trades Union Congress was also intended to be the selection-and-nominating body for candidates to public office in the Legislative and Municipal Councils. It was only on 30th September 1951, that the Singapore Trades Union Congress held its first conference.

The Singapore General Elections of 1955 ushered in the period of intense left-wing union activity. The most influential union was the Singapore Factory and Shop Workers' Union which was formed on 4th April, 1954 with 200 original members, and whose membership grew to a total of some 30,000 members within 10 months. The most significant figure at that time was Lim Chin Siong who became Secretary-General of the SFSWU. The manipulations of the Communist Party through the SFSWU were obvious when wide-spread strikes and riots became the order of the day. In 1955 alone 275 strikes were called resulting in a loss of 946,000 man-days. This was in sharp contrast to the previous year when there were only 8 strikes. In 1956 more strikes and riots were initiated and the Lim Yew Hock Government had to close down the SFSWU in October 1956. The year ended with a total of 29 strikes resulting in a loss of 454,000 man-days.

The People's Action Party (P.A.P.) came into power after the general elections of 1959. Its intervention resulted in the creation of a responsible trade union movement alive to the problems of the nation.

Then a struggle for supremacy took place within the P.A.P. between its democratic socialist leadership and members who had communist or pro-communist sympathies. This struggle was reflected in the trade union movement, culminating in a split between the two groups. Democratic socialists took over the reins of the Singapore National Trades Union Congress (SNTUC) which was later to become the N.T.U.C.

This turbulent period saw a rise in trade union membership to be followed by a sharp decline when the contending

groups broke up. Thus, in 1962 there was a total membership of 189,000 members which in 1963 declined to 143,000 members.

From 1964 onwards trade union membership rose sharply once again. This was attributable to the dynamic leadership of the N.T.U.C. whose Secretary-General was C.V. Devan Nair. In its Annual Delegates' Conference the Secretary-General summed up the reasons for the success of the N.T.U.C.:

- (a) Delivery of the goods
- (b) Correct political orientation of the trade union movement
- (c) Institutional independence of the N.T.U.C.
- (d) A policy of positive neutrality
- (e) A stand against communalism.

Today the N.T.U.C. which stands for responsible trade unionism is ascendant in Singapore's trade union movement. Constitutionally, the N.T.U.C. functions as:

- (a) the national centre of a democratic, non-communist and patriotic trade union movement;
- (b) an organisation with the ultimate objective of securing the effective and complete unionization of all workers;
- (c) a platform to promote a progressive, democratic, socialist society; and
- (d) a movement to resist anywhere and everywhere the economic and social exploitation of man by man.

The N.T.U.C.'s success in achieving the above-mentioned objectives may be gauged from the fact that today, in spite of the new labour legislation, the Congress represents 74% of unionised workers in the Republic.

2. MEMBERSHIP

The table below shows membership figures of the N.T.U.C. since its formation:—

Year	Number of Workers	NTUC Representation as percentage of total organised workers
Oct. 1964	101,676	64.64
1965	113,754	73.84
1966	110,615	77.93
1967	92,931	71.45
1968	92,606	73.78
June 1969	90,585	74.34

The above Table indicates that the peak of N.T.U.C. representation was in 1965 when it represented some 113,754 workers but this figure amounted to only 73.84% of total organised labour for that year. Although as of June 1969, N.T.U.C.'s membership totals 90,585 members, it represents 74.34% of the organized labour force. This means that today more than ever before the N.T.U.C. represents a higher percentage of unionized labour. The fulfilment of the N.T.U.C.'s ultimate objective to secure the "complete organisation of all workers" will depend on whether the leadership can provide and sustain a dynamic and pragmatic approach, thinking and outlook in the new context of independence and modernization.

A recent survey of the labour movement in Singapore revealed the failure of the trade unions as a whole to match and contribute to the general progress of Singapore towards a modern and dynamic society. Structural changes as well as enlargement of the scope in the role and functions of the trade unions are essential if the trade unions are to break new ground and emerge as vital social institutions in the life of our Republic.

There is an urgent need for the trade union movement to define the process of modernization, its direction and scope, and to formulate ways and means of effecting necessary changes. Trade unions must modernize now or perish.

It will be noted that although there has been a general increase in the working population of Singapore, the following table of trade union membership showing book membership and paid-up membership for the years 1963 to July 1969, reveals a general decline in the numerical strength of trade unions.—

TOTAL UNION MEMBERSHIP, 1964-July 1969

Year	Book Membership	Paid-up* Membership	Per Cent
1963	142,936	90,499	63
1964	157,050	77,016	49
1965	154,094	73,094	47
1966	141,925	71,783	50
1967	130,053	73,091	56
1968	125,518	62,084	50
1969 (July)	121,804	51,896	42

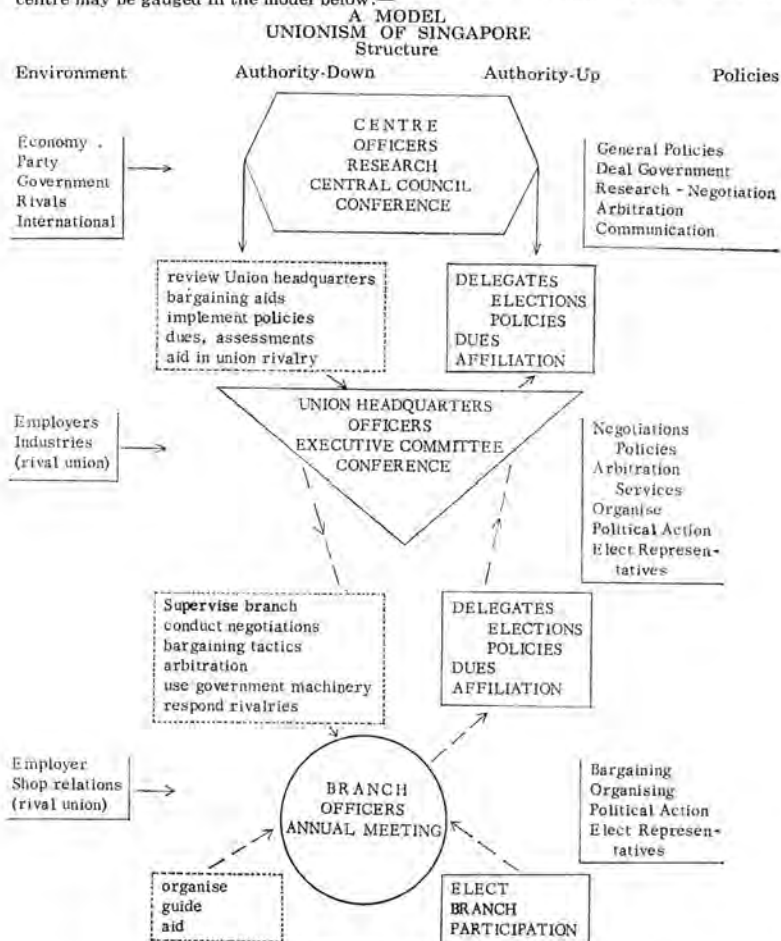
*Estimated figures

The free democratic unions in other parts of the world, which have made so much headway and constituted a social force in society, had not only to surmount innumerable hurdles and obstacles but also to adjust themselves to new circumstances. Only by dedication to the cause and by surmounting the many obstacles that were placed in the path of their development could they function as an integrated force and retain their national identity.

In Singapore the years ahead have been described as "the crucial years" and they are indeed crucial years for the trade union movement in Singapore. Only a strong central body with financial strength and autonomy, dynamic leadership and organisation, can provide the necessary base for fortifying the trade union movement at both national and individual union levels.

3. UNION STRUCTURE AND RELATIONSHIP TO THE NATIONAL CENTRE

The structure of the N.T.U.C.'s Unions and other relationship to the national centre may be gauged in the model below:—



MEMBERS' DYNAMICS

Footnote: Broken lines and arrows denotes that in some smaller unions the branch is also the Union headquarters.

Model adapted from Chalmers: Crucial Issues in Industrial Relations in Singapore.

Employment Legislation*

THE RELATIONSHIP between an employer and an employee has been and will always be governed by common law and statute. In the course of time, however, the government may find it necessary to pass or amend labour laws on the grounds that a substantial group of its citizens may be placed at a disadvantage in relation to others if no such legislation is enacted.

From early days various legislations have been enacted to regulate the relationship between an employer and an employee in Singapore. In this paper we are primarily concerned with two major pieces of legislation—the Employment Act, 1968, which seeks to regulate the terms and conditions of service as well as working conditions, and the Industrial Relations Ordinance, 1960, which seeks to regulate the means by which terms and conditions of service and working conditions may be altered through collective bargaining.

EMPLOYMENT ACT, 1968

The Employment Act, 1968 was passed by Parliament on 31st July, 1968 and came into operation on 15th August, 1968. This Act consolidated and repealed the Labour Ordinance (No. 40 of 1955), the Shop Assistants' Employment Ordinance (No. 13 of 1957) and Clerks' Employment Ordinance (No. 14 of 1957). Except for a few major amendments the provisions of the Employment Act, 1968 are essentially refinements of the provisions contained in the three repealed Ordinances.

For convenience of discussion the Employment Act may be divided into three broad categories as follows:—

* Prepared by Sdr. Choo Eng Khoon...

- (a) Provisions governing conditions of service.
- (b) Provisions governing working conditions.
- (c) Administrative provisions.

1. PROVISIONS GOVERNING CONDITIONS OF SERVICE

Under this heading are grouped together the provisions of Part II, III, IV, V and X of the Act as they are directly related to the conditions of service of employees and are usually the subject matter of collective bargaining.

PART II—*Contracts of Service*

The provisions of this Part generally deal with the circumstances in which a contract of service may be terminated or deemed to be, and also the right of employees to engage in trade union activities. The common law provision that a contract of service may be made orally or in writing is still valid, but subject to the provision that a contract of service cannot contain a condition of service less favourable to an employee than that contained in the Act. To the extent that the contract of service is less favourable it is illegal, null and void.

The provision governing the maximum duration of a contract of service as contained in the repealed Ordinances has not been reproduced in the Employment Act.

As for the termination of a contract of service, it can be either with notice or without notice. In the absence of any provision in a contract of service or a collective agreement to the contrary, the length of notice of termination of a contract of service should be the same for both employer and employee and shall be as follows:—

- (a) One day's notice for length of service of less than 26 weeks.
- (b) One week's notice for length of service of 26 weeks or more but less than 2 years.
- (c) Two weeks' notice for length of service of 2 years or more but less than 5 years.

- (d) Four weeks' notice for length of service exceeding 5 years or more.

Provision is also made for termination of a contract of service without notice by payment of a sum equal to the salary for the relevant period of notice as stated above or otherwise. Thus if the agreed period of notice is three months, then three months' salary is payable by the employer or the employee, as the case may be.

A contract of service may be terminated without notice by an employer on the ground of misconduct of an employee, or by the employee on the grounds of immediate danger to life or limb in respect of himself or his dependents where the danger is not contracted for. It is also specified that a contract of service may be deemed to be broken if an employee absents himself from work for more than two days without prior approval or without reasonable excuse. Even if the employee has a reasonable excuse, he must take steps to inform his employer of such excuse within two days.

Power is also conferred on an employer to suspend an employee from work without pay for the purpose of holding an enquiry into an alleged misconduct by an employee or as an alternative to the dismissal of an employee. The period of such suspension is not to exceed one week. Protection is afforded to an employee who becomes a member or officer of a registered trade union or who participates in the activities of trade union in accordance with the provisions of the Trade Union Ordinance.

A new provision, however, has been introduced by Section 18 which states that a change of employer by reason of transfer of trade, business or undertaking, substitution or a body corporate for a natural person or the death of an employee shall not break the continuity of the period of employment of the employee concerned. A pertinent point here is the effect of Section 18 in relation to Section 17 (2) (d) of the Industrial Relations Ordinance which states that a trade union of employees may not question the termination by an employer of the services of an employee by reason of

redundancy or by reason of the reorganisation of the employer's profession, business, trade or work or the criteria for such termination. The position seems to be that if no redundancy results from or no reorganisation accompanies a change of employer then there cannot be any termination of service merely by reason of a change of employer.

PART III—*Payment of Salary*

The provisions of this Part govern the manner of payment of salary and the authorised deductions that may be made from the salary of an employee by his employer. The payment of salary has to be effected within seven days after the relevant salary period which is not to exceed one month. In the event of the termination of a contract of service from any cause whatsoever, the payment of salary is to be effected within three days thereof. Such payment, however, may be delayed for not more than 30 days for the purpose of notifying the Comptroller of Income Tax in accordance with the Income Tax Ordinance. It is also provided that payment of salary is to be made during the working hours of a working day at the place of work or at any other place as agreed to between an employer and an employee.

The provision governing deductions that may be made from the salary of an employee is similar to the provisions previously contained in the three repealed Ordinances. An amendment, however, has been made to empower the Minister to approve any other deductions in addition to those specified in the Act. It seems to have the effect of enabling the Minister to approve deductions, such as under a check-off scheme for a trade union of employees.

Regarding deductions, there is a safeguard that the total amount of all deductions to be made at any one time from the salary of an employee is not to exceed 50% of the salary payable to the employee in any one salary period. Further safeguard is also made to ensure that in the event of an employer being insolvent the employee is to have priority of claim vis-a-vis the other creditors of the employer in respect of the salary owing to him by his employer.

PART IV—Rest Days, Hours of Work and other conditions of service

The provisions of this Part usually form the subject matter of a collective agreement between an employer and a trade union of employees. It is a probable explanation as to why the provisions of this Part are confined to workmen and other employees whose salaries do not exceed the sum of \$750/- per month or such other amount as may be fixed from time to time by the Minister. The provisions of this Part, however, are substantially similar to the provisions in the three repealed Ordinances.

The principal new or amended provisions are as follows:—

- (a) For workers engaged in shift work, the rest day may consist of a continuous period of 30 hours in contradistinction to the normal rest day of 24 hours from midnight to midnight. It is also stated that if the rest days are not on Sunday, the rest days must be notified to the employees before the beginning of each calendar month.
- (b) (i) Work on a rest day is paid at a single rate when it is requested by the employee.
- (ii) When work on a rest day is requested by the employer it is to be paid at a double rate.
- (c) All employees are required to work up to 44 hours per week as compared to 39 hours per week for clerical employees and 44 hours per week for non-clerical employees under the 3 repealed Ordinances. The provision stating that an employee may be required to work up to 8 hours or, by agreement, 9 hours per day has not been amended. The intention of Parliament in raising the number of working hours per week seems to be primarily for the purpose of reducing overtime work. There is no reason why a collective agreement cannot provide for a lesser number

of working hours as long as the basis for computation of overtime payment remains unaffected.

- (d) Overtime work is limited to a maximum of 48 hours per month subject to exemptions by the Minister.
- (e) The number of public holidays is 11 days in one year as compared to 14 days for clerical employees and 11 days for non-clerical employees under the 3 repealed Ordinances.
- (f) Work on a public holiday is to be paid at the rate of single rate in addition to the statutory holiday pay. The government or a Statutory Body, however, may substitute another day or portion thereof for the whole or part of the holiday on which an employee may have been required to work, instead of making monetary payment.
- (g) Annual leave shall be 7 days per year for employees with less than 10 years' service and 14 days per year for employees with more than 10 years' service.
- (h) Provision is also made for the forfeiture of public holiday pay and annual leave by an employee who fails to turn up for work in the specified circumstances, that is the working day before or after a public holiday or twenty percent of total number of working days in a year.
- (i) A distinction is made in the sick leave entitlement on the basis of whether hospitalisation is required. Where no hospitalisation is necessary an employee is allowed 14 days sick leave in one year and, where hospitalisation is necessary, 60 days in one year. The term, "hospitalisation", however, is broadly defined to include treatment necessitating confinement to bed at home.
- (j) No retrenchment benefit or retirement benefit is to be payable to an employee with less than three years or five years' service respectively.

- (k) The amount of bonus that may be specified in a collective agreement does not exceed the maximum of one month's salary. Any additional bonus is to be payable at the discretion of the employer.

Except for the provision relating to the payment of bonus, where it is specifically provided that the bonus is bargainable up to a maximum of one month's salary, the other provisions in Part IV of the Employment Act by themselves do not preclude a trade union of employees from claiming more favourable benefits by collective bargaining as compared to the benefits obtained in Part IV of the Act. But in view of the new provision contained in Section 53 which is to the effect that a collective agreement may not contain more favourable benefits, excepting the annual leave and sick leave entitlement, than the benefits contained in Part IV of the Act, the benefits in Part IV are the maximum obtainable by a trade union of employees.

PART V—The Truck System

The provision of this Part substantially reproduces the corresponding provision in the repealed Labour Ordinance. There were no corresponding provisions in the other 2 repealed Ordinances. The probable explanation is that it was considered that the workman, as defined in the repealed Labour Ordinance and in the current Employment Act in contradistinction to the other employees, is in greater need of such protection.

The provision of this Part specifies that the payment of any salary is to be in legal tender and that no contract of service shall contain terms for payment of salary in any other manner. An amendment however, has been made to provide for payment of salary by way of cheques with the written consent of a workman, in recognition of the fact that payment by cheque is an accepted mode of payment.

PART X—Employment of Women

The provision of this Part substantially reproduces the corresponding provision in the repealed Labour Ordinance.

It is probably for this reason that the benefit conferred by this Part is confined to a female workman as defined under the Act. The provision of this Part governs the payment of a maternity allowance during the confinement of a female workman.

Two significant amendments, however, have been made in respect of payment of a maternity allowance. The first is that no maternity allowance is to be payable after the third confinement of the workman. It is not clear, however, whether the third confinement refers to the service of the workman in relation to any employer or to the service of the workman with a particular employer. The second is that the maternity allowance payable is a maximum of \$4/- a day as compared to a fixed minimum rate of \$2/- per day or \$4/- per day depending on the period of service preceding her confinement under the repealed Labour Ordinance.

It is not clear why although the Employment Act was enacted specifically for the purpose of uniformising the conditions of service of all employees irrespective of their occupational classification, the provision of this Part of the Act has not been extended to cover female employees other than female workman. It is to be noted, however, that the provisions in this Part are not governed by Section 53 in Part IV of the Act and, consequently a collective agreement may provide for more favourable maternity benefits than that contained in this Part.

2. PROVISIONS GOVERNING WORKING CONDITIONS

Under this heading may be grouped together Parts VIII, XII and XV of the Act.

PART VIII—*Employment of Children and Young Persons*

The provisions of this Part are reproduced from the corresponding provisions in the repealed Labour Ordinance. These provisions prohibit the employment of children who have not attained the age of 12 years and regulate the employment of young persons between the age of 12 years and the

age of 16 years by specifying the requirements to be complied with by the prospective employer. The requirements are, briefly, that the employer must obtain the prior approval of the Commissioner and that the young person must not be required to perform work prejudicial to his health such as heavy manual work or underground work.

PART XII—*Health Accommodation and Medical Care*

The provisions of this Part lay down certain requirements to be complied with by an employer who provides quarters for his employees. This Part also requires all employers of workmen, in contradistinction to other employees, to provide first aid equipment and in certain cases maintain a clinic or dispensary for the benefit of workmen. Where applicable it becomes a statutory duty for an employer to provide proper quarters with adequate sanitary arrangements and supply of water. As for the clinic or dispensary, a discretion is vested in the Minister for the purpose of directing an employer to maintain a clinic or dispensing in the place of work or its neighbourhood.

PART XV—*General*

The provisions of this Part are generally intended to protect an employee from harassment or inconvenience. Thus an employee is not to be detained against his will in his place of work nor can an employer make an employee answerable for the debt, default or miscarriage of another employee. Similarly, where the employer is engaged in retail trade or business he has to ensure that there are sufficient seats for his employees to rest on when they are not engaged in serving customers.

It is to be noted from the provisions of those three Parts that there are scanty statutory provisions governing working conditions. A probable explanation for this situation is that the trade union movement in Singapore is itself not very interested in working conditions. Collective bargaining in Singapore, whether over the negotiation table or before the

Industrial Arbitration Court, centres on conditions of service of employees with particular reference to monetary benefits rather than on working conditions which may be prejudicial to the health of employees.

3. ADMINISTRATIVE PROVISIONS

The provisions in Parts I, VI, IX, XI, XIII, XIV, XVI and XVII pertain to the administration of the Act by the responsible authority which, in this case, is the Ministry of Labour. These provisions specify the various officers who are responsible for the administration of the Act and the powers given to the Ministry to collect and compile data pertaining to employment. These provisions have also laid down the procedure for the enforcement of the provisions of the Act. For the purpose of this paper we need only concern ourselves with the provisions of Parts I and XVI.

PART I—*Preliminary*

The provisions of this Part generally define the scope of application of the Act by outlining the manner of administering the Act, clarifying the meaning of certain terms, stating the residual power of the Minister in relation to the Act and determining the legal effects of the Act. The important provision for our purposes is that on the interpretation of terms used in the Act.

In Section 2 of Part I the definition of "employee" includes a government officer who has so been declared by the President to be an employee for the purposes of the Act or any part or section thereof and excludes seaman, domestic servant, watchman or security guard or any person employed in a managerial, executive or confidential position. Similarly the definition of "employer" includes a statutory board or the government in respect of any government officer who has been declared by the President of Singapore to be an employee for purposes of the Act. The definition of employee or employer is important as it limits the scope of application of the Act. Thus an employee in a private sector comes within

the scope of the Act as long as he is not employed in a managerial, executive or confidential position, irrespective of his actual remuneration, unless as in Part IV of the Act, a limit of \$750 per month is specified. This gives rise to a paradoxical situation whereby a clerk in government service drawing a salary of \$250 per month is excluded from the scope of the Act unless he has been declared by the President to be an employee for purposes of the Act, and includes a clerk or a salesman in a commercial organisation drawing a salary or remuneration of more than \$750 a month. Apart from the limitation of the scope of application of the Act the two definitions, dealt with are unsatisfactory in that the term "managerial, executive and confidential position" has not been defined and is likely to give rise to dispute between an employer and a trade union of employees. It may be in the interest of an employer to exclude as many persons as possible from the scope of the Employment Act by designating them as managerial, executive or confidential employees and in the absence of any criteria laid down by the Act it is difficult for unions to prevent such action by the employer except by making a trade dispute out of it.

The importance of the definitions contained in Part I becomes apparent when viewed in conjunction with provisions of Part XVI under which an employee can obtain remedy in respect of any alleged infringement of his rights under the Act.

PART XVI—Claims, Complaints and Investigations into Offences

The provisions in this Part are to enable employees to obtain effective and expedient remedy in respect of offences alleged to be committed by the employer without the inconvenience and expense of instituting a suit in the civil courts. Thus power is given to the Commissioner of Labour to inquire into complaints by employees whose salaries do not exceed \$750 per month. For the purposes of such inquiry a labour court has been constituted within the Ministry of Labour to

inquire into and determine such complaints. Complaints, however, must be lodged within one year of termination of service or within 6 months of a dispute arising out of the termination of service. There is also a provision for appeal from the decision of the Labour Court to the Civil District Court.

It is to be noted that the provisions of this Part are usually taken advantage of by non-unionised employees or by unionised employees whose union has not been accorded recognition by an employer. Where the employees are represented by a union which has been accorded recognition by the employer, the complaints which may be lodged with the Labour Court Section are settled through the grievance procedure usually contained in a collective agreement.

INDUSTRIAL RELATIONS ORDINANCE 1960

The Industrial Relations Ordinance was enacted to provide for the regulation of relations of employers and employees and the prevention and settlement of trade dispute by collective bargaining and conciliation and arbitration. For the purpose of discussion it may be convenient to classify the provisions of the Ordinance under 3 broad headings, namely:—

- (a) Collective Bargaining
- (b) Conciliation
- (c) Industrial Arbitration Court

1. COLLECTIVE BARGAINING

A trade union of employees after it has been accorded recognition by an employer as representing his employees, may serve claims on the employer with the view to incorporating the claims in a collective agreement governing the principal terms and conditions of service of the employees concerned. Claims, however, are not to be submitted in respect of promotion, transfer, recruitment, retrenchment or dismissal, reinstatement or assignment or allocation of duties

by virtue of the provisions of Section 17 (2) of the Ordinance. A trade union of employees may make representations where an employee has been transferred or assigned or allocated duties of specific task under circumstances prejudicial to the terms of his employment.

There is no provision to restrain or prohibit a trade union from having recourse to any form of industrial action in the course of negotiations or when a deadlock is reached nor can a trade union or any other party to the negotiations make any reference to offers and proposals made in the course of negotiations if and when the subject-matter of the negotiations come before the Industrial Arbitration Court.

When both parties to the negotiations are able to effect a settlement and conclude a collective agreement, such agreement after certification and registration by the Industrial Arbitration Court is deemed to be an award of the Industrial Arbitration Court. The effect of such provision is to give legal sanction to a collective agreement concluded under the Ordinance. Thus one party may bring to the attention of the Court any alleged failure by the other party to comply with the terms of a collective agreement and to obtain an order from the Industrial Arbitration Court directing the guilty party to comply with the terms of a collective agreement.

It is to be noted that where an employer is bound by the terms of a collective agreement, he or his agent is prohibited from employing any persons on terms and service less favourable than those contained in the collective agreement. The effect of this provision would seem to be that the terms of a collective agreement are implyingly incorporated into an individual contract of service. Thus after the expiry of a collective agreement, the terms of service of an employee cannot be reduced merely by reason of the expiry of the collective agreement. The terms of service will have to be altered by means of another collective agreement or by legislation as in the case of the Employment Act 1968.

Provision is also made to ensure that any successor to either party to a collective agreement is bound by the terms of the collective agreement. This is a necessary provision to prevent evasion by the successor to either party of their obligations under the collective agreement. It is to be noted, however, that while the succession of trade unions poses few problems, the succession of employers for the purposes of the Ordinance, by reason of the rather narrow limits within which an employer may be so deemed a successor, is in itself likely to give rise to trade disputes.

A noteworthy feature of the provisions of the Industrial Relations Ordinance in relation to collective bargaining is the augmentation of the provisions of Section 17 of the Employment Act governing the freedom of association. The I.R.O. specifically provides that an employee shall be allowed to participate in trade union activities in relation to collective bargaining and that such employee shall be entitled to leave of absence with or without pay, depending on whether it is for the purpose of representing his union in relation to his employer or otherwise. Provision is also made to give remedy to an employee in the event of victimisation by his employer.

Victimisation is not defined as such but appears to mean the adverse effect to the terms and conditions of service or the dismissal of an employee merely be reason of his being a member, officer or organiser of a trade union or his entitlement to the benefit of a collective agreement.

While the statutory protection conferred on an employee in relation to trade union membership or collective bargaining is impressive, it is doubtful whether the protection so conferred is effective. Since the enactment of the I.R.O. in 1960, the relevant provisions have yet to be tested in a court of law despite the innumerable complaints of victimisation. The reason appears to be that it is difficult to prove victimisation, as an employer can always and successfully claim that whatever adverse action effected against an employee is not by reason of any trade union or collective bargaining activity.

One way of obviating the difficulty may be to define victimisation and to incorporate into such definition the consistency of an employer's conduct in relation to all his employees. Under the prevailing relevant provisions an employer discharges his onus of proof by showing that the employee alleging victimisation has committed a misconduct notwithstanding that such misconduct would have been overlooked if the employee is non-unionised.

2. CONCILIATION

In the event of any negotiations between a trade union of employees and an employer failing to reach a settlement from any cause whatsoever there is provision for the dispute to be resolved by the Conciliation Section of the Ministry of Labour. The usual procedure is for one of the Ministry's Conciliation Officers to sit in as Chairman in the resumed negotiations between the trade union and the employer under the auspices of the Labour Ministry. It is to be noted that either party to a conciliation proceedings to the Labour Ministry can break off negotiations on any pretext and have recourse to industrial action to emphasise its point of view. In such a situation, however, it is probable that the Minister would intervene and refer such subject matter of the conciliation proceedings to the Industrial Arbitration Court for its determination.

3. INDUSTRIAL ARBITRATION COURT

The Industrial Arbitration Court is constituted of either the President or Deputy President sitting alone or a President or Deputy President sitting together with an Employers' Panel Member and an Employees' Panel Member. In the latter case, the awards of the Court are delivered on a majority basis if the members of the Court fail to reach unanimity in their decisions.

The Arbitration Court has cognizance of trade dispute where the dispute is referred to the Court under the provisions of Section 30 of the Ordinance, namely:—

- (a) By joint application of both parties to the dispute;

- (b) By direction of the Minister; or
- (c) By proclamation of the President of Singapore that the special circumstances of the dispute require the dispute to be submitted to the Arbitration Court.

The Court also has a cognisance of a trade dispute where an application is made under Section 37 for the extension of an award, on an appeal from a decision of a referee under Section 41, on an application for an Interpretation of an Award under Section 42, on an application for Variation of an Award or collective agreement under Section 43 and 44 respectively. The effect of the Court having cognisance of a trade dispute is to prohibit the parties concerned from having recourse to industrial action by virtue of the provisions of the Trade Dispute Ordinance.

In the determination of any dispute before the Industrial Arbitration Court the parties may be represented by an Advocate who must not be a practising lawyer for at least 6 months before the commencement of the proceedings before the Court. Though the President of the Court is deemed to be a High Court Judge and the Court has all the powers of the High Court, the proceedings before the Court are not conducted in a formal manner in the sense that the rules of evidence and procedure are not strictly applied or observed. Nonetheless arguments made before the Court are required to be reasonable and to be substantiated wherever possible.

It is to be noted, however, the awards in the Industrial Arbitration Court may not be confined to the terms of reference of a trade dispute before the Court. By virtue of Section 40 of the Ordinance, the Court is not to be restricted to the specific claims by the parties or to the demands made by the parties in a course of the trade dispute and may include any matter which the Court thinks expedient for the purpose of settling the trade dispute or preventing further trade disputes. It is also to be noted that in the certification and registration of a collective agreement, the Court is to have regard to public interest in determining whether the collective agreement should incorporate all the terms of settlement reached

by both parties or omit terms which may be conducive to the promotion of industrial peace.

INDUSTRIAL RELATIONS (AMENDMENTS) ACT 1968

This Act made certain amendments to the I.R.O. by reducing the scope of collective bargaining and restricting the jurisdiction of the Industrial Arbitration Court in the determination of a trade dispute.

In vesting the exercise of managerial functions relating to recruitment, promotion, dismissal, retrenchment, transfer and supervision of employees in the absolute discretion of an employer, Parliament seems to have been influenced by the need to curb the tendency of certain trade unions to indulge in industrial action on the slightest pretext. But in so doing, the Parliament has also struck at the basis for security for employment.

An employer may effect a massive retrenchment of his staff out of spite and there is nothing the government can do about it, not to say a mere trade union of employees. It is true that, under Section 34 of the I.R.O., in the event of the dismissal (as distinguished from retrenchment or termination of service with notice) of an employee, an appeal may be made to the Minister for reinstatement or, if the dismissal is effected in circumstances amounting to victimisation, an application may be made to the Industrial Arbitration Court for reinstatement. The last amendment is significant in that proceedings may be commenced in the Court for such reinstatement irrespective of whether prosecution has been instituted against the employer alleged to have victimised the person seeking reinstatement. It seems to be an implied admission of the inefficiency of the provisions of Section 79 of the Industrial Relations Ordinance of which the trade union movement in Singapore has great expectations.

It is also to be noted that the power of reinstatement, which was expressly conferred on the Court by an amendment

to the Industrial Relations Ordinance in 1965, is now to be exercised by the Court in the aforesaid instance only. And under Section 24 (A) of the Industrial Relations Ordinance, the Court cannot make an award which contains conditions of service more favourable than those set out in Part IV of the Employment Act 1968 where the employer commences his business after 31st December, 1967 unless the Minister so approves.

EMPLOYMENT LEGISLATION AND THE WORKER

The significance of any employment legislation lies in the extent of its modification of the common law relationship between an employer and an employee. While the employment legislation in Singapore may cover the major aspects of employer/employee relationship, our employment legislation is by no means comprehensive. The two major pieces of employment legislation dealt with in this paper affect the employee both as a worker and as a unionist. At the same time, however, there are many matters pertaining to the position of an employee for which no provisions have been made in the said legislation.

The Employment Act, 1968, as an enactment consolidating the provisions of the three repealed Ordinances, may be classified as a piece of legislation regulating the rights and duties of an employee as a worker who may or may not be a member of a trade union. It is to be noted that the Employment Act contains fairly detailed provisions on rest days, public holidays, hours of work, annual leave and sick leave which are matters usually incorporated into a collective agreement. The need for such provisions in the Employment Act serves as an indication of the intention of Parliament to safeguard the worker as such who may not have a trade union to promote or protect his interest. It may also be noted that the Shop Assistants' Employment Ordinance and the Clerks' Employment Ordinance were based on a Labour Ordinance which was first enacted in 1929, at a time when there was practically no Trade Union Movement in Singapore.

There is, however, a vital difference between the Employment Act and the Ordinances which it repealed. Except for the provision now re-enacted in Section 17 of the Employment Act, concerning the right of an employee to trade union membership, the three repealed Ordinances make no other reference, expressed or implied, to the position of an employee as a unionist. The Employment Act, however, refers to collective bargaining and collective agreement as well as contract of service and seeks to regulate such matters as bonus, retrenchment benefit and retirement benefit which usually do not form part of an individual contract of service in Singapore. A probable explanation for the difference of treatment as adopted in the Employment Act is the intention of the Parliament to restrain unionised employees from making excessive claims against employers as well as to protect the non-unionised employees from undue exploitation by unscrupulous employers.

There seems to be a certain amount of confusion concerning the purpose of the Employment Act. It was necessary for the three repealed Ordinances to contain a provision setting out the right of an employee to trade union membership as the I.R.O. was not enacted until 1960. At the time of the enactment of the Employment Act there was in existence a specific piece of legislation to govern the rights and duties of an employee as a unionist. The provisions in the Employment Act pertaining to trade union membership and collective bargaining could and should be incorporated into the Industrial Relations Ordinance. Because of the resultant confusion of the purpose of the Employment Act, there are large areas of employer/employee relationship on the basis of an employee as a worker for which no provision have been made. There is, for instance, no provision to stipulate that the contract of service must be in writing or that the contract of service must contain the principle conditions of service such as salary, working hours and duties. The significance of the absence of such a provision, apart from the fact that it is conducive to dispute between

an employer and his employee, lies in the fact that a substantial number of employees, even in a unionised firm, such as probationers, casual labourers, or watchmen, do not come within the scope of a collective agreement.

In a way, the Employment Act may be considered to be complementary to the Industrial Relations Ordinance which was enacted for the purpose of regulating the position of an employee as a trade unionist. The emphasis of the Industrial Relations Ordinance is on a collective agreement or an award of the Industrial Arbitration Court to the total exclusion of an individual contract of service, which, in any case, cannot contain less favourable conditions of service than those contained in the collective agreement or an award. Unlike the Employment Act, the Industrial Relations Ordinance makes no reference to a contract of service except insofar as it relates to a collective agreement.

It is to be regretted that while Parliament has seen fit to ensure that all the employees within the scope of a collective agreement enjoy all the benefits provided under the collective agreement, it has not placed a corresponding duty or obligation on the employees who are not members of the trade union which negotiated the collective agreement. It is the complaint of many a trade union member that non-union members who do not have to pay a single cent of union dues are equally entitled to the benefits of a collective agreement which may be concluded after a considerable amount of expense and effort has been spent by the trade union. An Agency Shop policy whereby non-union workers coming within the scope of a collective agreement are required to pay a fee equivalent to the amount of union dues payable by a member for the duration of the collective agreement seems to be a reasonable policy to be pursued by the trade union movement in Singapore within the ultimate objective of incorporating such a provision in the relevant legislation.

The point to be noted, however, is that while the Industrial Relations Ordinance was enacted to regulate the relations between an employer and a trade union of em-

ployees, the Industrial Relations (Amendment) Act, has in fact restricted the scope of relations between an employer and a trade union of employees by making certain matters not only non-negotiable but also non-arbitrable. In effect the position of an employee as a unionist after August 1968, does not compare favourably with that before 1960 when the Industrial Relations Ordinance was first enacted. In 1959, for instance a trade union could resort to industrial action in order to effect the re-instatement of an employee who has been wrongfully dismissed by his employer. Now the employer is under no obligation even to discuss with the union the dismissal of an employee in similar circumstances.

While the Employment Legislation of 1968 may be necessitated by political and economic circumstances beyond the control of Singapore, such consideration is by itself no reason that the balance of bargaining power between an employee and his employer cannot be redressed more equitably in favour of the employee. It is a matter which can and should be taken up more effectively by the N.T.U.C. rather than an individual trade union.

EMPLOYMENT LEGISLATION—(Addendum)*

THE SPECIAL COMMITTEE appointed to examine abuses by employers following the passing of the Employment Act and the introduction of some important amendments to the Industrial Relations Ordinance received in all ten Returns from affiliated Unions which were invited to submit comments by means of the completion of a Questionnaire Form. The Special Committee met on six occasions and the answers given in the Questionnaire Form by the 10 Unions which responded indicated as follows:—

- (a) There had been a change in attitude on the part of Managements in some Companies in their relationship with Union members.
- (b) Warning letters had, in one instance, been issued in large numbers by an employer to its employees.

*Prepared by Mr. Chue Shui Hoong, Deputy Secretary-General, N.T.U.C.

- (c) There had been a few instances of dismissals, two of which were clearly aimed at Branch officials of an affiliated Union, while in other cases the grounds on which the dismissals were based were flimsy and the dismissals appeared to be too harsh as a form of punishment in the circumstances.
- (d) There were also isolated cases of high-handedness resulting in one or two cases of demotion or threatened demotions and the suspension of workers on the slightest pretext.

CHANGES

The major changes brought about by the passing of the new Labour laws may be summarised very briefly as follows:—

- (a) Management's unfettered rights to manage are not matters which the Court can adjudicate upon.
- (b) The Court's power to reinstate a dismissed employee is now restricted and confined to cases where dismissals are the result of acts of victimisation.
- (c) Employees in new industries may not conclude collective agreements with terms more favourable than those provided for under Part IV of the Employment Act.
- (d) Under Section 14 of the Employment Act power is given to an employer to suspend, dismiss or demote.
- (e) Bonus restricted to one month maximum.
- (f) Union officials may not take time off with pay unless the work concerns their own employers.
- (g) The period of a collective agreement is to be 3 years minimum and 5 years maximum.
- (h) Retrenchment allowance and retirement benefits are payable only to employees with the minimum of 3 and 5 years service.

- (i) Increase of working hours from 39 to 44 for clerical workers and restriction of overtime to 48 hours per month.

POSSIBLE ABUSES & RECOMMENDATIONS

It is clear that the only area where Unions can criticise an employer's action is found in the provisions of Section 17(2) of the Industrial Relations Ordinance and in Section 14 of the Employment Act. It is difficult to understand how anyone can allege abuses by an employer in the other changes introduced by the labour laws. The Committee, therefore, has confined its attention to those cases where possible abuses can arise.

High on the list is, of course, Section 14 of the Employment Act where an employer can exercise the right of dismissal. The position is made the more disturbing since the Industrial Arbitration Court's power to reinstate a dismissed worker has been removed and the Court can now only hear a dispute in connection with the dismissal of a worker where victimisation is the Union's grounds on the basis of which the Union is challenging a dismissal. Demotion, of course, is a lesser form of punishment under Section 14 of the Employment Act. Retrenchment as one of the rights of Management can be abused and there have been one or two cases of retrenchment which are questionable. In one case more than 15 workers were retrenched on the ground of redundancy followed by the dismissal of the Union's Secretary. Three or four months after the retrenchment exercise the Company concerned advertised in the Straits Times inviting applications for vacancies in respect of the same category of workers which, only three months before, was found to be redundant.

The Committee is of the view that when a retrenchment exercise takes place and if subsequent vacancies arise in the organisation, subject to the suitability and experience required, the retrenched workers should be given first preference in filling the vacancies. But it is a matter for regret, that few, if any, employers in Singapore believe in

filling vacancies by inviting retrenched employees to apply for subsequent vacancies. They seem to adopt an attitude that once an employee is retrenched he should never be considered for re-employment. In another case some 50 workers were retrenched a few months ago and the complaint we receive from one of the affiliated Unions is that a few months after the retrenchment exercise the same Company recruited a number of workers which exceeded the number retrenched. Job allocation is another problem which is tied up with the extended working hours from 39 to 44 hours inasmuch as an employee may now be asked by an employer to perform multiple functions which were not required of the employee before. This is, we suppose, inevitable because if a particular employee is required to work extra hours and he finishes his work before the office closes he would be expected to do other jobs.

The Committee feels that one point should not be overlooked and this is that the job allocated should be within his ability and consistent with his terms of service. While we appreciate that demotion is a lesser form of punishment than a dismissal where the circumstances of the case justify it, there should be a fair and reasonable appraisal of the employee's work performance after his demotion say, after a year. The Committee is of the view that demotion as a punishment should not be in any permanent form and that if an employee shows improvement in his work subsequently, consideration should be given to reinstate him to his original position. In the same way, promotion should be based on merits of the particular employee and if there is any attempt to bypass a deserving employee there is a clear abuse by the employer of his management rights. Likewise, any other act of discipline such as the issuing of warning letters or the temporary suspension of a worker from his job should never be used as a form of punishment designed to act as a barrier to the employee's future advancement in the Company. Perhaps one way of dealing with this problem is to evolve a system by which whenever any disciplinary action is taken against

a particular employee, a review of his work performance within a period of, say one year, should be made and if there has been improvement, the warning letter should be removed completely from the records or any other act of discipline recorded should be erased so that the employee concerned may be given the same opportunity as other workers for advancement.

In the Public Sector, employees who work on rest days are to be given a day off under Section 36 (4) of the Employment Act. There have been instances in which the days off have been accumulating with the result that in practice the worker concerned does not in fact enjoy the benefits provided for by the Act. The Committee feels that some arrangement should be made whereby if a day off earned is not given within a specific period of time the worker should be paid for the work performed on a rest day at not less than the ordinary rate of pay for one day's work.

With regard to the increased rates of contribution to the C.P.F., following the amendment to the C.P.F. Ordinance, the Committee is of the view that existing Retirement Benefits, Gratuities, Service Pay, etc. should remain and that there should not be any deduction from such benefits in respect of the increased rates of C.P.F. contribution, since the new Labour Legislation and the increased rates of C.P.F. contribution is to be treated as a "Package Deal".

Political and Social Options of Organised Labour*

THE ORIGINAL PHASE of the Trade Union Movement in which it had to work its way up mainly through politics is now past history. The militant stage, when leaders who had to be solidarity-makers successfully rallied workers into a social force, is now over. The present stage in the development of trade unionism is that of consultation—by far the more difficult stage to negotiate, for unions have to successfully modernise themselves for wider roles in the nation or they perish.

The question that must be asked is: whether labour has merely an economic function to perform, which limits its sphere and capacity to choose; or whether the worker is a citizen with views and interests on matters pertaining to the nation at large?

The current view is that the worker is part and parcel of the democratic process. This would not have been true in the early days of trade unionism when labour had to fight hard for recognition so that this aspect of trade unionism had to come to the forefront. Then trade unions had to operate under difficult political milieus which were hostile to them. In the early days, employers were aggressive. The advantage was on the side of the employers who were often supported by the colonial authorities.

Today all this has changed. The political environment is different. Democracy is government by the majority and in any political community, the majority are the workers. From their votes comes political power. Therefore, they play a predominant part in democratic choice. Moreover, without their co-operation as workers or soldiers or tax-payers or

*Prepared by Sdrs. G. G. Thomson and R. O. Daniel.

law-abiders, no political system can work. Because of this predominance both in deciding and carrying out the decisions, organised labour also has the responsibility for ensuring the right leadership and the right policy—a role which means that their duties do not stop once they have cast their votes at a General Election or at union elections.

It is true that in some developed countries trade unions have been known to be inert—and seem to exist for the sake of collective bargaining and little more. It may be that the economies of such countries can allow this luxury and that trade unions do not have to take sides in matters of national survival. In fact, the massive wildcat strikes in some Western countries that very adversely affected the economies seem to indicate a degree of permissiveness that verges on the anti-national—a state of affairs that must be regarded as economic hara-kiri in developing countries. This points to the different scales of values in developing countries such as Singapore—thus affecting the very choices and options of trade unions here.

The next point is understandably this: according to what principles and interests should the choice be made? Organised Labour as represented by the N.T.U.C. must choose according to national interests, as part of the nation. Its interests cannot be divorced from that of the community—basic interests in security, stability, productivity, prosperity, etc. These are indivisible in any community. It cannot allow other groups whether of employers or workers to behave in a way which damages the national interest and therefore the interests of the workers within it. Organised Labour has not only the right but the duty to criticise others as much as it must criticise itself. It has the right to fair shares and to a system in which their fair share is a growing share in a growing economy. Organised Labour must see its interests not only as that of an economic group measured by economic standards. It must relate and adjust its interests to the general needs of society in terms of defence or foreign policy or cultural or social patterns. In terms of principles, a

democratic labour movement must make its choices in the context of the greatest good for the greatest number, or in other words, according to the national interest, though this may be difficult to define.

Our Singapore history underlines that we are what we are, and we are what we have made of ourselves—a point which has been forcefully driven home by the 150th anniversary celebrations this year. The geographical situation, the commercial opportunity, we were given; but two million different people might have left them unused, misused them, or made better use of them if Singapore were peopled by the Japanese or the Swiss—the proverbial hard-working peoples of the world. What we will be depends on our making choices, choices which are realistic, choices which we have the capacity and courage to carry through. There is no inevitability about our future destiny, and affluence will not come through inactivity. Two things on which we have no choice are the need to make a choice and the need to depend on ourselves by our achievements to prove our choice correct.

Either the trade union movement opts out or it has to courageously face and effectively help solve national problems. At all times, trade unionists must be acutely aware of these problems and base their options in conformity with them. These problems are:—

1. We are small in population and in the area of our country. We shall grow in population, but our neighbours will grow faster. We lack natural resources. Every dollar that is spent on making life better and more efficient is the result of producing goods and services. If we live in comfortable surroundings as we are doing, it is only one of the benefits we reap—it is no charity.
2. We are conspicuous by our geographical situation and our achievements. We live by the main street and not the backdoor of the world. Others watch us and will re-act to what we do. We will be judged by our actions as a multi-racial, multi-cultural, multi-religious state.

3. In the field of security, armed forces are necessary: to show that what we have and are is, we believe, worth fighting for; and to be able to fight even if, alone, we are driven with our backs to the wall. We must strive to avoid the need to resort to armed force by alliances and by minimising pretexts for attacking us. To have friends we must make friends by showing friendliness and by proving that our survival is in their interest too. Our safety lies in the number of our friends, and the balancing of their presence in Singapore so that none becomes predominant—hence the state policy of non-alignment.

We have the world's fourth largest port lying at the cross-roads of Asia. Those world powers showing an interest in us are welcome to use our trading facilities for mutual benefits. We have witnessed the disappearance of the Dutch and French influence from this region, and the British withdrawal two years hence is an accepted fact. The Soviet Union and Japan have been watching this area with growing interest, especially our Island Republic because of its strategic importance. This is a welcome change, for the more we attract friendly powers, the better would be our position to do business with all and be protected by all.

In the field of economics, we do not have the necessities of life within our own boundaries—whether basic food or water—although we can buy raw materials for our industries; we do not have a big enough domestic market to allow the practice of self-sufficiency; we do not have the technological capacity which will allow us to enter into competition at the most remunerative level of industry. In trade matters, we should offer, on our terms as the major beneficiary, to help others to help themselves. This can best be achieved by improving our competitive position abroad and our productivity at home.

While we could not compete with the developed countries in technological progress, we could nevertheless do better in certain fields of production because we have the ability, the environmental advantages and the wherewithal to do

so. Our Jurong project, for example, is making a mark in South East Asia; in fact we are far ahead in this region because of our export-orientated industries. This is in contrast to some other countries whose entire export is hardly enough to cover interests payments alone on foreign debts. Geographically we are placed at a vantage point; this together with the quality of our human resources provides us with an edge over others to compete in trade and industry.

5. We already have a high standard of affluence with a per capita income of \$1,900, the highest in Asia outside of Tokyo. We have a high standard of achievement which we must maintain at all costs. We are a welfare state which practises a policy of sharing wealth in terms of schools, homes, clinics and the general amenity of public culture and parks, which distinguish us more than private culture or parks. We all have a vested interest in Singapore and the more we travel the more we appreciate that standards of living are essentially comparative. For this reason we have every reason not to gamble light-heartedly or take excessive risks. Everyone, and not only a privileged few, has too much to lose, though as in all social failures, there is inevitably inequality in the degree of loss. As a small country, we have not got the emotional or capital reserves to risk a complete failure of investment. If one city in a big state fails, this is only a partial and peripheral failure. But if one city in Singapore fails, all have failed. And because we are so far ahead of others in South East Asia, we must keep our lead. We have raised our expectations of ourselves, and against ourselves. We have set our own standards. Therefore we must always be at the peak of our form in every field of human endeavour.

6. We are a new multi-racial nation with habits of national thinking and national action not yet coalesced. Our commercial experience is 150 years old; our political experience, if dated from 1945, is 24 years in aspiration; and if dated from 1959, 10 years in action. But the two must catch up, and match up. Without political stability, there can be no economic prosperity. Investors will think many times

over and take only calculated risks as well. Political stability is not absence of opposition because of fear or indifference. It is agreement on common aims as a collective motivation for action. Industrial peace is not absence of strikes, but a climate of cooperation in which investors and workers regard productivity as a common target.

These problems have to be surmounted on the basis of concerted action, such as the trade union movement is capable of taking. Singaporeans are not fond of speaking about mere abstract principles and only interest themselves in principles which can be translated into action. Trade unionists cannot ignore these principles:—

- (a) *Democracy* in the sense of positive government with the active consent of the people for the general advance of the community along the whole front. It accepts the political equality of men and women in creating power by "one man, one vote" and in demanding consideration in the defining and implementing of policy.
- (b) *Socialism* in the sense of a collective activity to build a society in the round in its range of activities and in depth in serving all citizens. Its general aim is a more just and equal society. The dominant motivation and the testing of the value of targets and methods should be the public good. It is the duty of the State to see that things are done—by legislation, by administration or by persuasion—but this does not mean that everything must be left to the government.
- (c) *Nationalism* in the sense of the collective group interests which must be served, because the source, the purpose and the limit of the authority of the State are the citizens with their distinctive outlook and way of life. It is co-operative internationally in that only a well-organised group of defined purposes and capacity to fulfil promises, can make international co-operation a reality.

- (d) *Meritocracy* in the context of productivity. Work and the disciplines which go with it are a necessity. The quantum of the total work and the contribution of each individual is not an absolute, but related to the aspirations, the opportunities and the data of the time. There is too an ethos of work—that blue-collared or white-collared or managerial work should represent types of work rather than degrees of work or social classes or ways of living. Work is an active contribution to society. Idleness is a denial, whether sought or enforced, of a contribution to the community. Ruggedness in the sense of stamina and strength of character is a way of life, more satisfying for the individual and more contributive to society, than weak or indeterminate characters. The ideal is "from each of his best, to each his worth." And that is why a meritocratic state cuts across race, language and culture.

In addition to these more general problems, there is the specific problem of the impact of the British withdrawal in 1971. It means a heavier load of responsibility, finance and manpower to maintain our armed forces, and a diversion of funds and manpower from direct economic activity. It means the redundancy of the many employed by the British defence forces, and the need to acquire new skills and create new jobs to prevent large-scale unemployment. This is of direct and greatest concern to organised labour, because of the nature of the problem and because a high proportion of this labour is unionised. Finally, it will bring the greatest test yet of our national will and viability, for the full brunt of the responsibilities of survival with political economic and social dignity will have to be shouldered by the people and the government of Singapore—and this will include the trade union movement which should modernize itself for an active and responsible role.

As stated in the beginning, the role of trade unionism is not merely that of a pressure group, although trade unions

must have this function which is expected of it by all members. It must be remembered that its role as a pressure group must be in the context of the national interest. The aim of this paper is to advance the thesis that there is much more to trade unionism than this. If trade unions were to confine their role to this field only, their social significance would ultimately erode. Statistics show dwindling membership from 1959 onwards—surely this must be regarded by the trade union movement as a danger signal. The answer is not therefore to fold up the unions but to take intelligent steps to adjust to new social and political conditions.

But it is not really quite as hopeless as it may sound. In fact the Employment Act, enacted as it was to rejuvenate the investment climate of Singapore for crucial years ahead, did meet with approval from trade unionists, and in a statement the movement declared support for the new labour legislation.

Mere support is one thing. Playing a part and parcel role is another. The principal role expected of the trade unions in the light of new circumstances is that of forging close links in the tripartite pact of Government, management, and trade union in equal partnership, in the context of a sort of division of labour—if the role is to have meaning since each possesses special functions. This role in a tripartite compact is lacking in Singapore due mainly to the shortcomings in labour leadership and ranks. The vital concern of trade unionism is to equip its leadership to play this role fruitfully. The whole situation of this tripartite arrangement is comparable to a three-cylinder engine in which all three pistons must be in perfect working order—and if one cylinder is not firing properly, it is advisable in the interest of efficiency and motive power to have a fully working two-cylinder engine, since the non-working cylinder in a three-cylinder arrangement will only prove to be a drag. Hence it is that equality in a tripartite partnership of Government, management, and trade union implies that all partners must be dynamic and mutually contributory. In the crucial years ahead the trade

union movement must concern itself with and bring all its resources to help in the economic growth and development of Singapore—in short to help enlarge the size of the cake and enjoying correspondingly bigger shares of it. Unionists should drill and discipline themselves to play a useful role in this context.

Freedom of choice implies different principles and interests, as well as a political system which gives scope for one to choose. The trade union movement, organised as it is, is one that has volitional will power on a collective basis; however it can choke itself by in-action—by a general attitude of leaders and rank-and-file the majority of whom do not understand what is involved in democratic participation in the affairs and policy-making of the state. Many people join an interest group for the same reasons as they take out an insurance policy—they expect a service which is essentially to cover them against a certain risk, such as fear of arbitrary action by the management. They do not expect to be asked to form policy.

Therefore what this paper calls for is a reversal of this stultified attitude. It should be the belief of all trade unionists that a vital trade union movement is the test of a vital and viable democracy. Organised labour has an essential contribution to democracy in ensuring that the worker's interests are always to the fore, and that the worker feels himself emotionally and actively involved in his nation—be it political policies or economic growth. But the reverse side of this belief must be accepted—that organised labour must work and think the harder, and accept the disciplines to match up with that responsibility.

If a narrow and limited view of trade unionism is taken and subscribed to, then there is not much unions can do to gear themselves to the economic and other problems of the country. What is worse is that as management becomes more enlightened and voluntarily subscribes to collective agreements, then the membership of unions will further decline as fear of arbitrary action on the part of their

management becomes less widespread. Hence this view must be rejected, because the foe of trade unionism is no longer the greedy boss who is out to get his pound of flesh from his workers in the form of confining them to the sweat-shops for inhumanly long hours—this is no longer true now. We have today various laws (both the common law, statute and judge-made, or more accurately Arbitration Court rulings) to protect the workers. These rank as among the most advanced in the world, and will render trade unions obsolete if they insist on functioning as they used to function before—i.e. purely in a workers versus management role.

A wider role must therefore be assigned to organised labour in the context of the crucial years ahead in the '70s. It will be seen that the counter recession programme has been operating for some time and will go into full swing in 1971. Organised labour must be geared to play a full role in policy making. But this presupposes an absolute sense of responsibility, knowledge of labour economics and other sociological sciences, national problems etc.—which can help Government plan all the more effectively. Hence this tripartite working partnership should not be one in name only—it should be on the level of full cooperation in which all partners give of their best towards the formulation of sound national economic and social policies.

But the more logical view of the unions in which they must play a dynamic role in social and economic transformation means awareness of roles and functions. If unions are prepared to reorientate their minds, study and examine national problems, devote energies to translate them into responsible action, then we should be able to negotiate the turbulent '70s with greater reassurance and poise.

Successful Trade Union Organisation in the Developed Countries - The German Example*

POPULATION: 59,000,000

AREA: 95,928 SQ. MILES

INTRODUCTION

WORKERS IN THE DEVELOPED countries are so advanced that their influence in the political, social, economic and educational fields has become an accepted fact. In the western world new forms of co-operation between workers and employers are constantly being tried out. There are laws relating to this matter in the Federal Republic of Germany, Austria, France, Belgium, the Netherlands, Italy and Finland. In countries which do not have such laws there are relevant provisions in the collective agreements. In the area of rights of joint consultation enjoyed by the workers, the Federal Republic of Germany is amongst the most advanced groups.

The foundation of the trade union movement in Europe had its origin in the social and legal conditions obtaining at the beginning of the industrial age. The oppressive factory rules of that period provided the main impetus. After technology had advanced, it became evident that the manual labourers were not able to compete with machines in working efficiency. Manpower lost its importance as a factor of production. In keeping with the spirit of the age, the employers enforced harsh discipline in the factories. The factory rules required implicit obedience under threats of cruel punishment, and in many cases the private activities

*Prepared by Sdr. V. R. Balakrishna.

of the workers were also regulated, even those concerning marriage and establishing a family. The Government did nothing to curb the excessive working hours, miserable wages, bullying and abusive manners of the masters and superiors in the factories, and all other forms of exploitation.

Various suggestions were made to ameliorate the distress of the workers. Some believed that princes and governments would take a sympathetic attitude if approached with reasonable plans for a just social order. This belief gave birth to various Utopian schemes which are still remembered, but which eventually proved to be of little practical value.

Wherever groups of badly paid workers formed associations to wrest better conditions from their employers, the seeds were sown for the growth of the modern trade union movement. In the uprisings against princely tyranny and oppression workers fought for human rights side by side with the liberal middle class forces.

Under these circumstances, the Socialist workers' movements came out into the open and set up the first political organisations. Karl Marx and Friedrich Engels stirred up the class consciousness of the workers and analysed for them the political tasks that lay ahead. Their ideas influenced the occupational associations which were being organised everywhere. The workers realised that without struggle there could be no escape from a life of misery. The harsh experience of the first spontaneous revolts taught them that without lasting and solid organisation their fight against oppression was doomed to failure. The workers realised that they had to make sacrifices to transform the trade union organisations into an instrument of struggle for the liberation of the working class from exploitation and for the establishment of a social order in which human dignity and economic justice were assured.

The International Working Men's Association created in London in 1864 was known as "The First International". This was essentially a political organisation and trade union action played second fiddle to the political necessities of the

era. Made up of workers' organisations of the most diverse tendencies, the International discussed the respective merits of the theories put out by Karl Marx, Proudhon and Bakunin in order to put an end to capitalism and the inhuman miseries suffered by the working class. After the defeat of the "Commune de Paris" in May 1871 it ceased all activity.

Attended by delegates of the socialist labour movements, an International Labour Congress was held in Belgium in 1877. Representatives from Great Britain, France, Denmark, Germany, the Austro-Hungarian Empire, Switzerland, Italy and Belgium participated in this International. A manifesto was published underlining the necessity of the use of agitation, propaganda and education as powerful instruments to organise the workers on national and international level. This Congress, unfortunately, ended up without producing any action. Three more attempts were made at international level—in 1881 at Coire (Switzerland), in 1883 in Paris, in 1888 in London—all without success.

At last in 1901 the first steps were taken for international trade union co-operation at the Congress of the Danish Trade Union Confederation. Eight countries sent delegates and formed an embryonic trade union international. The participants were trade unionists from Great Britain, France, Germany, Denmark, Sweden, Norway, Finland and Belgium. Together they represented a total of 1,168,000 organised workers. This international organisation decided to meet every year as a secretariat for the exchange of information and ideas on trade union activities in each of the member countries.

The Socialist parties in the meantime reconstituted their International in 1889. Like the first Socialist International of 1864, this also was to continue for a number of years concerning itself with social and trade union problems. In addition to political parties, a good number of trade union organisations also joined this "Socialist and Labour International".

The International Trade Union Secretariat, founded in 1901 in Copenhagen, organised annual or biennial conferences

until 1913 in various member countries. At the last Conference in Zurich in 1913 the Secretariat was transformed into a true International Federation of Trade Unions (I.F.T.U.) with a Constitution.

The Russian Revolution in 1917 created repercussions in many countries where Communist parties were formed with the object of preparing for global revolution. The Russian Bolsheviks first of all created a Communist International and its affiliated parties. This gave rise to the struggle between the democratic trade union organisations and the Communists. After a short period of turmoil the Communist assaults were halted in many countries of Europe except in France, Italy, Czechoslovakia and Greece. In these four countries the trade union organisations were divided because of Communist influence. Even today Communist influence is strong in France and Italy, although in Greece it is held within bounds.

The free democratic trade unions of Western Europe formed in London in December 1949 the International Confederation of Free Trade Unions. The I.C.F.T.U. also decided to establish Regional Organisations. At present the European Regional Organisation numbers 23 affiliated national Centres from 19 countries representing a total of 25,387,170 organised workers. The annual affiliation fee had been fixed at Belgian Francs 105 per 1,000 members in 1950. This was increased to Belgian Francs 130, and in January 1961 it was again raised to Belgian Francs 160.

Against this backdrop of the historical development of the trade union movements in the industrially advanced Western European countries, it is interesting to analyse a specific trade union movement such as that of West Germany.

THE GERMAN TRADE UNION MOVEMENT

The German trade unions were formed more than a hundred years ago. Today the movement is very active in spite of great set-backs suffered during the Nazi period. The first industries were set up with the invention of the steam engine and the development of roads and railways. As the factories

became more efficient, the handicraft workshops were forced to close down and the craftsmen had to accept poorly paid jobs in industries. Often hunger drove the unemployed to try and take the factory worker's job away through competitive underbidding. The proletariat emerged as a propertyless, under-paid and overworked new social class.

The first union movement was called the Hirsch-Dunker unions, so named after their founders. Max Hirsh, who organised the first bodies of this type in 1868 at the suggestion of the German Progressive Party, was also a student of the English trade union movement. Set up originally with the provision of mutual assistance funds as their main objective, these unions rejected resort to strikes. Members were originally required to undertake in writing that they did not belong to the Social Democratic Party. The Hirsch-Dunker unionists were mockingly referred to as "apostles of harmony". Only in the light of later social developments did they eventually alter their views on strikes.

The trade unions suffered from the anti-socialist laws passed by Bismarck. In 1889 the Ruhr miners' strike brought the workers' plight to public attention and the subsequent force of public opinion resulted in the fall of the Bismarck Government, together with the repeal of the Socialism Act in 1892. The Socialism Act forbade all associations pursuing Socialist activities, and the Prussian Minister of Interior heavily punished all strikes, summarily dissolved unions and confiscated their property.

After the repeal of the Socialism Act, the trade unions once again came out into the open, although the remaining provisions governing the rights of association still gave the Government plenty of power to use against the unions. A Central Trade Union Committee was formed under the leadership of a turner named Karl Legien. Much later, in 1919, this was to become the General Federation of German Trade Unions.

Hitler's National Socialists recognised trade unions as a real danger and were irreconcilably opposed to unions.

Hitler set up a workers' militia and arrested all trade union leaders who were sent to concentration camps to rot and die. Only a few survived the ordeal.

At this time of Nazi terror, in spite of the threats which hung over their heads, the surviving union leaders maintained close and extensive contacts and thought of a unified trade union movement comprising democrats, liberals, Catholics, foreign workers in Germany, etc. The D.G.B., the *German Federation of Trade Unions* (Deutsche Gewerkschaftsbund Bundesvorstand) came into being in 1946, while in the Soviet Zone a new labour movement was set up under the name 'Free German Trade Union Federation'. Efforts to organise a Central Confederation for the whole of Germany failed.

At a Congress held in Munich in October 1949, at which trade unions throughout the Federal Republic were represented, the German Confederation of Trade Unions (D.G.B.) was founded and Hans Bockler elected as its President. With its 16 affiliated unions the Confederation has an aggregate membership today of 6.5 million.

The civil servants decided to form their own union outside this structure: the German Union of Salaried Employees, which has remained faithful to the principle of organisation by occupation rather than by industry. Its membership totals about 480,000 and remains far behind the number of salaried employees affiliated to the German Confederation of Trade Unions (D.G.B.)—760,000. The same applies to the German Federation of Officials (D.G.B.) which was formed as a professional organisation outside the D.G.B. More than 550,000—i.e. more than half of all officials—are organised in D.G.B. trade unions.

The Christians seceded from the D.G.B. alleging it to be politically manipulated and formed their own union. The policemen have their own union of 120,000 members. All these splinter groups tend to weaken the D.G.B. The unions not affiliated to D.G.B. are at a disadvantage. The civil servants for instance, have no right to strike, whereas the D.G.B.

has secured the right to strike for those civil servants affiliated to it. The trend now is toward reunification. The Christian Union, formerly 100,000 strong, has diminished to a mere 40,000, and is weak financially. The workers are deserting the splinter unions to swell the ranks of the D.G.B.

Structure of German Federation of Trade Unions (D.G.B.)

The following are the 16 affiliated unions of the D.G.B.:—

	Membership as at 31st December, 1962
1. The Industrial Union of Workers in Building, Quarrying and Public Works Contracting - - -	444,000
2. The Industrial Union of Mine and Power Workers - - -	504,000
3. The Industrial Union of Chemical, Paper and Pottery Workers -	527,000
4. The Industrial Union of Printing and Paper Processing Workers -	146,000
5. The Union of Railwaymen of Germany - - -	434,000
6. The Union of Educational and Scientific Workers (The German Teachers' Union) - - -	88,000
7. The Union of Horticultural, Agricultural and Forestry Workers -	78,000
8. The Union of Salaried Employees in Trade and Commerce, Banks and Insurance - - -	127,000
9. The Union of Woodworkers -	148,000
10. The Union of Artists (stage, film, radio, T.V. musicians etc.) -	32,000
11. The Union of Leather Workers -	86,000
12. The Industrial Union of Metal Workers - - -	1,528,000

13. The Union of Food, Drink, Tobacco and Catering Trade Workers	-	282,000
14. The Union of Workers in Public Services, Transport and Communications	- - - -	984,000
15. The German Postal Workers' Union		307,000
16. The Union of Textile & Clothing Workers	- - -	341,000

The structure of the German Confederation of Trade Unions is similar to that of the affiliated unions. Its supreme body is the General Congress which meets every three years. The delegates are democratically elected by their respective unions. The Congress elects the President of the Confederation, its two Vice-Presidents and the other members of the Managing Board, who are the heads of the technical departments of the Confederation.

Special Departments and the Secretariat deal with problems affecting young workers, women, salaried employees and civil servants.

The Executive Council of the Confederation is made up of all the members of the Managing Board together with a representative of each affiliated union (usually its president). A Committee concerned with the Confederation's policy in legislative matters is attached to the Executive Council.

Limits to and between the jurisdictions of the respective unions are laid down by this Committee. In case of dispute the Executive Council tries to effect a settlement through conciliation. If this fails, the case is brought to an arbitration panel consisting of three members chosen by each of the parties and a Chairman co-opted by the members, the award of which is binding.

The D.G.B. is divided into 9 regional sub-divisions. Each of them is further sub-divided into 300 districts, 80 branches, 2,200 local bodies and 2,100 regions with representatives of the trade unions.

STRUCTURE OF AN INDIVIDUAL UNION

Executive

Chairman, Vice-Chairman, 9 members. Delegates are elected from the Branches of the Union. One peculiarity is that 75% of all delegates are full-time paid officials and only 25% are part-time officials. This may not appear to be very democratic; but the Germans are sticklers for perfection and they want even the trade union job to be done by professionals, leaving no room for slipshod work. But there is a feeling among the rank-and-file that the unions should have more part-time officials from the workers at ground level.

All decisions arrived at by the individual unions are referred to the Centre. Every union has an Advisory Committee to advise on important policy and legal matters. The unions will have their own Districts, depending on the size and layout of the factory or establishment. For instance the Metal Workers' Union has four Districts. The Chairman of a District is not elected but nominated. All representatives of regional organisations will elect their members for various bodies.

It is a three-tier structure with local, district and national levels as follows:—

- (a) Local unit administration of 16 unions of the D.G.B.
- (b) Regional Organisations of the 16 unions.
- (c) The National Executive Committees of the 16 unions which form the Federal Executive Council.

THE POLICY OF THE GERMAN CONFEDERATION OF TRADE UNIONS

Preamble

The D.G.B. and affiliates proclaim their faith in the inalienable rights of man to freedom and self-determination; strive for a social order in which human dignity is fully respected and demand for the realization in all parts of the world of the Declaration of Human Rights of the U.N. In its struggle to enforce and maintain respect for the human

dignity of the working man, to guarantee his social security and to achieve a social order which would secure for every individual the free development of his own personality, the trade unions will act as an integrating factor of democracy in the political, economic and cultural fields.

The D.G.B. recognises that free and independent trade unions can exist and be effective only within a democratic framework. For this reason it resolutely opposes every totalitarian and reactionary manifestation and will resist every attempt to restrict or annul any of the basic rights guaranteed by the Constitution of the Federal Republic.

The D.G.B. and its affiliated unions will remain independent of governments, parties and religious denominations, and of employers and industrialists. It will maintain ideological, religious and political tolerance.

The trade unions will continue to struggle for an extension of the system of co-determination in industries for the workers. Through this means society will be reformed to ensure that every citizen will participate on the basis of full equality in the reconstruction of the country through progressive economic, cultural, and political methods. The trade unions demand the banning of war and the prohibition of all media of mass destruction, and pledge to strive untiringly for world peace based on cultural progress and the social security of mankind. The conquest of hunger, poverty, illiteracy and oppression throughout the world is an important condition for the preservation of lasting peace.

ECONOMIC POLICY

The functions of national economy should be in the interest of the working people and therefore should not be determined solely by the profit motive. In order to ensure this, the trade unions must exercise definite influence in formulating political decisions. The D.G.B. is pledged to achieve:—

- (a) a guarantee for every worker of the highest attainable degree of freedom and individual responsibility

- (b) participation of the worker on an equal footing in the organisation of the economy
- (c) permanent employment adapted to his own aptitudes and personality
- (d) just and equitable distribution of wealth and income
- (e) optimum growth of the economy
- (f) prevention of the abuse of economic power
- (g) the employment both planning and free competition for the purpose of achieving national economic targets
- (h) full understanding of economic relationship by publication of all relevant data.

THE AIMS OF ECONOMIC POLICY

1. *Full Employment and Continuous Economic Expansion*

For social and political development, the security of full employment and economic growth of the nation are essential factors. Towards this end the German trade unions want economic policy to be directed to the full employment and utilisation of all available productive resources. A carefully planned geographical distribution of industry must ensure a balanced regional economic structure. Technical progress must be made to secure the common good—it must not be allowed to cause social hardships to the workers in its progressive strides.

2. *A Just and Equitable Distribution of Incomes and Wealth*

Workers' participation in the production of all economic activities is the real yardstick of social justice. The just claims of workers to a fair share of existing wealth ensure equitable distribution of social products. All economic and political measures must serve this end.

A systematic reduction of the taxation privileges enjoyed by higher income groups and special measures to encourage savings and the possession of property by lower and middle income groups will pave the way for a broader distribution of wealth.

The D.G.B. demands direct participation in the preparation of a national budget in order to have a direct say in fiscal and taxation policy and to lay down the economic targets. Communally-owned property in its various forms will curb the power of private investments. With this in view, the trade unions demand an extension of publicly controlled enterprises such as Co-operative Societies, Insurance Companies, Banks, Housing Estates, Publishing houses, etc. Another target is that key industries and undertakings dominating the economy should be transferred to public ownership.

3. Stability of the Currency

Rising prices primarily affect the workers, old age pensioners and retired persons. Depreciation of the currency redounds to the advantage of owners of real estates and other vested interests. A general stable price level and the consumers' benefits passed on through the results of reduced production costs will be conducive to the common good.

4. Prevention of the Abuse of Economic Power

Industrial growth and expansion of vast concerns and groups of enterprises are marked by the characteristic features of a modern industrial society, i.e. the concentration of power of extraordinary dimensions in a few hands. The abuse of such power both for economic and political ends should be prevented at all times. Co-operative undertakings should be encouraged to curb the power of monopolies and cartels.

5. International Economic Co-operation

The free European trade unions must strengthen and unite to bring greater pressure to bear on authorities in order to safeguard the workers' rights within an economically integrated Europe. Aid to the developing countries must be linked with a social plan in order to ensure the establishment of a balanced economic and social structure in those countries. The trade unions of the countries affected must be consulted.

BASIC POLITICAL PRINCIPLES

The Basic Rights of Labour

In order to be able to live their lives in decent human conditions, the wages of the workers must be adequate to enable them to participate in the cultural life of the nation. One of the essential conditions necessary to fulfil this is a state of full employment in the country. Every worker has the right to join a trade union.

The trade union right to strike is inviolable. Any attempt by the state to intervene in the process of free bargaining is impermissible. Any form of compulsory arbitration is unacceptable.

The rights of workers for co-determination in industries must be further extended, rendered more effective and placed on an improved legal basis. Trade unionists should be free to carry out their duties within all plants and establishments as well as in public administration.

INDUSTRIAL AND HUMAN RELATIONS

A worker must be respected as a dignified human being, and his labour must not be regarded as merely a commodity, but as a personal service rendered to society. There must be equal opportunity for all and equal pay irrespective of age or sex. In the event of sickness, there should be a minimum period of six weeks for continued payments of full earnings. Minimum pay and conditions of service should be laid down by law in consultation with the trade unions. For ethical and family reasons, work on Sundays and public holidays, and because of their detrimental effects on health, shift work, night work and overtime must be reduced to an absolute minimum.

Adequate periods of rest and recreation must be provided for every worker by an extension of paid annual holidays. The worker must be protected against dismissal and other forms of victimisation; his social stature and standard of living must be maintained. Older and infirm workers and

other groups of workers exposed to specific dangers must be accorded special safeguards. A socially progressive labour code must spell out the laws affecting employment.

Vocational training fully conforming to modern requirements must be afforded to every man and woman according to aptitudes, and such training should be continued to higher levels. The laws concerning vocational training must be placed on a uniform legal foundation. A worker must be free to choose his form of vocational training.

In the case of rationalization and automation, redundancies will occur; in such instances the Managements of plants are under an obligation to compensate the displaced persons during the transitional period, and to create new jobs for them. Advantages derived from rationalization must be shared by the workers while there should be adequate safeguards against social and financial losses.

SAFETY AT WORK

The safety and health of workers must be taken care of when organising places of work in industries and establishments. The law governing safety at work must be framed clearly and adapted to the requirements of the technical world of labour. Supervision of the proper observance of safety measures must be forced by Government and legal Industrial Accident Insurance Institutes. All authorities responsible for safety at work must co-ordinate their activities with the close participation of the trade unions.

HEALTH SERVICES

Comprehensive medical care of all workers and their families must be assured, particularly through Health Insurance. Medical care must include preventive medicine and guidance on the maintenance of health. All workers have a claim to all the benefits of modern medical research.

SOCIAL HOUSING AND TENANTS' PROTECTION

Every person has a justified claim to adequate housing, which it is the duty of the state to provide. The housing

policy of the Government should be based on principles of social equity. Priority must be given to outstanding demands of people with small incomes at rents within their means. There must be legitimate provision to meet this end.

SOCIAL SECURITY

In order to protect the worker and his family against the contingencies of life, such as sickness, accidents, inability to pursue his normal occupation, or incapacitation, and in order to provide security for his old age, there must be a comprehensive system of social security.

Medical examination and reporting within the frame work of social security must be entrusted to an independent social medical service. The reports provided are binding on all social insurance carriers. All benefits provided under social security must be based on legal entitlement.

In the past, the German social insurance system had long been a model for the rest of the world, but more recently other progressive countries have overtaken Germany. Tens of thousands of union officers are now directly associated with the administration of sickness, employment, injury and pensions' insurance schemes, where they contribute to the implementation of social insurance legislation in a truly social spirit and participate in the fixing of social insurance benefits.

At the request of the trade unions, special courts were established to settle disputes concerning social insurance matters.

On the grounds that the money for the financing of the social security is provided by the contributions of the workers and the employers, all social insurance institutes, including Health, Unemployment, Old Age Pension and Accident Insurance, are administered by self-governing bodies consisting normally of equal numbers of employers and workers. The trade unions, as the authorised representatives of the interests of the workers, want to exercise the sole right to nominate suitable representatives of the workers to these self-governing organs.

SOCIAL POLICY

Under basic law Germany is a "Social Constitutional State". The state aims at including all workers and serving employees in social security schemes such as Health Insurance, Old Age Pension, Disablement Pension, Pension for Widows and Children, etc. In 1965 the Government spent on social securities no less than 40% of the total income. Of all the countries associated in the European Economic Community, the Federal Republic of Germany makes the highest cash payments to workers in times of sickness—at present 90% of the amount of the net wages earned. In Holland the amount is 80%; in Belgium 60%; in France between 50 and 60%; and in both Italy and Luxemburg 50%. Employers as well as employees should partake in the scheme. Employers should pay 15% for social insurance besides wages. After the 2nd World War when the German industries were dismantled the workers played a great part by preventing the taking over of the plants by organised resistance. As a result workers were given a greater share of industrial benefits.

CO-DETERMINATION IN INDUSTRIES

For thousands of years man has been subject of a state with basic requirements inadequately met. But in a parliamentary democracy man is directly partaking in the administration of the state. Most of the political decisions are made in the light of economic considerations. Therefore, the workers being the producers of wealth, must have a direct influence in formulating the economic policies of the country.

By co-determination in industries the workers can achieve this to a very large extent. Co-determination is not the distribution of power, but a means by which the skill and experience of the workers are used to reach equitable decisions on economic matters. Political and economic freedom cannot exist without industrial and economic freedom. Thus co-determination can influence the power of

politicians through economic decisions taken at industrial levels.

The aim of economic endeavour is primarily to meet demands rather than make profits. Mass production, of course, raises living standards. Man is the centre of power. A worker in the industry should not work for the ideal purpose of mere accumulation of wealth by the capitalists.

The worker should be the object of economic enterprise, not the other way round. Dignity of man is his inalienable right; and property is to be used for the welfare of man.

After 1945, the German industrialists accepted this concept and agreed to equal rights for capital and labour. Workers should partake in economic planning and distribution of industrial projects. The German Basic Law of 1949 refers to co-determination. The principle of economic co-determination was thus firmly established.

The British occupying power had sequestered the enterprises of coal and steel production in the Ruhr area. The intention was to decartelize the large coal and steel concerns, the breeding grounds of German monopoly capitalists who had wielded tremendous political influence. For this purpose the North German Iron and Steel Control was instituted under whose direction 25 joint stock companies were founded in the iron and steel industry. At this juncture, the trade unions succeeded in gaining influence on the appointment of the Boards of Supervision through negotiations with the occupying power. Departing from the German Law on joint stock companies, the Boards of Supervision consisting of 11 persons were made, comprising four members for the shareholders, four members for the employees, and two representatives of the public authorities. The North German Iron and Steel Control appointed the Chairman of the Boards of Supervision. In addition to this, a Labour Director was appointed with authority equal to that of the Technical Engineering and Commercial Directors.

In 1950, following the cancellation of the military government's law concerning sequestration of the iron and steel

industry, the trade unions feared that co-determination in the Boards of Supervision and Boards of Management in the coal and steel industries might be dropped. A ballot of the trade union membership took place in which a majority of 90% favoured a strike to maintain co-determination. The Federal Chancellor summoned experts from trade union and employer circles, who, on 21st January 1951, following protracted negotiations, established the guiding principles for co-determination in the iron and coal industries.

Using these principles as a basis, a bill was drawn up. The publication of the Law on Co-determination in the Boards of Supervision and Managing Boards of Enterprises of the Mining and Steelmaking Industries followed on 21st May, 1951.

This law fulfils the wishes of the workers in the coal and iron industries which form 10% of the total industries of Germany. Workers, from now on, could take part in important decisions concerning the industry.

Paragraph 4 of the Constitution stipulates that there shall be 11 members on the Board of Supervision of the industry, 50% from shareholders and 50% from the workers, the 11th man, who will be the Chairman, being a neutral member. He must have at least three votes from each side, i.e. the employer and the trade union. This Board is the authority of the industry.

Besides this, the trade unions also secured another important right in the Managing Board of three Directors. The Commercial Director and the Technical Director will be chosen from amongst the longest shareholders from the Management. The third member of the Board, the Labour Director, will be appointed by the trade union.

According to the Works' Constitution Act of 1951, the workers secured the rights of co-decision on personnel, social and economic policies. In the larger industries, one-third of supervisory boards consist of workers' representa-

tives. In undertakings with more than 100 employees, an economic committee will be set up consisting of an equal number of employers' and workers' representatives.

As said earlier, co-determination exists now only in the coal and steel industry. The Civil Servants, Construction and Building Workers' Unions claim that co-determination does not concern them. The Metal Workers' Union and the Chemical Workers' Union quarrel on the size of union representation on co-determination. Another 550 industries are to be included in this category, but the unions have not yet made up their minds. The D.G.B. is trying to get experts to work out a solution in this vital sector.

THE WORKS COUNCIL

The next important step after participation at management level is workers' participation at plant level. The system of Works' Councils fulfils this need.

The rights of consultation of the workers were abolished by Hitler.

In 1946, the Works' Council Law was promulgated by the Allies. It contained the provisions necessary for the formation of Works' Councils. Later, the law governing rights of Joint Consultation for the Workers in establishments in private enterprise was published in the Federal Gazette as the Works' Council Law dated 14th October, 1952. It applied to factories, mines, iron and steel works, trades, commerce, banking, insurance, agriculture, forestry, etc.

The Works' Council Law does not apply to civil servants and wage earners in the public services, crews of sea-going vessels and flight personnel of airline companies, newspapers and publishing agencies. Some sort of a special Law on Staff Representation for the three million civil servants was published in August 1955.

The Unions draw up lists of candidates for election to the Works' Councils, and in doing so try to select employees with the most experience and the greatest sense of respon-

sibility. In the strict sense of the law, nominations can be submitted only by the employees of the establishments, and the trade unions have no right to submit nominations. But it is not difficult for trade unions to put their own men in. Contacts between the Councils and the unions are made by means of steady exchange of information and experience.

Works' Councils can be set up with more than five employees in an industry. They serve a three-year term. Increase or decrease of 50% will necessitate new elections. The duties of the Works' Council are carried out during working hours. Employers' confidential matters revealed during working hours will not be divulged.

Works' Councils can call a factory meeting of all workers if 25% of the staff decide to hold such a meeting. The law provides for a meeting once in three months, but if more than a quarter of the Works' Council members want a meeting, it may be held at any time during working hours.

The Works' Councils' duties are to look after matters relating to the Company and the Staff except negotiations on wages, working hours and holidays which are matters for the Unions. Apart from discussions on leave-rosters, break hours, canteen facilities, sickness benefits, vocational training, accident preventions etc., the employer keeps the Works' Council informed of new jobs and the new employees to be taken in. In the case of blue-eyed boys being taken into the employment of the Company disregarding merit, the Works' Council can veto such employment. This could also be done in the case of anti-union or anti-social elements being taken into the Company for nefarious purposes. The Works' Councils can also protest against arbitrary transfers of employees. The union will step in too if notified of such malpractices.

In the event of disagreement at Works' Council level, the matter will be referred to an Arbitration Committee. The Labour Court will appoint a Chairman. The decision of the Arbitration Committee will be binding on both sides.

COLLECTIVE BARGAINING

Collective bargaining has had the force of law since 1918. During the Allied occupation period from 1945 to 1948, the Control Council Law fixed by decree 50 pfennies per hour for a German worker. In 1948 the Control Council Law was repealed and the Unions could enter into collective bargaining with employers.

As the unions fought for more pay—annually 120 collective agreements were concluded—the employers became truculent and stubborn. Therefore the Collective Agreement Act of 1949 was enacted in order to regulate the rights and demands of workers by law. In 1965, the living standard went up by 8%. The Unions managed to obtain wage increases by 7%.

It is recognised by the German Workers that automation boosts the economy through mass production, but the unions also insist that workers' interests must be safeguarded during the process, and there should be no arbitrary retrenchments. In all negotiations employers and employees recognise the need to respect the views of the other party.

Wage negotiations and wages fixing are based on the following principle:—

TIME AND MOTION STUDY

Unskilled Worker	-	84 %	=	2.79 D.M.	per hr.
Semi-skilled Worker	-	90 %	=	2.90	„ „ „
Qualified Semi-skilled Worker	-	97 %	=	3.22	„ „ „
Skilled Worker	-	100 %	=	3.32	„ „ „
Qualified Skilled Worker	-	110 %	=	3.65	„ „ „
Highly Qualified Skilled Worker	-	120 %	=	3.98	„ „ „

Wages of particular Categories of Workers are based on the point the grade carries, each point being allotted so many pfennies or Marks. The main factors in the calculation of points are Knowledge, Skill, Sense and Nerves, Muscles, Responsibility.

GENERAL ACTIVITIES OF THE TRADE UNIONS

Apart from their economic and social policy functions, the trade unions have long been concerned with other important problems.

TRAINING AND EDUCATION

The unions want the workers to be thoroughly trained for their jobs in the interests of efficiency. With this in view they have consistently pressed for new vocational and technical training establishments to meet current needs. They consider that education above the elementary school level should be available to each according to his talents, qualifications and propensities, and not according to his social standing.

The unions are also concerned to ensure that those of their officers entrusted with special tasks in the various boards and councils or social security courts, etc., are suitably equipped for the tasks involved. This is achieved mainly through the publication of periodicals, technical trade union literature and also through trade union schools set up in different parts of the Federal Republic.

The shorter working hours and higher earnings which the trade unions have secured for the workers, have enabled them, as never before, to enjoy the benefits of culture and civilised standards of living. The "Ruhr Festivals" held each summer at Recklinghausen under the auspices of the D.G.B. is an example of how the theatre, music and arts can enrich the working man's life.

ADULT EDUCATION

Adult education is an integral part of trade union organisation. Unions encourage the workers to learn after work. Teachers are recruited from state schools. Altogether 1,150 Adult Education Institutes cater for several communities. A total of 4,845 branches are affiliated to the German Federation of Adult Education Institute. Political education,

topical subjects and vocational training are the main subjects taught. Working parties organised by the D.G.B. and denominational church groups help the Registered Associations and Municipal Institutions to bring adult education to all who need it.

High wages and good working conditions are not the only things in life which affect the workers. In order to realise his economic, social and cultural aspirations, a worker must endeavour to achieve the aims of a more equal and just society. Education is strength. Hence the importance given in the Unions to adult educational activities which are conducted at local, district and national levels.

Local union activity aims at laying the foundation for, and qualifying students to take part in advanced courses in the trade union and Federal schools. The Educational Committees of the D.G.B. District Trade Union Council discuss future arrangements and plan programmes. They are guided by the "Model Plan for the Educational Activities of the D.G.B. District Trade Union Councils". These activities provide for:—

- (a) Introductory Courses on topical themes intended to appeal to large sections of the membership.
- (b) Advanced Courses to stimulate trade unionists, and officials.
- (c) Special training courses for Officials and for workers and trade union representatives in the various public bodies.

Local activities aim at providing all branches of knowledge required to perform trade union functions effectively. These include the Theory and Practice of Trade Unionism, Labour Laws, Social Policy, Economics, Sociology, History and Politics, Cultural Policy, Works' Studies, Control of Public Meetings, etc.

In addition to extensive educational courses organised in the towns and districts, the D.G.B. and the Unions offer centrally organised Courses in residential schools. The

D.G.B. itself runs six Federal Schools as well as the "House of Trade Union Youth". Some 21 schools serve the needs of union adult education. Some of these schools conduct courses during the winter months only. In the sunny summer the buildings are used as holiday camps for workers.

Vocational Further Training Centres are established in several parts of Germany. At these Centres the programmes were confined to Commercial Subjects in the early period. From 1956, technical subjects such as draughtsmanship, arithmetic, algebra, technical calculation, geometry, use of the slide-rule etc., are taught. The Technical College at the Vocational Further Training Action in BOCHUM runs seven technical classes.

In Autumn 1959 the Munich Centre inaugurated a new type of Course under the motto "Use Your Leisure Time Rationally". Skilled Instructors demonstrate how to work with paint and enamel; how to repair your car; how to mix cement and sand; how to build a wall around your area; how to repair your radio and T.V. set, etc. Based on the Munich model, many other centres in Germany have organised similar Courses. The trade unions also organise educational trips to other parts of Europe.

The D.G.B. has established its own economic and research institutions. The Trade Union Institution of Economic Sciences (W.W.I.), has an excellent library of 17,000 volumes, and this number is increasing steadily to meet the needs of this growing research institution.

TRADE UNION PRESS AND PUBLICATIONS

The German trade unions own an extensive and highly diversified press. Besides the publications of the D.G.B., the individual unions have their own publications. Each of the 16 unions publishes journals distributed free of charge to the members. The total circulation of these weeklies and fortnightly journals is 12½ millions. A number of technical journals are available in the fields of labour laws, social

insurance laws, economic and cultural policy etc. Besides, there are special periodicals for women, youth and professional groups.

Another venture of the D.G.B. is its weekly publication the "World of Labour" which can be bought at subscription rates, covering politics, economics, sports and culture. "Die Quelle" (The Source) is a D.G.B. periodical for trade union officials, designed to keep its subscribers abreast of developments in the fields of wages, conditions of service, labour laws and social policy. The most significant technical journal published by the D.G.B. is the "Trade Union Monthly Journal" intended to serve as a medium of discussion on economic and social problems. Another monthly journal, "Labour and the Law", contains learned contributions on problems of law.

The trade unions have also established institutions such as "Book Guild Gutenberg" which aims to provide good books at low prices to the workers. The Book Guilds engaged the best typographers and illustrators to produce extremely handsome editions which are acclaimed by experts. Twenty-nine issues have been awarded prizes as "the most beautiful books" and more than 20 dust covers are among the most beautiful covers to be designed in Germany.

SELF-SUFFICIENCY

The German trade unions are very rich, and they run their own Banks (the fourth largest bank in the country is owned by the D.G.B.), Insurance Companies, Co-operative Stores and Industries, Supermarkets, Dairy Farms, Distilleries, Fair Price Shops, Building Projects and a host of other industries. They are so rich and business-minded that even the industrialists call them capitalist unions. They even run their own hotels and restaurants and in this field alone are joint-owners of some 30 enterprises. The D.G.B. is financed by an average of 12% of the income of the affiliated unions.

The income per year of the 16 unions affiliated to the D.G.B. is 400,000,000 D.M. (Deutsche Marks). The total income of D.G.B. per year is 48,000,000 D.M. (one D.M. is equal to our 75 cents).

The distribution of union finance of the Chemical Workers Union is shown below as a typical example:—

- 12% for trade union action
- 14% affiliation fees for D.G.B.
- 6% for education
- 25% for staff salaries
- 8% for office rentals
- 5% honorarium for treasurers and collectors
- 3% for press
- 5% for meetings
- 2% for special groups
- 2% for legal assistance
- 18% for union benefit to members

100

The subscription rate of an average Chemical Industries Union member is 7.65 D.M. per month.

Trade Union membership of the labour force in Germany covers 33% of the total working force. Trade Union membership of the Works Councils is about 86%.

Despite 65% of the total income of the country going to workers as wages, which is the highest in the world, workers' shares in industries are encouraged. The Volkswagen car industry was in the hands of the Government but these shares were subsequently given to the workers who now collectively own this giant industry. Thus the workers and their unions are growing rapidly stronger, and the unions are becoming economically self-sufficient.

The Communist influence in the Federal Republic of Germany is nil because the standard of living is three times higher than that of East Germany.

The Swedish Trade Union Movement*

POPULATION: 7,475,000

AREA: 173,624 SQ. MILES

INTRODUCTION

UNTIL THE MIDDLE of the 19th Century, four-fifths of the Swedish population depended on agriculture although a hundred years earlier the industrial revolution had already started in the Western European countries.

In the earlier days Sweden produced 40% of the world's pig iron from small smelters spread over the iron fields of Central Sweden, where the forests provide ample fuel. The new metallurgical process in the 19th Century gave birth to the country's engineering and metal trades. The Bergslagen iron fields have abundant resources which give the world Sweden's famous steel.

Alongside this came a burst of expansion in the forest industries, utilising the vast resources of timber. The many rivers flowing through the forests offered cheap means of transport. In the early stages, for about 50 years, timber outstripped steel in export trade.

With these resources Sweden became an industrial country with booming shipbuilding and heavy railway industries. Industrialization came when there was a slump in agriculture, thus making readily available the manpower required. Surplus labour—more than a million workers—migrated to other countries towards the end of the 19th Century. This was checked later.

The drift of manpower from agriculture to industries started when the industries began to modernize.

**Prepared by Sdr. V.R. Balakrishna.*

Apart from the steel and timber industries, there are over 330 plants engaging 60,000 workers in the production of cellulose and paper. About 3,000 factories employ 70,000 persons in small undertakings dealing with pulp, furniture, prefabricated houses, etc.

In the mining industry alone about 40 iron and steel plants are operating, providing a source of regular employment in an area where occupations were rare and seasonal. Spread over the southern half of the country are 5,000 undertakings engaged in engineering activities. The Swedish General Electric Company produced hydro-electric machinery of the largest dimensions for world supply. The Swedish ship-building industry ranks fourth to Japan, U.K. and W. Germany in world production.

For almost 150 years Sweden was fortunate enough to be at peace, all the time devoting her energies to tapping her vast natural resources and building up political and social institutions for the welfare of the people. Her standard of living now is one of the highest in Europe. While wages rose more than prices, unlike in other countries, there was a marked rise particularly in the living standard of the lower income group. This was through the efforts of the trade unions and a complexity of social services and social security measures.

The Trade Unions

In the early days the trade unions were considered a source of evil. If they conspired to bring about a rise in wages, those responsible were punished with a heavy fine. Meetings of journeymen had to be attended by at least two masters, who would keep an eye of them.

Early in the 19th century the ramparts of the old order began to crumble. The starting point was the promulgation of a new Constitution in 1809. In 1846 the Factory and Craft Rules abolished the abominable guild system and called into existence the Association of Master Craftsmen.

The Royal Ordinance of 1864 ushered in an era of true economic freedom. Uniform legislation replaced special regulations and everybody came under one law. Even then the King's troops could still hunt the workers and force them to return to work as was evidenced by the Sundsvall episode in 1879 when a group of striking sawmill workers were set upon by soldiers.

In the wake of the depression of 1885 unrest swept Sweden's labour movement, and although the workers lost many strikes, trade unions as a whole gained ground.

In 1883 a Central Trade Union Committee was set up in Stockholm. The younger men, more receptive to radical forms of propaganda from abroad, took over the control of the Central Committee in 1886. From then on, the trade union movement began to forge its links with the Social Democratic Party of Sweden.

In 1897, a total of 24 national Unions were formed and the idea was mooted for a Confederation of National Unions. The Social Democratic Party, which had drawn many trade union leaders into its councils, backed the move forcefully.

In 1898 the Confederation of Swedish Trade Unions (L.O.) came into being with Fredrik Sterkys, a convinced Socialist as its first President. It was a loose federation of 16 national Unions with an aggregate of 37,523 members. Workers in L.O. Unions were also members of the Social Democratic Party by virtue of collective affiliation which was optional. In 1958 the percentage of political membership was 36%.

Growth of Trade Unions

Although the employers wanted to wipe out the trade unions—they even got the workers to sign non-union contracts—the movement battled it out. In the fray the Unions were battered but the employers too suffered “strategic defeat”.

The “Great Strike” of 1902 was a political strike called by the Social Democratic Party for the right to vote. It gave

notice to the employers of the mighty power of organised labour. By 1908, no fewer than 2,214 collective agreements were in force, covering 12,614 employers and 318,190 workers.

In the bitter struggle in 1909, about 300,000 workers went on strike, bringing the economic life of Sweden to a standstill. The employers threatened lock-out if workers did not return to work. As winter set in, hungry workers returned to work. This was a telling blow to the L.O., and trade unionism was sneered at by the employers, who trampled under foot all collective agreements.

But the leaders worked hard and refused to yield. By a combination of political actions, workers' education, patient negotiations with the managements and long term planning, confidence was restored. By 1919 the membership figure hit the 200,000 mark.

Today the Swedish trade unions rank among the foremost organised workers' movements the world has seen. Two central organisations represent the working class—the L.O. (Swedish Confederation of Trade Unions) and the T.C.O. (Central Organisation of Salaried Employees in Sweden). L.O. covers manual workers and also public and civil services' employees. T.C.O. represents salaried employees (white collar) performing managing, planning, administrative or mercantile functions. The two organisations work in very close co-operation and respect each other.

The percentage of organisation of L.O. is 90, while that of the T.C.O. is 65 to 70 per cent. This represents a world record, especially in view of the fact that some unions like the Metal Workers, Building Workers, and Seamen's Unions claim 100% membership; the Manual Workers 90% membership; the Mining industries, paper and pulp plants 98% membership and Banks and Insurance Companies' staff 90 to 100% membership.

Approximately one-fifth of the L.O. Unions and 40% of the T.C.O. Unions are women members who are very active.

Structure of Organisation

Most trade unions adopt a three-level structure—national, branch and works level. The lower bodies carry out decisions of the higher ones. At the bottom of the ladder is the Works' Club composed of shop groups covering all the members of a particular union representing a given undertaking. Supreme authority of the L.O. is the Congress, meeting once in five years. Its officials are appointed by the affiliated Unions in proportion to membership. It acts as the responsible body between Congresses. The Executive Board, elected by the Congress, consists of 13 members of whom the President, the Vice-President and the Secretary are L.O. Officers, the remaining 10 being representatives of national Unions. The Constitution of the T.C.O. follows the same lines.

The Swedes have accepted the principle of industrial trade unionism. Some Craft Unions are still to be found both in L.O. and T.C.O., but the tendency is to merge. Peanut Unions have disappeared through amalgamation. The number of L.O. Unions is now reduced to 42. The biggest affiliate is the Metal Workers' Union with 285,990 members followed by the Building Workers' Union with 143,740 (according to 1960 statistics).

The total membership strength of the L.O. Unions is 1.5 million. The T.C.O. with 36 Unions represent 400,000 white collar members. There are a few other unions outside these two organizations.

The membership fees paid to L.O. Unions vary from 5 Swiss Kronor to 22 Swiss Kronor per month. In addition the members pay dues of varying sums to their local branches. The affiliated Unions pay the central organization (L.O.) 2 Swiss Kronor per member per month. In 1960 these fees totalled 20.4 million Kronor. The affiliated Unions own capital assets worth 450 million Kronor.

It is estimated that, all in all, an average Swedish worker pays 2% of his income as subscription to the Unions. Of course he gets various benefits in turn through co-operative

schemes run by Unions. Sweden enjoys the highest standard of living in Europe.

Social Welfare Policy

The biggest venture of the Unions is their social policy. The Swedes strive to achieve full employment and security for all, adequate medical and health services, good housing for all, equality of treatment for all men and women in the labour market—freedom of choice for everyone as regards training, education, work etc. Economic and labour market policies are worked out. With the active participation of the trade unions, the Swedes arrived at a gradually increased application of the principle of universality i.e. all persons should enjoy their rightful share of a general welfare system:

- (a) In 1913 the *national pension insurance* scheme was introduced for the entire population. Those days one half of the population was engaged in agriculture. It was a poor scheme compared to present standards but a significant first step on a new path.
- (b) *The Social reforms of the 1940's* introduced a general health insurance for the entire population. General childrens' allowances were introduced with equal amounts payable in respect of each child without exception. Improvements were made in the national pensions' system.

Legislation on a 48-hour working week became applicable.

The right to work became a reality.

A common foundation was laid for the security of all citizens. The general social welfare policy was to provide rock-bottom security. Benefits became *rights*, guaranteed by law. The British Beveridge Report influenced the Swedes to go faster in this field. Special benefits were provided for families with children, while rent allowances were decided by an income test in the individual case.

Discrimination against needy persons was done away with and words like "help" and "subsistence aid" were replaced by words such as "benefits" or "allowances".

- (c) Between 1940 and 1950, public social welfare expenditure rose to one-third of total public expenditure or 10% of the GNP. The fact that people can find work and need not fear unemployment provides the basis for security and economic growth. The workers became infused with pride and very few depended on free relief.
- (d) The Swedes developed the *labour market policy* as an off-shoot of the unemployment policy. The object of this was to curb seasonal employment and ensure full employment to all. The State offers assistance to the individual worker when he moves to a new area and is retrained for a new job.

The build-up of this policy was the result of the trade unions educating the Government. The argument behind the concept is that full employment could be reconciled with stable prices through greater labour mobility.

The skill of the working population has diminished the importance of Sweden's natural resources.

A breadwinner with a wife and two children on a training course away from home receives a tax free allowance of £80/- a month. If the wife joins up, the allowance is doubled. In 1966 approximately 60,000 workers were enlisted on these courses which may last from three months to two years. Workers may apply for retraining even while they still have a job.

The mobility inducements are significant. They cover daily expenses while looking for jobs, including travel costs for the husband and wife and a living allowance. Once the job is taken in another town

the worker is given an allowance for the initial expenses while settling down. If he cannot sell his house the Labour Market Board will buy it at the current market price. About 30,000 people travel up and down the country at the expense of this scheme.

- (e) Every Swedish child gets free text-books, free meals and free transport. *Basic education* is compulsory. When a young Swede enters the labour market he is fully equipped with adequate knowledge and skill to enrich his own future and be of use to the State.
- (f) Sweden builds *more houses* in relation to the size of her population than any other country in W. Europe except W. Germany. About 40% of the population live in houses erected later than 1945. About 8 billion Kronors are invested in housing owned by trade union Housing Co-operatives. The Unions own their own Construction Companies.
- (g) All types of *Co-operative ventures* are in operation, introduced by the workers through their Unions. 90% of the trade unionists are covered by Co-operative Insurance. Swedish Consumers' Co-operatives are very efficient—for 75 years local people have been running them with great advantage. Producers' Co-operatives are so effective that the buyers grumble about the prices they pay for local products. The farmers have their own milk distribution organizations, dairy farms and distilleries.
- (h) There are provision for compensations for loss of income through illness, injury and old age, which cost an average of £56 per head of the whole population or 12% of the national income. There is a comprehensive system of medical and hospital care available to everyone free or at reduced cost. Every person over 16 years is covered by compulsory health insurance introduced in 1955. This covers also cases of accidents at work. A special industrial injury

scheme covers more severe cases of injuries at work which is compulsory for all blue and white collar workers—the cost being carried by the employers. Insurance against unemployment is financed by employers with State subsidies.

Swedish economy is based on private enterprise. More than 90 per cent of all industries come under private ownership. The State, the employers and the workers co-operate in the most enlightened manner to make Sweden a happy home for all. Here is a tripartite partnership worth emulating.

The strength of the Communist Party is 3.4% compared to Social Democrats who have a membership of 50.4%.

Histadrut of Israel*

POPULATION: OVER 2 MILLION

AREA: 8,000 SQ. MILES

INTRODUCTION

THE GENERAL FEDERATION of Labour in Israel is known as HISTADRUT. It is open to working people of every trade and profession of all political and religious views. Established in 1920, Histadrut has brought many novel features into the trade union movement.

Israel had its own peculiar problems of settling down thousands of new immigrants who had to be trained to become productive workers. Histadrut is devoted to teach the workers to gain control over their own fate through united action and organizational efficiency.

The various institutions of Histadrut have taken control of every worthwhile sphere of activity in a modern society and play a significant role in nation-building. In the early twenties the Jewish population of Palestine comprised neither working class nor capitalist in the accepted sense, and were faced with a bleak economic future. The immigrants into Israel at that time originated mainly in the middle class and professional classes of Eastern Europe. They were intellectuals with some traditional commercial training. What was needed was a rugged people physically fit to build up a country with their own hands. In order to become a worker, each immigrant had to undergo a personal revolution. Then only could he become a strong unit in a national revolution. Every Israeli was imbued with the ideal of building up his ancient land and preparing for the home-

*Prepared by Sdr. V.R. Balakrishna.

coming of the wandering tribes from all the countries of their dispersion.

They pooled their knowledge and resources together for survival. Histadrut came into being by giving this profound revolution its institutional expression. Histadrut became the powerful instrument of the will of a people determined to carve out a future with far-reaching economic and social changes. It sucked into its revolutionary vortex the immigrants from many parts of the world and merged them into a well-knit unit creating an unprecedented organizational technique for the accomplishment of unprecedented tasks.

Fifty years ago Histadrut received into its fold immigrants from Europe with professional and commercial skills. More recently the masses of immigrants entering Histadrut have come from the underdeveloped economies of the Middle East and East Africa. All these immigrants had one thing in common: the absence of a tradition of labour, the absence of skills to fit into a modern economy.

HISTADRUT'S MEMBERSHIP

Its membership is open to all workers 18 years of age and above. In 1964 membership stood at over 800,000 or more than half of the total adult population. Included in its ranks are hired workers, self-employed workers, co-operators and members of the professions. An unusual feature of the organisation is the status of members' wives. Even as housewives the members' wives are accorded full membership rights, exercising the vote and undertaking all obligations of membership. Thus Histadrut has the character of a mass movement rather than a mere trade union movement. The concept is that the wife and mother have an equal part to play and that the decisions of the organisation affect them as much as it affects their husbands.

Membership in Histadrut is personal and direct. It is therefore a highly centralised organisation, resembling a General Workers' Union more than a federation of unions. Upon joining, the Centre allocates to the individual the

trade union he should belong to according to trade, industry or profession. More than thirty national unions are operated by Histadrut.

There is no religious, cultural or ideological barrier to membership. Therefore Arab workers in Israel are also full members enjoying all rights and privileges.

At the time of its establishment in 1920, Histadrut had a membership of 4,433. The following table shows the occupational breakdown of the working membership at the beginning of 1960, excluding housewives:

Industry and Manufacture	-	-	96,024
Agriculture	-	-	84,555
Building and Public Works	-	-	80,980
Clerical Occupations	-	-	74,867
Various Services	-	-	53,630
Professional	-	-	33,781
Transport and Communications	-	-	27,438
Miscellaneous	-	-	11,260
Total			462,535

Half the members are immigrants who entered the country since 1949. Most of them had never been workers and did not know what it was like to belong to an association. Histadrut's absorption of this mass of new comers for democratic orientation was a great achievement.

STRUCTURE—*Works' Committees*

The Works' Committees are the basic cells of union organisation. They are the recognised organs of Histadrut within every industry. The Works' Committee members are elected by the members in the place of work. Time off during

working hours is allowed for Works' Committee meetings. The Secretary of the Committee, the "shop steward", is allowed full time off for union duties on full pay by the employer.

Within Histadrut today, industrial rather than craft organisation is favoured. Local unions are formed based on common participation or on a common trade depending on the tradition applying to a given job. The Secretary of the local union, elected by the members in that industry, would normally be a full-time official and a member of the local labour council dealing with all other aspects of Histadrut in addition to purely trade union matters.

In addition to the horizontal link with the local labour council, the local trade union is directly linked to a regional national trade union. National Unions operate in every industry or trade in a particular region where the numbers of the locals justify it. The National Union is set up by the Histadrut Executive. Contrary to the practice in other countries, the trade unions owe their existence to Histadrut and are financed by funds allocated from the Centre, instead of it being the other way round. This is because the membership is personal and direct to the Centre. Each national union is built up through the Works' Committees and local unions throughout the country. There are altogether 22 National Unions under Histadrut and over 90% of all workers in Israel are organised by Histadrut. The Central structure of Histadrut has added great strength to its trade unions.

Wage Policy

Each union, no matter how small or unimportant, is as strong as the Histadrut as a whole. When the need arises it may command the entire resources of the organisation. There are no weak unions and strong unions. The whole structure is monolithic, powerful and fiercely effective.

But Histadrut has always taken special care not to abuse its great organisational strength to demand more than the economy can bear. Wage policy is debated bi-annually within the Executive of the Histadrut which gives the political parties opportunities to express their views on this important economic issue. The discussion is based on expert knowledge of the state of the economy and is marked by a strong sense of responsibility for the healthy economic development of the country. Excessive demands of the national unions are restrained by the Executive, which makes the wages policy debate an education in itself for the membership.

Wage increases have a bearing on productivity, rises in cost of living or improved skill of the worker. Basic wages are listed in collective agreements. Time rates are supplemented by incentive pay associated with increased output. Histadrut has not pressed for legal minimum wages as it depends on its own strength to secure favourable terms. The working day is a maximum of eight hours, the working week of 47 hours. Working hours are fixed by law.

Overtime pay is stipulated for work in excess of legal maximum: additional 25% for the first two hours of overtime and 50% above the normal rates for further overtime. There are special rates for night work. The principle of equal pay (for women) for equal work is widely accepted.

The cost of living allowances are determined by agreement between the Histadrut executive and the Employers' Association. Once signed the agreement has the force of law. It is renewable every two years. Rises in the cost of living are determined by the official Cost of Living Index published by the Government's Central Bureau of Statistics every month.

The following table gives a picture of the spread of wages at the beginning of 1960:

(One IL is approximately equal to our \$1.50)

Percentage of Workers

Up to IL 200 per month	-	-	-	23.9
IL 201 — IL 260 per month	-	-	-	26.1
IL 261 — IL 280	„	„	-	9.4
IL 281 — IL 350	„	„	-	27.8
IL 351 — IL 500	„	„	-	7.6
IL 500 and above	-	-	-	5.2

The average wage is in the region of IL 300. Histadrut is proud of this achievement which is comparable to that of the working people in West Europe. Some 65% of the gainfully employed population get 59% of the total national product. This fair distribution of wealth shows the wisdom of the nation as a whole.

Another 30% of wages in value is received by workers in the form of various social or "fringe" benefits. While some of these benefits are incorporated in collective agreements, some are even guaranteed by law, such as sick pay, health insurance, paid annual vacation, redundancy pay and a variety of pension schemes.

By the terms of the Collective agreements all employers are obliged to provide paid sick leave. Up to a period of six months a worker gets 80% of his pay if he is sick. Employers pay 2½% of gross wages towards a sick fund. In addition, employers pay 2.7% of the wages, which, added to the workers' own contributions through the Histadrut membership dues, goes towards the maintenance of the Union's medical services. Employers of temporary workers have to contribute an amount equal to 12½% of wages toward a special Histadrut fund providing sick pay and vacation pay for temporaries.

The National Insurance Institute, a government agency, guarantees social security, maternity benefits and accident insurance.

Accident insurance provides 75% of wages for the period of disability. To cover old age employers pay 1.9% of wages on behalf of each employee, while the workers pay 1.4%

deductible at source. The responsibility of accident insurance is solely that of the employer.

The various insurance and pension funds of Histadrut serve 300,000 members and have accumulated a capital of IL 500 million. The normal employees' contribution to this fund established by collective agreement is 5% of wages, while the employers' contributions are between 5% and 11%.

Labour Economy—Co-operatives

The General Co-operative Association of Labour in Israel set up by Histadrut is known as 'Hevrat Ovdim'. The trade union movement is totally integrated with the Co-operative movement. The objectives are to hasten the economic growth of the country, to create employment for the workers and to expand the sector of economy owned and controlled by the workers. The activities fall into two main categories:—

- (a) autonomous Co-operative societies in every branch of the economy
- (b) economic enterprises owned directly and collectively by the entire membership of Histadrut.

Hevrat Ovdim represents the economic interest of the general membership in the Co-operative societies. Where there is collective membership of Histadrut in larger enterprises Hevrat Ovdim is incorporated as the Histadrut holding company.

The economy of Israel is a mixed economy in which public and private sectors participate. Approximately one third of the national economy is managed by government institutions; one third by the labour movement while the remaining sector is organized by private enterprise.

The labour sector, including the co-operative societies owned by labour, and the enterprises collectively owned by the trade union movement, *employs 175,000 workers with a*

gross financial turnover of IL 3 billion. While the labour sector extends to all branches of economic activities, the emphasis has traditionally been placed on building and agriculture. It is now undertaking a pioneer role in basic industries.

The extent of labour enterprise and labour co-operatives are reflected in the occupational breakdown of its employees as follows:—

Agriculture	-	-	93,000
Industry	-	-	29,000
Building & Public Works	-	-	17,000
Transport	-	-	12,000
Trade, Finance, etc.	-	-	25,000

The labour co-operative societies primarily organize agriculture, transport and commerce, while collectively owned enterprises of the workers carry out activities in industry and building, based on reinvestment of all profits. Once a new enterprise is established in the labour sector it has to pay its way and live up to standards.

The labour sector contributes over a quarter of the total national income.

The most daring venture of the Histadrut is the agricultural collective settlement (Kibbutz) considered by many as the most advanced stage of social organisation based on voluntary association. Here is an Utopia of human idealism demonstrating its practical validity as a living example. Here the community collectively owns all assets and through group enterprise and management produces agricultural wealth. Children are brought up in the nursery rather than in the individual home. This form of agricultural social institution based on mutual aid, collective buying and selling and collective ownership has no parallel in the democratic world.

In the field of labour co-operatives, over 200 producers' and service co-operatives with nearly 7,000 members and employing 13,000 workers are to be found in light metal-

working and wood working industries, printing, bakeries, kerosene distribution, laundries, restaurants and other services.

Consumer co-operatives employ some 150,000 families in their 370 societies and 1,100 branches.

Histadrut-controlled enterprise is an original conception, placing the labour movement in the vanguard of national economic development. By rigid reinvestment of all profits the capital accumulation of Histadrut-owned enterprises became phenomenal. Every member of the labour movement is a shareholder and guarantor of its economic enterprises.

Histadrut's most outstanding corporation is "Koor" which is the largest agent of heavy industry in the country. The Central Wholesale Society of the Co-operative Movement and the Central Marketing Agency of the agricultural settlements are other big enterprises. Plants operated by these companies include:—

- (a) a steel rolling mill
- (b) glass works
- (c) iron foundries
- (d) edible oil factory
- (e) soap manufacturing plant
- (f) canneries, and many others.

Histadrut industrial concerns, in conjunction with private capital, produce high-quality cement and rubber tyres. These industrial concerns, owned and controlled through the Secretariat of Hevrat Ovdim, employ over 20,000 workers.

For the manufacture of building materials and quarrying, Histadrut owns the largest Corporation in the country. Another enterprise operates seaports and undertakes extensive construction contracts in Asia, Africa and Europe. The second largest Commercial Bank in the country, the Workers' Bank, is owned by Histadrut. It also owns Hassneh

Insurance Company, the largest insurance firm in the country.

In partnership with the government, Histadrut has played a prominent role in the development of the country's international and internal Airlines, a marine company, oil exploration and exploitation concerns, water supplies to the cities and for irrigation, agricultural plantations and other ventures. All these companies plough back profits either in their own concerns or in new investments, thus accelerating their growth. The ability and dedication of the management personnel of Hevrat Ovdim are qualities rarely seen elsewhere.

Histadrut is the largest employer in the country—a fact which puzzles foreign observers. In most countries the Co-operative Movement is a separate branch of the labour movement, but in Israel, ever since its inception, the trade unions and the labour co-operatives were collectively responsible to the elected organs of Histadrut and to the entire membership.

Workers' Participation in Management

Histadrut strives to establish industrial democracy in the labour sector. The democratic spirit must permeate all branches of activities of the industrial society. In about 30 enterprises joint plant councils have been established for joint consultation on all matters pertaining to the operation and policies of the plant. The Workers' Representatives are taken into the complete confidence of the management on every problem such as production programmes, investment policies, equipment, rationalization, quality control, supply, prices, marketing, financial accounts, etc.

In cases where joint productivity councils were in operation, they were merged with the new joint management councils. Histadrut and Hevrat Ovdim have also proposed a far-reaching programme for workers' participation in management.

Education and Culture

The Histadrut Education and Culture Centre was created by merging various educational organs of the Histadrut, following the enactment of the Compulsory Free Education Law in 1953. This institution is the foremost organ of education in the country.

During the long period prior to independence, when education was neglected, Histadrut itself operated schools for the education of members' children.

Since the educational functions have been taken over by the government, Histadrut's educational functions today are confined to adult education and the development of the youth movement.

The Education and Culture Centre chalks out plans and coordinates activities on a national scale and works in co-operation with the local labour councils and other Histadrut institutions. This Centre co-operates closely with national and local government and with many other public institutions.

The Histadrut has two permanent Colleges: the Workers' College in Tel Aviv and "Ohelo" in the Jordan Valley. At these Colleges labour seminars are held, some lasting many months, for shop stewards and other union officials, for leaders in immigrant communities and education workers for youth leaders and many other groups. These colleges also play host to seminars of foreign visitors.

The vocational training department of Histadrut operates on a national scale in conjunction with the Ministry of Labour. The trades taught in schools of RESHET AMAL include Mechanical and Electrical Engineering, Auto-engineering, Aero-mechanics, Electronics, Radio, Printing, Agronomy and Carpentry. Vocational training activities are also undertaken by the Women Workers' Movement and by many of the trade unions.

Histadrut's Labour Youth Movement has a membership of 75,000 comprising 45,000 teenagers in schools and 30,000

working youth. This movement inculcates in the youngsters the values and goals of organised labour and the pioneering spirit which imbued its founders.

Co-operation*

IT IS A RATHER remarkable fact that organised co-operation in Singapore is almost non-existent, apart from a few thrift and loan societies. This is in direct contrast with virtually the rest of the world, developed and underdeveloped, as the following table shows:—

Country	Co-op. members as percentage of population		
Iceland	-	-	40
Denmark	-	-	32
Israel	-	-	29
Great Britain	-	-	25
Sweden	-	-	18
United States of America	-	-	10
India	-	-	5.3

It has been estimated that some 20% of the total world population are co-operative members of one type or another.

The contrast is the more remarkable in that in Singapore there is a well organised trade union movement which in many other parts of the world has been the initiator of co-operative ventures for the benefit of the membership. Some possible reasons for the failure of co-operation to take root in Singapore are that trade union leaders had other priorities in the past, including the re-organisation of the trade union movement after the Japanese occupation, the pressing need to negotiate for better wages and conditions of work and, not least of all, the need to participate in the anti-colonial struggle. It is possible too that the formerly

*Prepared by Sdr. Prof. Tom Elliott.

insulated ethnic groups in our community did not have sufficient unity of purpose to ensure a successful co-operative movement. Whatever the reasons, the fact is that the Trade Union Movement has failed to take advantage of a powerful instrument whereby it could improve the economic position of its members, and in the long run exert a decisive influence on the economic development of the country. With the prevailing conditions in Singapore, however, it would seem desirable to take a second and more intensive look at the whole matter of co-operation to discover whether, by its successful implementation, workers could achieve at least as substantial benefits in the future as were formerly secured in the past by prolonged, difficult and sometimes not wholly successful negotiations for higher wages. It is also worth discovering whether co-operation might more easily provide the answers to a number of emerging industrial problems, as for example, co-direction, which is a notoriously unpalatable proposition to industrialists, even if it has found acceptance in the public corporations.

In order to put the whole proposition in perspective, it may be worthwhile to define what is actually meant by the term, enunciate the essential and indispensable principles governing co-operative enterprises, define areas of co-operation that have been found to be practical and successful elsewhere, see which of these could have application in Singapore, and then decide upon the necessary steps to be taken to implement those co-operative ventures considered valuable.

DEFINITION

The simplest definition which covers almost all of the normal forms of co-operation is that it is: "a business organised, capitalised and managed by and for its member patrons, furnishing and/or *marketing at cost* goods or services to its patrons". Member patrons need not consist only of individuals. Partnerships and profit corporations and even co-operatives themselves may operate co-operatives and

Governments have been known to form co-operative business institutions.

Co-operatives have been organised from at least as early as 3,000 B.C. to enable groups of workers to undertake tasks which, individually, they would be incapable of performing. However, it was only around the middle of the 19th century, in response to the changing social and economic system brought about by the industrial revolution, that modern co-operatives began to take form. The models developed by Raiffeisen in Germany, Blanc in France and the Rochdale Pioneers in England set the pattern for all future developments defining the effective areas and basic principles of operation. The Rochdale Pioneers enunciated 10 general principles which in varying degrees have been accepted by all later co-operatives. They are:—

1. Open membership—that is, anyone, at least up to a fixed number, may join the Society on equal terms with the original members, the only basis for rejection being that the individual is of bad character, or does not subscribe fully to the objects of the co-operative.

2. One man, one vote. Not all modern societies maintain this rule, variants being voting according to patronage, or according to shares of stocks held, and some societies even allow proxy voting. All variants tend to reduce the democratic features of co-operation.

3. Cash Trading: Again many co-operatives do not today adhere to this principle which is probably more of an expedient operating practice.

4. Membership Education: This, while being a desirable objective, since so few know what co-operation is about, and probably essential in Singapore, is not an absolute principle but a useful practice.

5. Political and religious neutrality—to which in Singapore should be added ethnic neutrality. Co-operatives have enough problems dealing with economics without entering the political, religious or ethnic arenas, and if the aim is

co-operation, sensitive areas of difference should be avoided if the co-operative is to work.

6. No unusual risk assumption. This is practically essential particularly if capital is limited. Generally co-operative management tends to be conservative.

7. Limited interest on investment capital. This is necessary if the co-operative is to be essentially non-profit-making, and surpluses are to be returned to participants in proportion to their patronage. A suitable rate on investment stock should be not more than the current cost of borrowing.

8. Goods sold at regular retail prices. Goods may either be sold at their true cost, or at the rate other traders are charging whilst returning excess profits to patrons at the end of the year in proportion to their patronage. The latter practice is preferable since it avoids price wars from stronger competitors.

9. Limitation of shares owned. Provided that Rule 2 is strictly enforced this is not an essential rule although it is commonly adopted.

10. Net margins to be distributed according to patronage. The Rochdale Pioneers decided that whatever was left after paying operating costs and interest on loan capital, should be distributed to each member according to the amount of business each had done. This Rochdale Principle is perhaps the only real and universal co-operative principle, and forms the essential basis of co-operation in whatever area it is pursued. Today the International Co-operative Alliance—the international association of the more important national co-operative associations—has stated that the essential features of co-operation are open membership, democratic control, patronage refunds, limited interest on equity capital, voluntary affiliation, and freedom from State control. Of these the hard core principles are:—

- (a) Service at cost to member patrons
- (b) Democratic control by participating members
- (c) Limited returns on equity capital

To bring these considerations into account, the definition of a true co-operative may be restated as follows:—

“An Association, usually incorporated, with economic aims, formed by or for persons or co-operators having common needs, each having effectively equal voice in its management, making approximately equal or proportional contributions to equity capital, and deriving proportional services and benefits from it”.

Quasi-co-operatives are those which maintain at least one of the three hard core principles.

TYPES OF CO-OPERATIVES

In those countries where co-operation has taken firm roots, the following types of co-operative venture have been successfully established and it is reasonable to think that some at least might be equally successfully introduced in Singapore:

- (a) Consumer co-operatives
- (b) Rural co-operatives for agricultural producers
- (c) Industrial and small business co-operatives including workers' productives
- (d) Housing co-operatives
- (e) Credit co-operatives and co-operative banks
- (f) Insurance co-operatives including health insurance co-operatives
- (g) Investment co-operatives or mutual funds

It is perhaps pertinent to point out that because of the failure of the trade unions to enter this field, some at least of these activities have been taken over by the Government itself, which operates provident, health and housing schemes and the role of the trade unions in these areas can only be supplementary in these cases where the provisions are only marginally adequate.

Consumer Co-operatives: Appear 'prima facie' to offer the best opportunities for trade unionists to provide a genuine service to their membership and increase the real value of wages earned. First successfully operated by the Rochdale Pioneers, they were the original type of co-operative venture, and the organisational and operational procedures they developed to deal with the problems they encountered have become the practical models on which today almost all other co-operative ventures throughout the world base themselves. The German consumers' co-operatives demonstrate the potentialities most clearly. They are characterised by a particularly streamlined and clear cut type of organisation. Brought into being by the voluntary association of consumers, they have as their prime function the provision of practical, cheap and wholesome goods for their members, who at the same time are their customers. This is achieved by rationalizing both the wholesale and retail distribution, and in some cases the manufacture of consumer goods. Profits are distributed, not to the share-holders as such, but to the member consumers in proportion to their purchase. They operate in free competition with private, retail, wholesale and manufacturing enterprises.

Whether they survive depends entirely on whether they are attractive, whether they can secure economic advantages for their members and whether they can command the loyal support of these members. Membership is voluntary and unlimited, important points which ensure the continuity of the co-operative and the surpluses of the association are distributed only to members. At the retail level although non-members may utilise the services of the co-operatives, government of the co-operative societies is by members only. It is essentially democratic, based on the 'one man, one vote' principle and is exercised by the General Meeting, the Executive Committee and the Supervisory Board. Members only may belong to these authorities and proxies are not allowed. The Executive Committee comprises at least two members. It conducts current business and

represents the co-operative. The Supervisory body is a Committee of the General Meeting whose function is to ensure that the activities of the Executive Committee are in line with the expressed wishes of the General Meeting. Finally, the General Meeting, including all members, is the supreme authority and makes all fundamental decisions of policy, decides on questions of general management and appoints the members both of the Executive and Supervisory Committees. Members have three basic rights—the right to vote on all relevant matters, the right to make use of all co-operative facilities and finally the right to share in all accumulated surpluses.

At an intermediate level are the district associations of consumers' co-operatives, which sponsor regional systems, act as advisory bodies to the local retail organisations, provide auditing services and advice on management methods, both of which are vital for success. Although the functions of the Association of Consumers are required, whether a separate regional organisation is needed in Singapore is debatable.

At the top level is the Federal Association of Consumers' Co-operatives which represents the interests of the movement with the public, the Government, Government Authorities, Industrial and Economic Associations and other Co-operative Associations. This body ensures and stands for the solidarity and strength of the whole consumers' co-operative movement. All consumer co-operatives are members and express their views through their nominated representatives.

Whether the German model in all its details is suitable for direct transplantation to Singapore is a matter for careful consideration. Whatever the answer, the essential idea of a consumer co-operative has many attractive features. It would at the very least allow trade unions to use their reserves more profitably than at present. It would provide a substantial benefit to the membership; it would enable the trade unions to direct in no small way the pattern of economic

development in open competition and on equal terms with employers and it would help to increase employment opportunities. It is the view of the consumers' co-operatives of the Federal Republic of Germany that important as is the promotion of members' economics, there is the almost equally important goal of effectively influencing the economic system in such a manner that it tends more and more to coincide with the interests and purposes of the 'general consumer'.

Rural Co-operatives: It is probable that rural co-operatives, in industrializing Singapore should not be an immediate priority, although the opportunities that the promotion of rural co-operatives provides for drawing a large and at present unrepresented sector of the community into the field of trade unionism should not be permanently neglected. The priority should probably be to invest in those areas which by their profitability will produce reserves of capital for further development of co-operative ventures.

In Denmark, Germany and America rural co-operatives are particularly important. In the latter country, there are over 24,000 rural co-operatives, including 11,000 service type co-operatives, 5,600 marketing co-operatives, 3,200 supply co-operatives and 2,100 credit co-operatives. Such enterprises negotiate prices with processors, provide services such as ploughing and processing of farm products, purchase stock and grain at advantageous rates, and provide credit facilities at equitable rates. Whether these are proper activities for the trade union movement at the present is a matter for careful study, but one feature, the provision of thrift and loan facilities (which has become perhaps the dominant feature of the German rural co-operatives) already operates in Singapore essentially on the lines that Raiffeisen, the German originator of credit co-ops, conceived them. His main idea was that only people who belong to the credit union could borrow from it, that loans would only be made at low interest, for provident and productive purposes, that a man's character was the most important security for his loan, and that all the members of a credit union should

have a common bond of interest holding them together. Our existing thrift and loan societies operating through the unions could, with profit, co-ordinate and extend their activities providing through the investment of their funds the necessary loan capital to finance consumer co-operatives, industrial co-operatives and the workers' bank to be discussed later.

Housing Co-operatives: The activities of the Housing and Development Board are such that there would appear to be little room for a co-operative enterprise of this nature—unless it were to be to provide very low cost housing for those workers who are unable to afford the rents for Housing Board flats.

Insurance Co-operatives: Provident Fund benefits, and in many unions, negotiated health benefit schemes, while not providing optimum covering, at least satisfy essential needs, and it is perhaps doubtful whether available funds should at the present time be diverted to these needs. If the cost of medical care were to increase substantially there might be a case for Blue Shield Schemes on the American pattern and a survey should be undertaken to discover the extent to which union members would subscribe to a mutual insurance scheme for coverage, for example of fire, theft, accidents, life and school fees, on the co-operative principles of management by members, no profits for outsiders.

Credit Co-operatives and Co-operative Banks: The complexity of modern banking practice has deterred many co-operative organizations from entering into this form of activity. Nevertheless, most well established co-operative ventures have ultimately found a compelling necessity to set up their own banking operation. If it is decided that a co-operative or workers' bank in Singapore is a necessity, top level expertise must be paid for and experienced management must be recruited. Again the operative principle should be that the profits of the venture should be distributed to the participants in proportion to their participation, rather than to shareholders. As an indication of the scope and activities of

such a bank, the British Co-operative Wholesale Society Bank may be cited.

The C.W.S. Bank functions as banker not only to the Co-operative Movement but also to the majority of trade unions and many public authorities, friendly societies and individuals. It has, therefore, the primary duty of any banker of safeguarding its depositors. This necessitates the holding of assets possessing adequate security and liquidity. Thus its banking resources are no more suitable to be tied up in long-term productive or trading ventures than are those of other banks.

Nevertheless, within the limits of prudence, the Bank does something to redistribute the surplus capital of some societies by receiving it as deposits and lending it as overdrafts to societies which are short of capital. Overdrafts are, however, essentially short-term loans and not a proper means of financing long-term ventures, hence the long-term capital shortage of some societies is not likely to be met by a bank redistribution of capital. It can only be properly met by the members of such societies investing more in them. No society should rest content with anything short of self-financing.

By concentrating the surplus capital of the societies as deposits in the C.W.S. Bank, the societies obtain the advantages of the principle of 'massed reserves' and consequently a more economical employment of capital. Every society needs to hold some liquid assets to meet probable demands for withdrawal of share capital. If each society were completely independent, each would need to hold a proportion of liquid assets to meet possible withdrawals which in the aggregate would far exceed what was necessary. For example, the Independent Commission pointed out that never in the history of the Movement had withdrawals exceeded three per cent of share capital per annum. Yet many societies at times have had to meet much heavier withdrawals than that, thus each must keep a proportion of liquid assets with these possibilities in mind. Deposits with the C.W.S. Bank can form

such assets, but the Bank does not need to keep as large a proportion as do the individual societies, for abnormal circumstances leading to a run on share capital against which each society must make provision are not likely to affect the Movement as a whole. A heavy run on a few societies, for instance, would be only a small proportion of the liquid reserves of the Bank.

Thus, by concentrating capital, the societies increase their financial strength at less expense and release capital for more remunerative purposes. These may be in the form of loans by the Bank to its trading and productive enterprises (and their use in these ways of course benefits the retail societies), loans to assist retail societies to meet temporary financial difficulties, or in investments.

Industrial Co-operatives: The ex-political detainees have already demonstrated that small scale industrial co-operation is a possibility in Singapore, and with the right choice of venture there is no reason why some of the industrially-oriented or craft unions should not devote some of their reserves of capital and expertise to the setting up of suitably chosen industrial co-operatives. Such ventures could provide excellent employment opportunities for the children of trade union members, who currently find difficulty in obtaining employment. Workers' Co-operatives were first proposed by Louis Blanc in France in 1848. He insisted that workers should own and control the tools, machines and other instruments of production. Realizing that the workers would have difficulty in organizing these co-operatives he advocated that the Government should intervene and set up the co-operatives and later withdraw when the workers became able to manage them. This in fact was the origin of the Government-aid-to-Co-operatives concept which has been widely adopted in developing countries and has been particularly successful in France itself. Whether it would be desirable in the Singapore trade union movement should be a matter for careful consideration. However the proposition is not novel, because, the Government, formerly through

the Economic Development Board, and currently through the Development Bank, is accustomed to subscribing to the equity capital of economically attractive or socially desirable industrial ventures.

The success of the C.W.S. Bank is indicated by the following figures:

Year	No. of current and deposit accounts	Amount held in current and deposit accounts
1939	73,382	—
1948	102,721	£1,334,595,000
1958	163,410	£5,042,323,000

Even as a modest beginning a Workers' Bank could be set up to invest more profitably the assets of trade unions usually held in commercial bank fixed deposit loans, and drawing at the most 6% per annum.

STEPS TO BE TAKEN TO FORM CO-OPERATIVES

With the lack of expertise and experience of co-operatives in Singapore, expert advice is essential. In the first instance, the Trade Union Movement should resolve to investigate the desirability of setting up co-operatives in those areas where there is a definite and immediate need. It should then, in the event of an affirmative decision, seek through the Government of Singapore, the assistance of an expert adviser seconded from the International Co-operative Alliance with assistance from the United Nations Organization. Whilst awaiting the arrival of the expert, the N.T.U.C., which is the most suitable organization to initiate, organize, and operate co-operatives ventures, should set up the appropriate study groups to ensure that fruitful discussions and positive decisions could be arrived at after considering the views of the expert. These study groups, which would ultimately become the organizing committees, should be drawn from as wide a cross section of the trade union movement as

possible, and should determine in a preliminary way potential membership, plant and equipment needed, financial plans and policies. They should also conduct an economic survey, seeking where necessary, assistance from the N.T.U.C. Research Unit, the University, various agencies of the Government, other established co-operatives in countries overseas, and if necessary, private research and consulting firms.

Legislation: One final point needs mention. The experience of all the pioneers in co-operation in Germany, France and Great Britain has been that co-operatives have only been able to develop successfully where there has been effective legislation. For example, in Germany, co-operatives did not flourish till 1890 when the law was changed which required that members of co-operatives should accept unlimited liability for their ventures. The German experience has also shown that a fruitful co-operative development can occur without Government assistance and supervision, given that an adequate legal basis is provided. What is required is a form of legislation which will enable co-operation to function on equal terms with capitalist private enterprise and which ensures that the co-operative movement is not unduly controlled by bureaucratic officials. The essential considerations concerning legislation for co-operatives are laid down in the I.L.O. Report IV-2 on 'The Role of Co-operatives in the Economic and Social Development of Developing Countries' which is so important that it is quoted in full:

LEGISLATION

11. All appropriate measures should be taken:—

- (a) to detect and eliminate provisions contained in national laws and regulations which may have the effect of unduly restricting the development of co-operatives through discrimination, for instance in regard to taxation or the allocation of licences and quotas, or through failure to take account of

the special character of co-operatives or of the particular rules of operation of co-operatives;

- (b) to avoid the inclusion of such provisions in future laws and regulations.

12. There should be national laws or regulations specifically concerned with the establishment and functioning of co-operatives, and with the protection of their right to operate on equal terms with other forms of enterprise. These laws or regulations should preferably be applicable to all categories of co-operatives:

12. (1) Such laws and regulations should in any case include provisions on the following matters:—

- (a) a definition or description of a co-operative bringing out its essential characteristics, namely that it is an association of persons who have voluntarily joined together to achieve a common end through the formation of a democratically controlled business organization, making equitable contributions to the capital required and accepting a fair share of the risks and benefits of the undertaking in which the members actively participate;
- (b) a description of the objects of a co-operative, and procedures for its establishment and registration, the amendment of its statutes, and its dissolution;
- (c) the conditions of membership, such as the maximum amount of each share and, where appropriate, the proportion of the share due at the moment of subscription and the time allowed for full payment, as well as the rights and duties of members which would be laid down in greater detail in the by-laws of co-operatives;
- (d) methods of administration, management and internal audit, and procedures for the establishment and functioning of competent organisations;

- (e) the protection of the name 'co-operative';
- (f) machinery for the external audit and guidance of co-operatives and for the enforcement of the laws and regulations.

(2) The procedures provided for in such laws or regulations, in particular the procedures for registration, should be as simple and practical as possible, so as not to hinder the creation and development of co-operatives.

13. Laws and regulations concerning co-operatives should authorize co-operatives to federate.

Education for Leadership in the Labour Movement*

Aims of Workers' Education

THE MODERN STATE runs an educational system pursuing educational aims in conformity with up-to-date theories and the practice of serving the economic and other needs of society. In addition, literary agencies and the mass media, run by the state or by statutory boards as the case may be, also play important roles in creating literacy and modern attitudes.

A progressive labour movement must also firmly believe in the desirability of establishing its own education programme. Only by proper education can unions realise their long-term goals and ideals. It is obvious that the educational programmes undertaken by unions must have specific aims and objects, which must be clearly defined so as not to contradict the long-term objects of both the State and the trade union movement as a whole.

The following long-term aims should always be stressed by Singapore's labour movement:

Long-term Objectives

1. A more equal and a more just society in the whole world, with all workers by hand and by brain receiving the share they merit of its product.
2. A high and therefore satisfactory standard of living, in the full sense of this phrase, for all citizens of Singapore within a democratic political framework.

* Prepared by Sdr. Gerald de Cruz.

3. Ways and means by which Singapore's labour movement can play a full role in equal working partnership with the Government and management towards the attainment of the above objects.
4. Support for and participation in regional plans to enhance economic stability and growth, cultural interchange, workers' unity and friendship among the nations of Southeast Asia.
5. Full involvement in dynamic programmes of modernization and nation-building in Singapore that contribute to the safeguarding and promotion of our security, our liberty and our prosperity, as an independent Republic.
6. Support for the twin pillars of government planning and free competition to attain our economic goals.
7. Inculcation, throughout our labour movement, of faith and conviction in the techniques and values of a democratic society as being the best guarantee of workers' liberties in the modern world; and that a strong labour movement is one of the bastions of democracy.
8. Full and permanent employment suited to the needs and abilities of workers.
9. A just and equitable distribution of wealth and incomes.
10. The elimination of all abuses of economic power.

There are some other basic considerations that should be taken into account in the running of trade union courses at N.T.U.C. and union level.

The first is the need for careful identification of the "key" men in the union and insistence on their attending general courses and refresher courses to keep them knowledgeable, up-to-date, keen and responsible.

Secondly, there is the need to appreciate that education is more than mere knowledge of the contents of a course. Education is in fact going on all the time. As trade union educationists we have to ask the question: What sort of education do we wish to impart? A course of studies is a

canalisation of education to achieve the kind of results that will contribute to the growth, and not to the decline of a union—as unstructured, “spontaneous” education too often does.

Thirdly, irrespective of the nature of the courses that are offered, there should be the underlying need to strengthen the will, confidence and determination of the trade unionists to think freely and independently about problems involving the labour movement. He should also develop his sense of self-respect for he is involved in work that is crucial to our society.

The work camps are an example of this. The open air and manual labour on welfare projects in work camps stimulate a sense of well-being and solidarity which is reflected in discussions or bull sessions after a campfire.

The Outward Bound School has proved its worth with students, teachers, youth leaders and others. There is no reason why it should not be organised for trade unionists, old and young. The discipline, the ruggedness, the attempt to stimulate one to achieve hitherto unrealizable goals—these are points in favour of its introduction as an essential part of the training and education of trade unionists.

Short-Term Objectives

The short-term objectives of labour education in Singapore must, of course, vary with the specific problems and needs of particular trade unions.

Careful planning must go into the organisation of individual educational programmes by trade unions, or by the N.T.U.C., Care must be exercised to ensure:—

- (a) that the aims in the training course do not conflict with the long-term objectives;
- (b) that due consideration be given to the over-all goals of our society at any given moment;
- (c) that the course be drawn up after consultation with those who are to be its beneficiaries; and

- (d) that we answer the question what kind of changes we wish to bring about in our student-unionists BEFORE we decide on the kind of course we are going to give.

Do we want them to receive more information? Do we want them to re-examine or change their attitudes? Do we want them to develop a deeper appreciation of certain problems? Do we want them to develop practical skills? Or do we want to stimulate them into action along certain lines? The variety of such questions points to the diversity of educational endeavours in a modern union. The answers to such questions will determine the content of courses arranged.

Another reason why a union's educational aims must be defined is because this will facilitate analysis of results. We cannot really be serious in anything we do—whether in a political party or trade union or business firm—unless we are able to measure our effectiveness. When we can measure the results of our courses we will be able, not only to correct mistakes, but also to learn which programmes were effective. This is imperative if our labour education is to have cumulative value, instead of being arranged on the basis of exigencies.

Union Education Structure

Today trade union education in Singapore as a whole—with classes being conducted in schools all over the island—is inadequate. Just as the community centres have a central institute for training youth leaders, the N.T.U.C. and its affiliated unions should also establish a Workers' College for the education of trade unionists.

The establishment of such a College is a matter of priority. Moreover, it is important that both at N.T.U.C. level, and at union level, full-time officers, responsible only for trade union education, be employed. In every union there should be at least one full-time education officer.

The N.T.U.C. has so far achieved much in this field, but it is far from sufficient. This seminar can well provide the stimulus for a new beginning in more effective education for leadership roles in Singapore's labour movement.

Method in Workers' Education

It is said that 'the lecture is perhaps the best-known, simplest to use, and most abused device in the educational tool-kit'. It can also, quite simply, be self-defeating. That is why far more attention should be paid, in future, by Educational Officers in our Trade Union Movement, to ensuring that the educational techniques used must be appropriate to the aims laid down in a particular course.

Today there is a wide variety of techniques that may be used to educate trade unionists—varying with the objectives that have been decided upon.

The lecture method (also used in forums, symposiums, brains' trusts, and debates) is suitable when what is needed is one-way communication: the dissemination of information, views or publicity. It is true that questions are asked—but how many are, in fact, asked during the average lecture? Most of the audience have no opportunity to participate actively.

For the basic purpose of conveying information or knowledge, the lecture is the best tool we have. But it should not be overworked on behalf of other objectives for which it is an inadequate tool.

There are two other occasions when a lecture is important. Sometimes very important people want to speak to us and we need to meet and hear them. But the V.I.P.s have limited time to spare. Under such circumstances a talk, or lecture, fills the bill most appropriately.

Lectures also play an important role when blended with other media. For example, a conference can begin with a short lecture, and then can break up into groups for discussion, role-playing, sketches, etc.

The discussion programme is another invaluable tool in trade union education. Where workers have come to use it, they have often admitted that they have learned more from this technique than from any other.

It needs careful planning, patience and skill, because a discussion programme is two-way communication. It stimulates group involvement by giving every one a chance to contribute. It is often observed that when five ignorant individuals get together and pool their lack of knowledge, they often come out with a very impressive positive out of their five apparent negatives. Nothing is better than a dialogue to produce ideas or to sharpen them. Moreover, as Marshall McLuhan, the philosopher of modern mass media of communications, has so cogently put it, "The medium is the message". The lecture is an authoritarian medium whereas the discussion is a democratic one.

To absorb information, to understand the drift of ideas, to exchange information and experience, to analyse facts and opinions, to correct misinformation and to modify or change attitudes, no technique is more effective than the discussion technique. It also is capable of anticipating problems, relieving tensions, and stimulating action.

The discussion technique has its disadvantages. Badly handled it can become boring and almost a complete waste of time. It may be dominated by the aggressive person or the unionist with a big mouth. It may therefore create tension instead of relieving it. But all these can be alleviated or cured by a good discussion leader.

Audio-visual techniques like films, tape-records, diagrams, graphs, etc., may be used in discussion groups as much as they can be used in combination with lectures.

Another effective method is that of small group discussion, or sub-group discussion as the Americans call it. In this technique the class or large group breaks up into smaller groups of four to seven per group, to consider a specific problem and find answers to it; sometimes each group tackles a different aspect of the subject under study.

Each group secretary then reports its opinions to the whole class for purposes of comment or criticisms. An overall reporter produces an account of the entire proceedings in digest form. Often this proves to be a most informative report of group participation and involvement on the goals of the course.

Another very important method of trade union education is workshops, where people work together for a time on common projects, in the course of which they may listen to lectures, get involved in discussion or sub-discussion groups, go on field tours for observation and inspection, or work on some practical projects.

To rely on lectures to fulfil all our educational objectives is inadequate and ineffective. Hence there is a case for wider use of the above-mentioned media, particularly in combination.

Content of Workers' Education

Trade union education is basically conceived of as education in the philosophy, principles and functioning of trade unions. There is nothing wrong with this, and it should remain a principal objective of our educational programme. But this by itself is not enough. In the newly independent countries, unionists thus educated are only half-equipped for the task of providing effective leadership.

There are many dimensions in our situation that were unknown in the West at a similar stage of development of their trade unions. Moreover, since our emergence has taken place in the second half of the twentieth century, and not the second half of the nineteenth, it poses special, peculiar and formidable problems and challenges which no trade union can ignore.

We in Singapore, for example, are undergoing at least four revolutions telescoped into one—a political, an economic, a social and a cultural revolution. In addition, our economic revolution itself is four-revolutions-in-one—machine, mass production, computer and electronic—all intermeshed in our grim struggle for survival.

Again, the arena in which this struggle is taking place is undergoing drastic change. The pendulum of power has swung from the Atlantic to the Pacific and in its wake the old Great Powers of the West—France, Holland, Britain—have vanished one by one. In their place have appeared the three Superpowers of the world, the U.S.A., the U.S.S.R. and the People's Republic of China. Under such circumstances, it is not possible for a trade unionist in the Republic to concentrate on being merely a good trade unionist, but paying no attention whatsoever to the new dimensions in pattern and power in which he lives and works.

Today, therefore, in order to survive and prosper under the special strains and stresses, challenges and contradictions, of the second half of the twentieth century, a unionist has to be filled with awareness, sophistication and information of the forces that are re-shaping world history.

A trade union education programme that is worth its salt must provide the union member with the opportunities to learn to be an effective labour leader under these new conditions.

Courses in the changes and contradictions of international communism, the re-shaping of the power structure in Southeast Asia, the dynamics of nation-building in Singapore etc., must be as much part and parcel of the new trade union education as courses in trade union structure or collective bargaining.

Joint Consultation*

INTRODUCTION

THE GROWTH IN THE size of industrial and commercial organisations has brought along with it problems of communication. These problems arise from the fact that it is less easy in a big organisation to get the "feel" of each party's position. This is true irrespective of whether a work force is organised as a union; not organised as yet, as in newly established firms; or in an old organisation where for some reason no labour organisation is anticipated in the foreseeable future.

It has been found that the dimensions of problem areas, ranging from technical, financial to personnel, can to a very great extent be reduced through a form of joint consultative machinery in which both management and work people are represented. The value of such arrangements has been established in countries where industrialization programmes are at various stages of implementation.

THE CONCEPT OF JOINT CONSULTATION

The concept of joint consultation is based on a number of considerations. It has been observed that the employee as a joint partner of the enterprise should be free to develop his own personality. His needs should be recognized. To achieve this, he should be consulted where appropriate on matters affecting his well being especially those vitally affecting him in his job.

This concept also takes into consideration that joint consultation and co-operation between employers and em-

*Prepared by Sdr. S. Ramalingam.

ployee will also supplement private entrepreneurial motivation. That the national trade union organisation participates in the economic and social planning of the country is a further argument in favour of consultation at the level of the undertaking.

The advantages of such an association include the reduction of conflict and the fostering of the spirit of co-operation. It will also mean that direct improvements in productivity and profitability may be achieved. A greater rationality of the organisation and methods of production, smoother introduction of technological change, etc. can also be attained. On the other hand, it must be pointed out that certain forms of consultation may also be evolved pragmatically and independently of any clear cut or particular social, political, or economic reasons. This often comes about on the basis of needs peculiar to the local context.

DEVELOPMENT

With the advance of scientific management, it has been recognized that better technical organisation as well as human organisation are equally important. It is now appreciated that man works for bread, position, and status, and there is the need to overcome a sense of frustration from which workers may suffer. It is wise therefore to promote labour-management co-operation through proper and intensive communication at all levels within the undertaking. Along with the development of this approach in industrial relations is the union's increasing support for democratic process of consultation and the practice of collective bargaining. The idea that the workers should share in decisions which govern the life of an undertaking found varied expression in the teachings of nineteenth century social thinkers, but only towards the end of the First World War did it take practical shape with the establishment, in various countries, of joint committees or works' councils.

After making progress for some years, the movement for workers' participation in decisions in the undertakings

lost its vigour and dropped out of the limelight for more than ten years.

During the Second World War, however, and during the ensuing years, the problem of workers' participation in decision-taking again rose to prominence in the industrial relations field. In particular, this was a time when works councils' or committees were being established or re-established in various countries, in legislative or contractual form.

The International Labour Organisation recognises that mutual consultation would promote industrialisation in a manner essential to an economy anxious to develop in the shortest possible time. Joint consultation contributes towards the realisation of the objective of better use of resources and the attainment of higher standards of living following higher profitability. The ILO has in fact in 1952 adopted a Recommendation in respect of this subject (See Appendix I).

KINDS OF MACHINERY

Consultation and co-operation bodies in undertakings are known by various names, e.g. works' councils, advisory committees, joint production committees or joint productivity committees, safety committees, grievance committees and joint consultative committees. Joint committees are made up of management officials and workers' representatives to discuss matters of mutual interest. Such a machinery may be established by national legislation, through agreement between the two parties, or by tradition, as an accepted practice in industrial relations. In Singapore, it will be by mutual agreements.

FUNCTION

For the survival, growth, and expansion of an undertaking, close co-operation is necessary between management officials and employees. Towards this end a form of joint consultative machinery is a medium, supplementing other

existing media of communication between employer and employees, and could fulfil the following functions:—

- (a) *Industrial Relations*: Promotion of good management/employee relations through exchange of information and providing the opportunity of detecting problem areas and suggesting remedies.
- (b) *Education*: Through discussions both parties can gain a better insight into the various aspects of the organisation's operations and appreciate its problems.
- (c) *Productivity*: Joint interests of employer and employees can be focussed upon the best possible use of all available resources. Waste of all forms can be minimised or eliminated and better utilisation made of all factors of production.
- (d) *Welfare*: Promotion of employment security, safety and health, and work satisfaction.

SUBJECT MATTER

Areas of common concern to management and employees are wide. The following in particular could be identified:—

- (a) *General Policy*: In the case of introduction of technological change, career prospects by both workers and management and the various aspects of communications policy can be discussed.
- (b) *Economic Matters*: Co-operation in the area of population and workshop management is an essential pre-requisite for smooth and efficient operation of the enterprise. This may extend to the question of sharing the benefits derived after readjustments or reorganization.
- (c) *Employment & Personnel Policy*: This includes related matters on recruitment, transfer, promotion, discipline, lay-off, etc. The emphasis here is often laid on non-discrimination and fair play, and scientific approach where possible.

- (d) *Remuneration & Conditions of Work*: In so far as they are subjects of negotiation, they will not be discussed. However, the implementation of agreements and the interpretations of provisions could often be topics of mutual concern and co-operation is possible. The atmosphere, for example, could be cleared prior to the introduction of incentive schemes.

RELATED FACTORS

The following are among the factors connected with the nature and form of consultative machinery that may be introduced in an undertaking:—

- (a) Legal provisions currently in force;
- (b) Undertaking's autonomy and characteristics of the management;
- (c) General features of the industrial relations system;
- (d) The role of employers' and workers' organisations;
- (e) Level of economic, social and cultural development;
- (f) Entrepreneurial motivation of the population.

Bearing in mind the above factors, a form of consultative machinery can be introduced, with provisions drawn up on the undermentioned aspects:—

- (a) Internal structure;
- (b) Nature of power;
- (c) Responsibilities;
- (d) Specific terms of references:—
 - (i) Subject matters;
 - (ii) Safeguards.

The structural set up varies according to the type of joint consultation intended by the parties; e.g. to set up a joint consultative committee on Health and Safety would probably involve the company's personnel officer, doctor (if any) and any officer who has the authority to implement decisions on behalf of the establishment while the heads of sections or foremen will represent the employees.

Contrariwise, a joint consultative committee for the purpose of general consultation could have top management representatives, with authority and power to decide for the establishment, while the employees elect, subject to the approval of the union (if necessary), the required number of representatives from their rank and file.

Whatever the structure of joint consultation to be implemented, a committee can only be effective if there is a member representing the management who has authority and power to make and implement decisions. The absence of such a representative has often been the weakness in many joint consultation committees, and can do more harm than good by creating more grievance and frustration due to the inability of the committee to make or implement any decision.

Members of the committee must bear in mind in any joint consultation meeting that the objective of the concept of such a machinery is co-operation in order to achieve increased productivity. There must therefore be an atmosphere of cordiality, with frank and open-minded discussions over any topic. There is no room for emotional and heated arguments during a joint consultation session.

Another aspect concerns the opinions of third parties during joint consultations. Such opinions are invaluable as they clear away ignorance and doubts while giving as accurate a picture as possible of any matter to the joint consultation committee. Meetings often digress from their objectives, with each member of the committee vainly endeavouring to display their ignorance, when there are no third parties to render expert opinions.

Finally employees must from the start insist that the management should not be represented by a third party, except in an advisory capacity, lest it defeats the purpose of direct communication in joint consultation.

TEXTS ADOPTED BY THE INTERNATIONAL LABOUR
CONFERENCE AT ITS 35TH SESSION

(Geneva 1952)

*Recommendation [No. 94] Concerning Consultation and
Cooperation Between Employers and Workers at the level of
the Undertaking*

THE GENERAL CONFERENCE of the International Labour
Organisation,

Having been convened at Geneva by the Governing Body
of the International Labour Office, and having met in its
35th Session on 4th June 1952, and

Having decided upon the adoption of certain proposals with
regard to consultation and co-operation between employers
and workers at the level of the undertaking, which is included
in the sixth item on the agenda of the session, and

Having determined that these proposals shall take the form
of a Recommendation designed to be implemented by the
parties concerned or by the public authorities as may be
appropriate under national conditions, adopts this twenty-
sixth day of June of the year one thousand nine hundred and
fifty-two the following Recommendation, which may be
cited as the Cooperation at the Level of the Undertaking
Recommendation, 1952:—

- (a) Appropriate steps should be taken to promote consultation and co-operation between employers and workers at the level of the undertaking on matters of mutual concern not within the scope of collective bargaining machinery, or not normally dealt with by other machinery concerned with the determination of terms and conditions of employment.

- (b) In accordance with national custom or practice, such consultation and co-operation should be:—
- (i) facilitated by the encouragement of voluntary agreements between the parties, or
 - (ii) promoted by laws or regulations which would establish bodies for consultation and co-operation and determine their scope, functions, structure and methods of operation as may be appropriate to the conditions in the various undertakings, or
 - (iii) facilitated or promoted by a combination of these methods.

*RESOLUTION CONCERNING CONSULTATION AND
CO-OPERATION BETWEEN EMPLOYERS & WORKERS
AT THE LEVEL OF THE UNDERTAKING*

The Conference,

Considering that the International Labour Conference, at its 35th Session, adopted a Recommendation enunciating the principle of the consultation and co-operation between employers and workers at the level of the undertaking;

Considering that the Declaration of Philadelphia recognises the solemn obligation of the International Labour Organisation to further among the nations of the world programmes which will achieve the co-operation of management and labour in the continuous improvement of productive efficiency and the collaboration of workers and employers in the preparation and application of social and economic measures;

Considering that employers and workers recognise that consultation and co-operation on a basis of mutual confidence render an essential contribution to the efficiency and productivity of an undertaking, and also contribute to the social and economic well-being of the workers, and considering that governments also recognise that it is in the

national interest to encourage consultation and co-operation between employers and workers at the level of the undertaking;

Realising that the wide diversity of national practices and the different stages of development attained by the various countries make it difficult to frame precise or universal standards which should govern the principles and practice of consultation and cooperation between employers and workers at the level of the undertaking;

Desiring, however, to further the efforts being made in different countries by the parties concerned towards consultation and co-operation between the employers and workers at the level of the undertaking;

Decides to embody in the present resolution the provisions set out in paragraphs 1 to 7 below by which the parties concerned, acting on a voluntary basis, or the public authority making laws or regulations, may be guided when making arrangements for consultation and co-operation between employers and workers at the level of the undertaking:

- (1) The representatives of the workers on bodies for consultation and co-operation should be freely appointed or recalled by the workers themselves in the undertaking.
- (2) The different categories of workers employed in the undertaking should be represented on an appropriate basis on the bodies for consultation and co-operation.
- (3) (i) Bodies for consultation and co-operation should have the essential function of increasing understanding of each other's point of view between all parties in the undertaking on a basis of real equality of discussion, and of assisting management by giving advice, information and suggestions on matters relating to production and the comfort and well-being of the workers.

- (ii) In accordance with national custom or practice such consultation and co-operation should be—
 - (a) facilitated by the encouragement of voluntary agreements between the parties, or
 - (b) promoted by laws or regulations which would establish bodies for consultation and co-operation and determine their scope, functions, structure and methods of operation as may be appropriate to the conditions in the various undertakings, or
 - (c) facilitated or promoted by a combination of these methods.
- (4) The managements of undertakings should take appropriate measures to facilitate the proper functioning of bodies for consultation and co-operation such as—
 - (i) placing at the disposal of the body for consultation and co-operation the premises, material, and, in appropriate cases, the staff essential to its meetings or indispensable for its secretariat;
 - (ii) informing the body for consultation and co-operation, at regular intervals, and not less than once a year, regarding the activity of the undertaking and the plans for the coming 12 months, and to give general information regarding the economic and technical situation of the undertaking;
 - (iii) allowing the representatives of the workers the necessary time to perform their functions without loss of pay.
- (5) Appropriate measures should be taken to ensure that members of bodies for consultation and co-operation should not disclose confidential information which may be brought to their knowledge during the performance of their functions.

- (6) Appropriate measures should be taken to ensure the adequate protection of the representatives of the workers against discrimination because of the exercise of their functions.
- (7) All parties concerned with the activities of bodies for consultation and co-operation should take special measures to keep the whole of the personnel informed of such activities subjects to the non-disclosure of confidential information referred to in paragraph 5 above.

The Conference requests the Governing Body to invite the Director-General to follow the developments in the different countries in this matter very closely and to report thereon to the Governing Body.

N.T.U.C. Functions and Activities

(as carried out in 1968/1969)

THE GROWTH OF THE N.T.U.C. has taken place in the context of new problems of leadership and discipline, of consolidation and of the definition of the role of the labour movement in the new political, social and economic situation which faces Singapore.

Despite the problems and difficulties confronting the N.T.U.C., it has made much headway as a modern trade union movement.

This paper is a brief description of the N.T.U.C.'s various functions and activities in a variety of different fields in the period 1968-1969:—

Industrial Relations

Legal Matters

Organization of Unions/Branches

Research (including Library)

Workers' Education

Social, Cultural and Recreational Activities

International Affairs

Public Relations

Representation on Statutory Boards

INDUSTRIAL RELATIONS

One of the paramount concerns and major preoccupations of N.T.U.C. has been to seek industrial justice for the working class. That Singapore workers today enjoy some of the best

**Prepared by Sdr. Lawrence Sia Khoon Seong.*

terms and conditions of work in Asia, is due in no small way to the efforts of the N.T.U.C.

In many instances the N.T.U.C. has helped affiliated unions to bring about better wage levels for their members, better fringe benefits and better security of tenure.

Services rendered by N.T.U.C. Research Unit personnel (industrial relations section) included:—

- (a) Appearing on behalf of the Union as Union advocates in Arbitration Court cases.
- (b) Appearing on behalf of the Unions in negotiations between Union and management.
- (c) Drafting of memoranda and letters in connection with Union claims on behalf of Unions.
- (d) Assisting in the preparation of Union cases for presentation at Arbitration Court.

LEGAL MATTERS

The N.T.U.C. Research Unit had until recently two legal officers, one of whom has just resigned to take up private practice.

The duties of the legal officer include:—

- (a) Attending to N.T.U.C. matters requiring legal interpretations and drafting
- (b) Drafting of constitutions of Unions
- (c) Giving legal advice to Unions
- (d) Drafting of memoranda, etc.

FORMATION OF NEW UNIONS

One of the objects of the N.T.U.C. is to promote and assist in the formation of trade unions in the context of securing the effective and complete organisation of all workers in Singapore.

In this objective, the N.T.U.C. has achieved success in the formation of the following Unions and Branches of Unions:—

	No. of Branches	No. of Members
1. Pioneer Industries Employees' Union - - - -	62	5,050
2. Singapore Bus Employees' Union	6	1,809
3. Keppel Shipyard Employees' Union	—	1,958
4. Sembawang Shipyard Employees' Union - - - -	—	1,537
5. Hotel Malaysia Branch of Food, Drinks and Allied Workers' Union	—	470

RESEARCH

The N.T.U.C. Research Unit has its Research Section with at present two Research Officers and a Research Assistant engaged in the compilation, collation and analyses of data pertaining to labour matters.

It is one of the functions of the Research Section to help the N.T.U.C. Central Committee to do research on matters requiring policy decisions, and to present papers on them to assist the N.T.U.C. to formulate policies on certain matters.

The Research Section's library is fairly well-equipped, containing specialised reading and reference materials which include:—

Trade Unionism

Trade Union Laws

Labour Education

Labour History and Development

Collective Bargaining and Arbitration

International Trade Union Movement

Trade Union Journals

Statistical Data in respect of trends of strikes,
Union membership, wage comparisons, collec-
tive agreements, etc.

WORKERS' EDUCATION

In all modern societies it is essential for a worker who seeks to better himself and his conditions of work through his Union to possess the knowledge and understanding of the prevailing conditions under which his Union functions. His participation in a comprehensive Workers' Education Programme can help him to acquire the necessary knowledge and understanding.

Conscious of the vital importance of Workers' Education, the N.T.U.C. has embarked on a Workers' Education Programme with subjects ranging from the political and socio-economic situation of Singapore, trade union laws and advocacy at arbitration courts, leadership training, trade union work, liberal education, etc.

The Workers' Education Programme of N.T.U.C. is classified under the following categories:—

- (a) Trade Union Education and Leadership Training
- (b) Overseas Training
- (c) Recreational and Semi-Vocational Education

The N.T.U.C. has facilities to show films on trade union education.

The N.T.U.C. also has a keen interest in the different aspects of workers' education activities carried out by the Adult Education Board and the Extra-Mural Studies Department of the University of Singapore and is represented on these two bodies.

SOCIAL, CULTURAL AND RECREATIONAL ACTIVITIES

The N.T.U.C., in the last two years, has increased its efforts in the promotion and organisation of social, cultural and recreational activities and functions with the object of widening the horizons of workers.

The N.T.U.C. has organized the following social gatherings and activities:—

- (a) Social gatherings to mark May Day, National Day, Visits of Important Trade Union Guests, etc.
- (b) N.T.U.C. Sports and Games Competitions
- (c) N.T.U.C. Youth and Women Sections
- (d) N.T.U.C. Cultural Dance Group
- (e) N.T.U.C. Photography Club

INTERNATIONAL RELATIONS

The N.T.U.C. has projected a good image of itself on the international labour scene. Its good standing is partly because our representatives at international conferences and seminars have acquitted themselves well at these international gatherings, and also partly because the N.T.U.C. has stressed the importance of courtesy and hospitality to be accorded to international trade union guests and visitors. Many of them were generally impressed with our trade union activities.

In the past two years a total of about 195 international trade union guests visited Singapore, staying a total of 554 days during which N.T.U.C. representatives personally attended to their needs. During their stay in Singapore, arrangements were made for them to visit the Trade Union House, to hold discussions on topics of common interest with N.T.U.C. representatives, to visit Jurong Town, the Port of Singapore Authority, and places of scenic beauty such as the Botanical Gardens, etc.

During the last two years, four international trade union seminars were held in Singapore. N.T.U.C. was directly involved in the following two seminars:—

- (a) Regional Conference on Productivity and Emerging Economics (20th May - 25th May, 1968).

- (b) I.L.O./Danish Seminar on New Trends in Workers' Education (27th November - 19th December, 1968).

PUBLIC RELATIONS

N.T.U.C.'s efforts in the field of public relations take the following forms:—

N.T.U.C. News Publications

N.T.U.C. runs:—

- (a) A monthly English paper called the "Perjuangan".
- (b) A monthly Chinese paper called the "Fern Toh Pau"
- (c) A monthly English paper called the "Afro-Asian Labour Bulletin".

N.T.U.C. Participation at Public Gatherings

N.T.U.C. representatives took part in the following debates in the last two years:—

- A Forum on "Human problems in Industrial Development in Singapore" at St. Andrew's Cathedral Hall on 18th September, 1968.
- A Forum on "Health, Labour and Productivity, and the Role of Trade Unions in the Health of Labour" at Victoria Theatre on 7th April, 1968.
- A Forum on "Emerging Patterns of Industrial Relations in Singapore" at the M.S.A. Building on 26th June, 1969.
- A Forum on "Is Literacy Enough?" at the Cultural Centre on 8th September, 1969.

N.T.U.C. Civic Activities

N.T.U.C. organised groups of members of affiliated unions to take part in the following activities:—

- (a) Painting the Red Cross Crippled Children's Home at Tanah Merah.

- (b) Christmas Party at Children's Convalescent Home at Tanah Merah.
- (c) Assisting in the selling of flags for Singapore Retarded Children's Association.
- (d) Participation in the nation-wide "Queue-Up" Campaign.
- (e) Participation in the nation-wide "Keep the City Clean" Campaign.

FAMILIARIZATION VISITS BY LOCAL ORGANISATIONS TO N.T.U.C.

During the period August - December of 1969, the Vigilante Corps sent a group of about 100 members under training to visit N.T.U.C. every fortnight on a familiarization tour to acquaint themselves with the set-up and activities of N.T.U.C. Two N.T.U.C. officers were present at each visit.

REPRESENTATION AT STATUTORY BOARDS AND PUBLIC BODIES

N.T.U.C. is accorded the right to participate in and determine decision-making of policy matters in the running of Statutory Boards and Public Bodies.

N.T.U.C. is represented at the following Statutory Boards and Public Bodies:—

- (a) Economic Development Board
- (b) Seafarers Welfare Board
- (c) Adult Education Board
- (d) Public Utilities Board
- (e) Rent Conciliation Board
- (f) Seamen's Registry Board
- (g) Singapore Telephone Board
- (h) National Productivity Centre
- (i) Jurong Town Corporation
- (j) Central Provident Fund

- (k) Port of Singapore Authority
- (l) Singapore Sailors' Institute
- (m) National Youth Leadership Training Institute
- (n) Singapore Vocational Institute Advisory Board
- (o) Singapore Polytechnic Engineering Advisory Committee
- (p) University of Singapore Extra-Mural Studies Department
- (q) Employees' Panel Members—Arbitration Court

The National Trades Union Congress, like other free democratic unions in other parts of the world, which have made so much headway and constitute a social force in society, has a definite and positive role to play. Only by dedication to the cause coupled with leadership and discipline can the unions and the central body function as an integrated force and retain this national identity.

PRESENTATION OF UNION CASES AT ARBITRATION COURT
BY N.T.U.C. RESEARCH UNIT PERSONNEL

Title of Arbitration Award	Nature of Dispute	Date of Hearing
1. Singapore Bank Employees' Union and Chung Khiaw Bank Limited	Union's appeal against Referee's decision	28-3-67, 3-4-67, 7-4-67 and 27-1-68
2. Singapore Manual and Mercantile Workers' Union and Far East Representative of the Borden Food Company	Representation of union	2-11-67, 17-11-67, 20-11-67, 22-11-67, 24-11-67 and 7-2-68
3. Islay Kerr & Company Limited and Islay Kerr Local Employees' Union	Retrenchment	28-4-66, 29-4-66, 3-5-66, 7-9-66, 8-9-66, 9-9-66, 4-10-66, 16-11-66, 21-11-66, 23-11-66, 2-12-66 and 25-3-68
4. Singapore Traction Company (1964) Limited and Singapore Traction Company Employees' Union	Extension of Collective Agreement	8-7-68
5. Singapore Manual and Mercantile Workers' Union and Robinson & Company (S) Ltd.	Interpretation of Collective Agreement	18-9-68 and 27-9-68
6. Singapore Traction Company Employees Award, 1968	Union's claims for a Collective Agreement	24-8-67, 25-8-67, 28-8-67, 29-8-67, 7-9-67, 8-9-67, 14-9-67, 17-9-67, 25-1-68 and 10-12-68

Title of Arbitration Award	Nature of Dispute	Date of Hearing
7. Lee Wah Bank Limited and Singapore Bank Employees' Union	Extension of Collective Agreement (Interim Award)	29-7-68, 5-9-68, 6-9-68 and 31-1-69
8. Singapore Traction Company Employees' Union and Singapore Traction Company (1964) Limited	Interpretation	4-2-69
9. Shaw Renters (S) Ltd., Chinese Pictorial Review Ltd., Shaw & Sons Ltd. (Singapore), Malayan Theatres Ltd. (Head Office), Capitol Ltd. (Head Office) and Singapore Manual and Mercantile Workers' Union	Designation of 4 employees	26-9-66, 21-10-66 and 19-9-69
10. Lee Wah Bank Limited and Singapore Bank Employees' Union	Extension of Collective Agreement	29-7-68, 5-9-68, 6-9-68, 12-8-69, 27-8-69, 28-8-69 and 24-9-69
11. Singapore Manual and Mercantile Workers' Union and Malayan Theatres Limited	Extension of Collective Agreement	25-7-66, 16-9-66, 29-9-66, 30-1-67, 31-1-67 and 25-9-69
12. Singapore Insurance Companies Employees' Union and Overseas Assurance Corporation Limited	Variation of Collective Agreement	26-9-69

COLLECTIVE AGREEMENTS SIGNED BY UNIONS WITH ASSISTANCE OF
N.T.U.C. RESEARCH UNIT PERSONNEL 1968/1969

Collective Agreements Concluded With	Unions Concerned	Date Agreement Concluded	No. of Workers
1. Eastern Industries Limited	Pioneer Industries Employees' Union	18-1-68	41
2. J. & J. Ho (S) Limited	..	16-2-68	30
3. Prima (Flour Mills) Limited	..	11-4-68	200
4. Ferris Industries (Malaysia) Limited	..	31-5-68	80
5. Singapore Cement Manufacturing Co. Limited	..	12-9-68	43
6. Khong Guan Flour Milling Limited	..	8-10-68	50
7. Chenta Rayon Company (S) Limited	..	1-11-68	250
8. Sekisui (Malaysia) Company Limited	..	21-11-68	16
9. Malaysia Dairy Industries (Private) Limited	..	6-12-68	41
10. Van Leer Containers (S) Limited	..	23-12-68	50

Collective Agreements Concluded With	Unions Concerned	Date Agreement Concluded	No. of Workers
11. I.A.C. (S) Private Limited (Office Department)	Pioneer Industries Employees' Union	31-12-68	29
12. Toa Harbour Works Company Ltd.	..	11-1-69	108
13. Yardley Jardine Limited	..	12-2-69	10
14. Jurong Shipyard Limited	..	3-4-69	1,000
15. Pan Malaysia Cement Works (Private) Limited	..	8-4-69	65
16. Starlight Timber Products Company Limited	..	23-4-69	350
17. Far Eastern Cables & Switchgear Limited	..	20-5-69	75
18. Sugar Industry of Singapore Limited	..	29-5-69	230
19. Veneer Products Limited	..	11-6-69	530
20. National Iron & Steel Mills Limited	..	18-7-69	400
21. Singapore Battery Manufacturing Co. (Private) Ltd.	..	23-7-69	50

APPENDIX A (ii) *Cont'd.*

Collective Agreements Concluded With	Unions Concerned	Date Agreement Concluded	No. of Workers
22. National Grain Elevator Limited	Pioneer Industries Employee's Union	26-8-69	15
23. Grace Pharmaceutical (Private) Limited	"	(Awaiting Signing)	35
24. Asia Cement (Malaysia) Limited	"	19-9-69	28
25. Keppel Shipyard (Private) Limited	Union of Keppel Shipyard Employees of Singapore	19-7-69	2,500
26. Paya Lebar Bus Company	Singapore Bus Employees' Union	1-1-69	350
27. Keppel Bus Company Limited	"	4-8-69	150
28. Singer Sewing Machine Company	Association of the Singapore Business Executives	6-8-69	20
29. Ho Ah Lam Boat Builders	Singapore Manual and Mer- cantile Workers' Union	9-2-68	30
30. Hua Heng Rubber Factory Limited	"	24-6-68	119
31. National Aerated Water Company Limited	"	9-9-68	102
32. Fonghin & Company Limited	"	16-10-68	8

Collective Agreements Concluded With	Unions Concerned	Date Agreement Concluded	No. of Workers
33. British Ropes Limited	Singapore Manual and Mer- cantile Workers' Union	22-11-68	4
34. Robinson & Company (S) Limited	,,	Dec. 1968	300
35. Dunlop Malayan Estates	,,	25-2-69	10
36. Palm Oil Bulking Company Limited	,,	10-3-69	12
37. Metropole Theatre	,,	16-5-69	39
38. Chang Sin Chuan	,,	3-6-69	27
39. Kowa Company Limited	,,	1-7-69	4
40. King's Theatre	,,	5-9-69	30
41. Asia Book Company	,,	24-9-69	11
42. *Government (Ministry of Finance)	Public Daily-Rated Nightsoil Employees' Union	28-9-69	—
43. *Government (Ministry of Finance)	Public Daily-Rated Sewerage Workers' Union	28-9-69	—
44. *Government (Ministry of Finance)	Public Daily-Rated General Stores Workers' Union	28-9-69	—

APPENDIX A (ii) *Cont'd.*

Collective Agreements Concluded With	Unions Concerned	Date Agreement Concluded	No. of Workers
45. *Government (Ministry of Finance)	Public Daily-Rated Health Workers' Union	28-9-69	—
46. *Government (Ministry of Finance)	Public Daily-Rated Architect Workers' Union	28-9-69	—
47. *Singapore Housing and Develop- ment Board	Public Daily-Rated Housing and Development Board Workers' Union	28-9-69	—
48. *Public Utilities Board	Public Daily-Rated Gas Workers' Union	28-9-69	—
49. *Public Utilities Board	Public Daily-Rated Water Workers' Union	28-9-69	—
50. *Public Utilities Board	Public Daily-Rated Transport Workers' Union	28-9-69	—
51. *Public Utilities Board	Public Daily-Rated Electrical Workers' Union	28-9-69	—
			†19,000

*Issues of disputes not included in the agreement will be heard before the Arbitration Court in the near future.

†19,000 represents the total number of workers represented by the 10 Public Daily-Rated Unions.

LEGAL ADVICE AND ASSISTANCE

*Legal Advice and Assistance rendered by N.T.U.C.
Research Unit in connection with industrial and
other matters to the following unions:*

1. Amalgamated Union of Public Employees.
2. Food, Drinks and Allied Workers' Union.
3. Hume Industries Daily-Rated Employees' Union.
4. Malaysia-Singapore Airlines Executives Officers' Union.
5. Mansfield Local Employees' Union.
6. Pioneer Industries Employees' Union.
7. Port of Singapore Authority Officers' Union.
8. Sembawang Shipyard Employees' Union.
9. Singapore Bank Employees' Union.
10. Singapore Insurance Companies Employees' Union.
11. Singapore Manual and Mercantile Workers' Union.
12. Singapore Printing Employees' Union.
13. Singapore Telephone Board Workers' Union.
14. Singapore Traction Company Employees' Union.
15. Union of Keppel Shipyard Employees.
16. United Workers of Petroleum Industry.

TRADE UNION EDUCATION AND LEADERSHIP TRAINING COURSES
ORGANISED BY THE N.T.U.C. 1968/1969

Courses	Venue	Duration	No. of Hours	No. of Participants	No. of Certificate Recipients	Remarks If Any
1. 1st N.T.U.C. Leadership Course (Residential)	National Youth Leadership Training Institute	15-1-68—2-3-68	386½	29	28	—
2. 2nd N.T.U.C. Leadership Course (Chinese—Residential)	National Youth Leadership Training Institute	20-3-68—10-5-68	286½	17	17	—
3. 3rd N.T.U.C. Leadership Course (Residential)	National Youth Leadership Training Institute	14-4-69—3-5-69	174½	14	—	—
4. Week-end Course on Trade Unionism	Ponggol Holiday Camp	25th and 26th May, 1968	32	22	—	—
5. Course on Works Study		2-12-68—3-1-69	—	26	—	—
6. Trade Union Course for P.I.E.U. Delegates (Chinese and English)	National Youth Leadership Training Institute	28th Feb. 1969	—	80	—	—

Courses	Venue	Duration	No. of Hours	No. of Participants	No. of Certificate Recipients	Remarks If Any
7. Refresher Course for Industrial Officers	N.T.U.C.	—	—	7	—	
8. Trade Union Advocates Course	N.T.U.C.	9th April, 1969	—	19	—	Still in progress
9. Job Evaluation Course	N.T.U.C.	20-4-69—9-5-69	18	32	—	—
10. Week-end Trade Union Seminar	Tanah Merah Holiday Camp	10-5-69—11-5-69	27	26	—	—
11. Remuneration by Results	N.T.U.C.	14-7-69—1-8-69	12	28	—	—
12. Industrial Relations (Chinese)	N.T.U.C.	5-8-69—9-10-69	60	22	—	—
13. Week-end Basic Trade Union Course	Ponggol Holiday Camp	2-8-69—3-8-69	32	30	—	—
14. Joint Consultative Machinery	N.T.U.C.	8-9-69—26-9-69	18	34	—	—

OVERSEAS TRAINING COURSES 1968/1969

Course	Venue	Duration of Course	No. of Participants
1. B.I.S. Travel Grant to visit United Kingdom	United Kingdom	30-1-69	3
2. Asian Labour College	New Delhi	6-1-68—29-3-68	1
3. Asian Labour Education Centre	Manila	17-2-69—12-4-69	2
4. Duke of Edinburgh (3rd Commonwealth Study Conference)	Australia	12-5-68—4-6-68	2
5. Asian Labour Education Centre	Manila	17-6-69—27-7-69	2
6. Asian Labour Education Centre	Manila	20-10-69—13-12-69	—

**FIRST AND SECOND SERIES OF RECREATIONAL AND SEMI-VOCATIONAL
EDUCATION COURSES ORGANISED BY N.T.U.C. 1968/1969**

Name of Course	FIRST SERIES				SECOND SERIES			
	No. of Hours	No. of Participants	No. of Certificate Recipients	Duration of Course	No. of Hours	No. of Participants	No. of Certificate Recipients	Duration of Course
1. Keeping Accounts for Organizations	16	37	25	5-10-68—23-11-68	16	32	26	1-3-69—19-4-69
2. Public Speaking and Elocution	30	18	8	9-10-68—5-2-69	—	—	—	—
3. Flower Arrangement Stage I	12	21	20	6-10-68—24-11-68	12	14	14	27-4-69—29-6-69
4. Flower Arrangement Stage II	12	15	13	15-12-68—2-2-69	—	—	—	—
5. Practical Photography Stage I	18 x 2	62	43	6-10-68—5-12-68	18	28	20	23-2-69—14-5-69
6. Practical Photography Stage II	—	—	—	—	48	13	13	13-1-69—21-4-69
7. Elementary Mechanical Engineering Drawing	32	24	19	19-11-68—1-3-69	32	32	27	24-5-69—13-9-69
8. Elementary Woodwork	48	40	31	10-10-68—20-3-69	—	—	—	—
9. Interior Decoration	36	56	28	14-11-68—6-2-69	—	—	—	—
10. Personal Charms and Social Graces	—	—	—	—	15	24	17	8-3-69—21-4-69
TOTAL	—	273	187	—	—	143	117	—

GAMES TOURNAMENTS ORGANISED BY N.T.U.C. 1968/1969

Games Tournaments	1st Series 1968		2nd Series 1969	
	No. of Unions Participated	No. of Matches Played	No. of Unions Participated	No. of Matches Played
Football - - - - -	13	21	10	21
Table-Tennis - - - - -	14	40	10	38
Basketball - - - - -	9	28	6	20
Badminton - - - - -	12	19	13	16
Netball - - - - -	—	—	7	25

SOCIAL FUNCTIONS ORGANISED BY N.T.U.C. 1968/1969

Social Functions	Venue	Date	Participants
1. N.T.U.C. Certificate and Prizes Presentation Ceremony	Conference Hall	2nd March, 1968	500 recipients of prizes N.T.U.C. Central Committee members, union representatives, invited guests.
2. May Day Fun Fair and Rally	Trade Union House	1st May, 1968	Union members and public.
3. Second Certificates Presentation Ceremony	Conference Hall	27th May, 1968	Certificate recipients and invited guests.
4. Dinner for Regional Conference on Productivity Delegates	Imperial Room	24th May, 1968	Conference Delegates, invited guests and N.T.U.C. Central Committee members.
5. Buffet for Mr. Buiter (General-Secretary, I.C.F.T.U.)	Trade Union House	18th September, 1968	Presidents and Secretaries of Unions and invited guests.
6. Games Tournament Opening Ceremony	Taman Jurong	25th October, 1968	Pioneer Industries Employees' Union members.

APPENDIX C (ii) *Cont'd.*

Social Functions	Venue	Date	Participants
7. Reception for I.L.O. Danish Seminar Delegates	Conference Hall Restaurant	4th November, 1968	Seminar Delegates and N.T.U.C. Central Committee members.
8. Lunch for Delegates to the P.S.I. 2nd Asian Regional Conference	Trade Union House	11th November, 1968	Conference delegates and N. T. U. C. Central Committee members.
9. Children's Christmas Party	Taman Jurong	21st December, 1968	Pioneer Industries Employees' Union members.
10. Moon Cake Festival	Taman Jurong	4th October, 1968	Pioneer Industries Employees' Union members.
11. National Day Parade 1968	—	9th August, 1968	2 contingents of members of N.T.U.C. affiliated unions.
12. National Day Carnival	Kallang Park	17th and 18th August, 1968	Union members and public.
13. N.T.U.C. Perjuangan Big Walk	Shenton Way Car Park	17th December, 1968	Members of affiliated unions.

Social Functions	Venue	Date	Participants
14. Dinner for I.L.O. Danish Seminar Delegates	Imperial Room	18th December, 1968	Seminar delegates, N.T.U.C. Central Committee members and invited guests.
15. Farewell Buffet for Asia Representative I.C.F.T.U. Ramanujan	Conference Hall	4th June, 1968	Unions' Presidents and Secretaries and N.T.U.C. Central Committee members.
16. Bak Chang Festival	Springtime Boating Lake	May, 1968	Pioneer Industries Employees' Union members.
17. May Day Rally and Variety Concert	National Theatre	1st May, 1969	Union members and public.
18. May Day Ball	Taman Jurong	3rd May, 1969	Pioneer Industries Employees' Union members.
19. Bak Chang Festival	Taman Jurong	19th June, 1969	Pioneer Industries Employees' Union members.
20. National Day Parade 1969	Padang	9th August, 1969	1 contingent of members of N.T.U.C. affiliates.

CULTURAL ACTIVITIES ORGANISED BY N.T.U.C. CULTURAL
DANCE GROUP 1968/1969

Cultural Activities	Venue for Training/Practice Sessions	Duration	No. of Sessions	No. of Participants	Remarks If Any
I. <i>Regular Sessions of Cultural Dances</i>	Raffles Girls' Primary School	17-5-68—9-8-69	13	70	Transfer of Venue
	Broadrick Secondary School	16-8-69—Present	56	100	Still in Progress
II. <i>Courses</i>					
1st Cultural Dance Course	Ponggol Vocational Secondary School	14-8-69—16-10-69	10	26	Completed
2nd Cultural Dance Course	Paya Lebar Methodist Girls' School	25-2-69—13-5-69	10	67	Completed
3rd Cultural Dance Course	Trade Union House	26-8-69—28-10-69	10	35	Still in Progress

Cultural Activities	Venue for Training/Practice Sessions	Duration	No. of Sessions	No. of Participants	Remarks If Any
III. <i>Practices for Public Performances</i>					
"Jinkle N o n a Dance" performed at the 4th Anniversary of F.D.A.W.U. at National Theatre on 16-11-68	Moulmein Community Centre	—	7	22	Completed
"Workers Solidarity Forever" Dance performed at National Theatre on 1969 Labour Day	Trade Union House	30-3-69—30-4-69	15	30	Completed
IV. <i>Social Functions</i>					
Barn Dance	Tanah Merah Holiday Camp	7-12-68	—	250	Completed
1st Anniversary of Cultural Dance Group	Springtime Boating Lake (Jurong)	28-6-69	—	200	Completed

ACTIVITIES ORGANISED BY N.T.U.C. YOUTH AND
WOMEN SECTIONS 1968/1969

Youth and Women Sections' Activities	Venue	Date	No. of Participants
<i>Educational Courses</i>			
Debate on "Productivity"	National Youth Leadership Training Institute	4-3-69	50
Weekend Leadership Course	Tanah Merah Youth Camp	10/11-5-69	30
Forum on "Singapore in 1980"	Trade Union House	1-2-69	30
Talk on "Youth and Community Service"	Trade Union House	9-11-69	35
<i>Educational Tour</i>			
Tour to Jurong Industrial Complex	Jurong Industrial Estate	—	30
Tour to Port of Singapore Authority	Port of Singapore Authority	28-9-68	35
<i>Welfare Activities</i>			
Painting of Red Cross Home	Tanah Merah	22-9-69	40
Holding a Christmas Party for inmates of Children's Home	Tanah Merah	22-12-68	50
Assisting in the Singapore Association for Retarded Children—Flag Day	City Area	22-2-69	20

Youth and Women Sections' Activities	Venue	Date	No. of Participants
<i>Social and Recreational</i> Barbecue-cum-Picnic Barbecue for 1st Anniversary Dinner and Dance <i>Afternoon Tea Sessions</i> Demonstration and Talks on Flower Arrangement Demonstration and Talks on Beauty and Make-up <i>Celebration</i> N.T.U.C. National Day Fun Fair	STB Bungalow at Mata Ikan STB Bungalow at Mata Ikan Golden Lotus Hotel Malaysia	5-10-68 5-7-69 19-4-69	80 100 600
	Trade Union House	27-4-69	35
	Trade Union House	1-6-69	20
	Old Kallang Airport	17/18-8-69	40

ACTIVITIES ORGANISED BY N.T.U.C. PHOTOGRAPHY CLUB, 1969

Photography Club Activities	Venue	Date	No. of Participants
1. Outdoor Photography	Merdeka Bridge	5-1-69	25
2. Discussions by members on their experiences and difficulties in photography	Trade Union House	16-1-69	30
3. Refresher Course on Stage I photography	Trade Union House	30-1-69	22
4. Outdoor Photography	MacRitchie Reservoir	9-2-69	25
5. Talks and Film Show on "The Photographer"	Trade Union House	25-2-69	25
6. Outdoor Photography	Kranji War Memorial	9-3-69	23
7. "Print" Clinic	Trade Union House	25-3-69	20
8. "Photography" Picnic	Pulau Ubin	13-4-69	88
9. Show of Kodak Slides	Trade Union House	29-4-69	40
10. A Talk on how to use Darkroom Facilities	Trade Union House	12-5-69	34

Photography Club Activities	Venue	Date	No. of Participants
11. A Talk on A.R.P.S. Photography	Trade Union House	30-5-69	25
12. A Talk on Night Photography	Trade Union House	10-6-69	30
13. Night Photography Outing	Elizabeth Walk, MacRitchie Reservoir, National Theatre	28-6-69	20
14. Night Outdoor Photography	—	14-8-69	28
15. Darkroom Opening Ceremony	Trade Union House	6-9-69	40
16. Darkroom Practical Course	Trade Union House	19-8-69	12

INTERNATIONAL GUESTS AND VISITORS OF NATIONAL TRADES UNION
CONGRESS 1968/1969

Country/ Organisation	Total No. of Guests and Visitors	Total Length of Stay	Country/ Organisation	Total No. of Guests and Visitors	Total Length of Stay
International Labour Office	3	29 days	Japan	86	27 days
International Confede- ration of Free Trade Unions	9	37 days	Kenya	1	22 days
International Federa- tion of Plantation, Agriculture and Allied Workers	1	2 days	Republic of Korea	3	6 days
International Transport Workers' Federation	1	12 days	Lebanon	1	23 days
Australia	15	32 days	Malaysia	7	28 days
Britain	6	2 days	Mauritius	1	23 days
Cambodia	1	1 day	New Zealand	3	6 days
			Nigeria	1	23 days
			Pakistan	1	23 days

Country/ Organisation	Total No. of Guests and Visitors	Total Length of Stay	Country/ Organisation	Total No. of Guests and Visitors	Total Length of Stay
Ceylon	5	26 days	Philippines	4	29 days
Republic of China	4	6 days	Sierra Leone	1	23 days
Denmark	2	23 days	Thailand	2	6 days
Fiji	1	2 days	Trinidad	1	23 days
Germany	3	7 days	Turkey	1	23 days
Hong Kong	3	6 days	United Arab Republic	2	23 days
India	3	29 days	United States of America	6	7 days
Indonesia	6	8 days	Union of Soviet Socialist Republics	7	8 days
Israel	4	8 days			

RECORD OF PARTICIPATION OF UNIONS IN VARIOUS N.T.U.C. ACTIVITIES 1968/69

APPENDIX E

[illegible]

INTERNATIONAL TRADE UNION SEMINARS HELD
IN SINGAPORE, 1968/1969

Seminar	Duration of Seminar	Venue	Remarks
1. Regional Conference on Productivity and Emerging Economics	20-5-68—24-5-68	Conference Hall	Hosts:— N.T.U.C. National Productivity Centre Singapore Employers' Organisations
2. First Asian Seminar on Trade Union Leadership for Transport Workers	21-10-68—1-11-68	Conference Hall	Host Unions:— Singapore Traction Company Employees' Union Singapore Air Transport Workers' Union Port Workers' Union
3. P.S.I. Second Asian Regional Conference	11-11-68—15-11-68	Conference Hall	Host Union:— Amalgamated Union of Public Employees
4. I.L.O. Danish Seminar on New Trends in Workers' Education	27-11-68—19-12-68	Conference Hall	Hosts:— N.T.U.C. Singapore Government

APPENDIX F

STAFFING POSITION OF RESEARCH UNIT

1. INDUSTRIAL RELATIONS:				
N.T.U.C. Research Unit Staff	-	-	5	} 6
N.T.U.C. Secretariat Member (Part-time)-			1	
2. LEGAL:				
N.T.U.C. Research Unit Staff	-	-	-	1
3. ORGANISATION OF UNIONS:				
N.T.U.C. Research Unit Staff	-	-	-	4
4. RESEARCH:				
N.T.U.C. Research Unit Staff	-	-	-	3
5. WORKERS' EDUCATION, INTERNATIONAL AFFAIRS, SOCIAL, CULTURAL AND RECREATIONAL ACTIVITIES:				
N.T.U.C. Research Unit Staff	-	-	-	6
6. PUBLICATIONS:				
N.T.U.C. Research Unit Staff	-	-	-	2
7. GENERAL:				
N.T.U.C. Research Unit Staff	-	-	-	17
8. OFFICERS SECONDED TO UNIONS:				
(a) <i>Pioneer Industries Employees' Union</i>				
N.T.U.C. Research Unit Staff	-	-	-	8
(b) <i>Singapore Manual and Mercantile Workers' Union</i>				
N.T.U.C. Research Unit Staff	-	-	-	3
TOTAL				<u>50</u>

The Need for Financial Autonomy, Leadership and Structural Development*

OTHER WORKING PAPERS have already touched on the environment in which trade unions in Singapore have to operate both at this moment and in the foreseeable future. In that context, the essential challenges facing the trade union movement as a whole, its component members, and the rank and file membership would have been elaborated. However, considering that the purpose of this paper is to pose and discuss questions of financial, structural and leadership needs, which affiliated Trade Unions and the N.T.U.C. must face, it is important briefly to recapitulate the challenges facing the movement and the problems that have to be tackled for both the well-being of our members as well as that of society at large.

Although the wider problems confronting Singapore as a whole have been sufficiently elaborated by Government Ministers and leaders of the trade union movement, the basic challenge facing the movement remains one of defining the role that it must play in the light of these challenges. This necessarily involves a re-examination of the trade union's traditional role, though hitherto fundamental and only role in Singapore, i.e. maintaining an improved standard of living for its members, exclusively through restraining the unlimited power of employers and preventing the grosser forms of exploitation, unduly low wages, long hours, victimization and other indignities. However, the challenges facing independent Singapore are such that the new role which trade unions, committed to ensuring the future

**Prepared by Sdr. S.R. Nathan.*

prosperity of Singapore, will be expected to play is going to be in many ways radically different from that which we have traditionally fulfilled. We will be called upon to find answers to many complex problems beyond the boundary of pure collective bargaining issues. No doubt, the most immediate concern of individual unions will be still one of the securing fair wages. But, for the movement as a whole, the fundamental challenge will remain one of determining the ideals and objectives which it must set for itself and the priorities they must be given in the context of today.

Today we count among our members large numbers of technical, professional and better-off sections of the society. Increasingly we are also catering for a new generation of workers who have neither direct knowledge or experience of the working class struggles of the past nor feel the emotional pulls of slogans and trade union appeals associated with those bygone struggles. As we move into the turbulent 1970s, even these ideals themselves are changing, as a more educated, less emotionally-motivated membership challenges some of the basic assumptions on which the movement has hitherto operated. Questions uppermost in the minds of many young union members centre around the contradictions in our approach. For instance, some question our traditional call for equality among workers, when individual unions actively agitate in the bargaining process for differentials between wage earners of similar categories in different establishments. Others ask how much equality a working man wants. Still others ask how the Movement can insist on differentials, which is another word for inequality, while we regard the elimination of inequality as one of our cherished objectives.

Under these circumstances, the primary role of the trade union movement and the National Centre has become one or reconciling divergences between national interest and the sectional interest of trade union members, between those who are in employment and those who are unemployed and desperately seeking employment. In recent years, the N.T.U.C. has accepted the fact that, as a responsible National

Centre, it has inevitably to function, in the national interest, as a conciliating factor, in preventing conflicts of interest from developing into industrial unrest, and in ending them more promptly when they do take place, through advocating reasonable and acceptable means of settlement. The movement acknowledges that it cannot any longer press for State intervention against the power of private interests, while, at the same time, demanding for itself full freedom from State control. Some may refute this need and stress that the end of trade union activity is to protect and improve the general living standards of its members only and not of society at large, nor to provide members with a wider experience in union administration. This has been extensively debated and the following from the N.T.U.C. Annual Report of 1964 should be sufficient to stress the consensus that has emerged in the past. The relevant portion of the report reads:—

“Today we live in a situation in which political power is in the hands of elected representatives of the people. The Government of the day is a socialist Government which has the confidence of the people and is pledged to the industrialization of Singapore. It must therefore be constantly borne in mind that while the struggle of labour must go on for a fairer share of the fruits of labour, this struggle must be so conceived that it is not insensitive to the needs of a growing economy. Trade Union claims must therefore be worked out and pursued within this vital context. There is firstly the primary responsibility to ensure a fair distribution of wealth in the community. There is also the equally important social obligation that this should be done without detriment to industrial productivity and to the requirement for a fair return on invested capital. A trade union movement which isolates its theory and practice from the general requirements of a developing economy can produce a reactionary effect, and may well find itself slaughtering the golden goose which lays the golden eggs.”

On our own we have accepted responsibility for inculcating consciousness among workers of the importance of productivity in raising living standards and in ensuring Singapore's competitiveness in world markets. Today we are saddled with such other problems as thinking out new policies in regard to wages, conditions of employment, organisation and leadership—both at individual, union and national level—finance and staffing, besides developing our own attitude towards and playing effective roles in the nation's industrialization effort.

The tackling of these complex problems by the movement and individual unions calls for courage, resolution, vigour and, above all, the determination not to be shackled by outworn traditions and habits of thought. It also means that the N.T.U.C. needs to be greatly strengthened, not only in terms of its relations and influence with its affiliated unions, but also in regard to overseeing relations between affiliated member unions themselves. The more complex the economic and social problems become, the more essential will be the need for the N.T.U.C. to be better equipped to extend its role particularly in the provision of a wide range of services that will be expected of the National Centre. This means that Trade Union officials will need to have professional training and a high degree of skill, obtainable only through experience and training in the Trade Union Movement. The more will it become necessary for better services to be provided by individual unions to their members. This must, of course, depend on the readiness of affiliates to make available a larger income to the N.T.U.C. For on the present basis of affiliation fees—which will form a separate part of this paper—there is little possibility of the Centre widening the scope of its educational, publicity, research and other activities.

It is against this background of tradition-bound beliefs and ambivalent attitudes of unions and union leaders that one must re-examine the role of the movement, and formulate the resultant adjustments that will have to be made in regard

to trade union structure, leadership, staffing and last but not least trade union finance.

Leadership and Personnel

Just as the mere introduction of a system of voting does not assure a democracy, nor the mere acquisition of capital guarantee economic growth, it would be naive to assume that the mere acknowledgement by trade union leaders and the movement that they are instruments of change and the modernizing process will automatically bring about the results of modernization. Major questions of long-term policy and strategy to solve the problems confronting the nation and the role which unions must play in that context, cannot be expected to be effectively handled by part-time trade union leaders, whose term of office is restricted on election to one or two years at the most and who are themselves employees of the establishment or vocation for which their union caters. Such persons are at present expected to assume such exacting functions, under conditions of intolerable pressure—both doing their own jobs, as employees of their establishment for part of the day and representing the union at other times. In all cases, all that they can humanly achieve is merely to come to life only when collective bargaining is undertaken or when a particular grievance affecting a member needs their attention. Such union leaders are unable to find the time and expend the necessary amount of thought and energy to creatively undertake additional and new responsibilities, outside the realm of pure collective bargaining and grievance handling, which the new circumstances impose upon them.

As it stands today, if they are to fulfil their functions effectively, they need to be able to obtain from their followers a consensus as to how trade unions and their members help to get on with the more important process of the democratically-motivated modernization of Singapore. This means that the movement and its leaders must be able to give sufficient consideration to the needs of the movement and its component unions for the development of a broad spectrum of leadership. Attention will also have to be focussed on the need for the

development of the personnel required to provide the day-to-day services expected of the movement and in each individual union.

As of now, trade union leaders are acutely aware of the many disadvantages that impede their efficiency, or prevent them from giving of their best. Taking the trade union structures itself we see a variety of structural forms which have grown out of the struggles of the past. We have a number of industrial and omnibus unions. We have craft unions and we have a few "House Unions", which cater only for employees of a particular company or establishment, to name a few of the categories of unions that exist. While the problem of fragmentation has largely been overcome, we have to acknowledge that with the trade union structure as it is, we need a broad spectrum of leadership, with experience varied enough to enable them to handle the problems which will arise in the complexity of situations in which N.T.U.C. affiliated unions operate. Some of the leaders have hitherto been able to take in their stride the difficulties of their particular establishment, but not necessarily that of the movement. Added to their problems has been the lack or inadequacy of a band of full-time workers—both in individual unions and at the Centre—to provide the extensive day-to-day services expected of unions by members.

By and large, except for the larger unions, most unions have depended entirely on voluntary part-time leadership elected from among their members. Where they have been able to afford to pay for the services of full-time officials, most unions have had to restrict this merely to meet special urgent requirements. Where unions have been able to afford the services of full-time workers, this has largely been confined to paid clerical help, mainly to keep books of accounts and undertake time-consuming clerical work for their respective establishments—in short, time-consuming but routine duties.

Since leadership is challenged annually or bi-annually at general elections—often on the basis of a candidate's suc-

cess or failure to satisfy the grievances of particular members—there is also the fear of vesting too much authority in paid employees of the Movement, lest they get involved with factions in the union which may be seeking to oust the elected leadership.

As unions grow in size, as membership spreads over a variety of occupations and industries, the part-time unionist, who represents his group on his union executive committee, or his union in the N.T.U.C., is bound to find himself at a disadvantage. We cannot afford to continue to follow the tendency of letting things run on their own and only solve problems of organisation and leadership at the national level as and when they arise. Whatever the practical pre-occupations of the movement, the tasks which leaders will be called upon to perform are going to be increasingly varied and complex and more and more challenging. Growing size, complexity of functions, the need for efficiency and centralizing the administration, all these call for an increase in the number of full-time trade union leaders, able to devote all their energies to the service of the unions which they lead. Their duties are rapidly becoming professional in nature, demanding a high degree of skill—one that is obtainable only through experience and training within the trade union movement. That being the case, the question of providing sufficiently attractive terms to attract the best, tenures of office, career prospects within the movement etc. are all matters of urgency and of crucial importance, to which we must immediately pay attention. Leadership that is specialised, skilled and professional, constantly in touch with the ground and not remote from its rank-and-file, is thus a priority. How best this can be ensured merits urgent consideration at this seminar.

Some argue that the bulk of the leadership is willing and eager to develop a new and constructive role for the unions but that they are only held back by a reluctant rank-and-file that enjoys the right, under the law, to opt out of membership, if they are in any way dissatisfied. If this be the

case, then another challenge facing trade union leaders is that of innovating new and more rational ways of mobilising rank-and-file support and seeking other means to retain them in the fold.

In analysis, what is called for both at union level and at N.T.U.C. level is a separation of functions. While the leadership will have to devote increasing energies and attention to assessing the needs of the members and what members think and feel, not only about their sectional interest, but also of national needs, simultaneously there will also be needed a corps of paid workers and activists who can be called upon to provide the day-to-day professional and other services that members will expect out of membership of the Movement. For instance, if any section of the trade union movement should choose to dispute the problems facing Singapore and seek to opt out of their responsibility towards meeting the problem, the movement as a whole should be in a position to make a comprehensive examination of Singapore's problems on its own and put forth its findings to the membership as a whole. Such an enquiry could be the focal point for a vigorous discussion by all parties in the movement—both for and against—in order to obtain a consensus as to what position trade unions and their members should take in such matters.

The Seminar will, therefore, need to examine those questions of the leadership needs of the movement at various levels and also consider how best the professional and other specialised services expected from unions and the Centre can be provided without undue duplication, wastage of talent and funds and in the best interest of the trade union movement.

Trade Union Finance

No movement or its leaders, however willing, can be expected to shoulder by themselves the increasing responsibilities which the trade union movement faces in Singapore, without the support of full-time and qualified personnel

necessary to handle complex and increasingly varied needs. All this means that both at the union level and at the N.T.U.C. level, there should be adequate financial resources that will not only ensure continuity of authority but also enable the expansion of special services as and when they arise.

So far as the finances of individual unions are concerned, the following are problems that need to be faced:—

- (a) Most individual unions have collection problems.
- (b) Subscription rates vary from union to union as can be seen from the details set out in Appendix I.
- (c) While unions may claim book membership of certain members, it does not necessarily follow that all of them are "in benefit" according to union rules.
- (d) The contribution of affiliated unions to the N.T.U.C. varies, from time to time, depending on membership figures declared by affiliated unions to the N.T.U.C. for purpose of computing affiliation fees. These figures often differ from the membership declared to the Registrar of Trade Unions. Appendix II gives examples of these variations.
- (e) The size of the contribution to the N.T.U.C. is at the moment dependent on the individual union membership and their ability to collect subscriptions. Smaller unions are able to collect a higher percentage whereas those with larger membership are often able to collect only a small percentage.
- (f) Regardless of what is being paid to the Centre, the N.T.U.C. is expected to provide services to affiliates regardless of their size or their contribution to the finance of the N.T.U.C.

If the objective of the Trade Union Movement is to hold and strengthen membership, trade unions must find other beneficial activities to attract a greater following. At present, short of unions and N.T.U.C. having a steady

income, both at the union and national level, there is no other way of providing the services. Only with an opportunity to build up their funds can they be expected to undertake activities which will attract potential members. If a steady income is assured to individual unions, it should not be difficult for them to pay an increased rate of affiliation fees to the National Centre in order to ensure financial autonomy of the movement and demand more comprehensive services from the centre.

Having regard to the object of a check-off system, it is desirable that the N.T.U.C. as the National Centre should find ways and means by which union subscriptions can be collected at source, without a formal check-off system being available to all and sundry. One way which could be considered would be to ask the Minister responsible for the enforcement of the Employment Act to authorize deductions by unions recommended by the National Centre. As a safeguard, the Minister could be asked to make adequate provisions in the regulations for ensuring that the authorization is only extended to approved cases and subject to safeguards against possible misuse of funds. In such cases, it could be made a condition that all cases of requests for authorized deduction at source, would be subject to review at periodic intervals, say once a year, subject to each union furnishing its accounts of income and expenditure and assets/liabilities, duly audited and certified by an accountant, or auditor, from among a panel agreed between the N.T.U.C. and the Minister. Assuming that such an administrative check-off is acceptable and agreed by Government, ways and means could be found as to how best financial autonomy of the N.T.U.C. could also be secured. Simpler ways and means could be found to collect subscriptions from employees and for the amounts due to the N.T.U.C. from affiliates to be paid off as well.

How N.T.U.C. subscriptions should be worked out will also need to be examined. One way would be for a fixed percentage of the subscriptions collected by individual

affiliated unions to be paid to the N.T.U.C. as affiliation fees. The other alternative would be for the affiliated unions to pay to the N.T.U.C. a fixed sum per member per year, whatever the rates of membership subscriptions individual members may be paying to their unions.

The problem, of course, in regard to the second alternative is that a union with a lower-income membership and therefore lower subscription rates will, in fact, be paying on a per member basis, a much higher percentage of its income towards the N.T.U.C. Assuming the N.T.U.C. affiliation fee is \$3 per member per year, 'X' union with 1,000 members paying \$1 per month as subscription will be paying the N.T.U.C. \$3,000 or 25% of its annual income as affiliation fee. Whereas 'Y' union with the same membership, but with subscription rates averaging \$2 per month, will also be paying a similar amount but only 12.25% of its total annual income. For this reason, it would seem that the first alternative would be more realistic and equitable to affiliates. In such cases, the question that will arise is: What reasonable percentage should constitute the N.T.U.C.'s affiliation fee? If the movement agrees that the N.T.U.C. must achieve financial autonomy, then the percentage of subscription to be devoted to N.T.U.C. affiliation fee needs to be substantially larger. Assuming that, say, 60,000 members continue in membership of the Movement and pay a subscription of \$1 per month per member to their respective unions, the total income of N.T.U.C. affiliates would amount to \$720,000 in any one year. On this basis, the N.T.U.C. annual income of affiliation fees, working on a fixed percentage, could amount to any of the following, depending on the percentage fixed:—

If the percentage fixed is 10%, \$72,000 will be the N.T.U.C.

“	20% \$144,000	“
“	30% \$216,000	“
“	40% \$288,000	“

The question that arises is whether affiliated unions will be agreeable to any substantial reduction from their monthly income of membership subscription. Judging by the present difficulties encountered by individual unions in the collection of dues, it would not be a high price to pay. Moreover, it must be noted that, however willing the individual union leaders, such a reduction is unlikely to appeal to rank-and-file members, especially when it will appear to them as a give-away of union funds, without any direct benefit according to them. It may, therefore, be necessary for the N.T.U.C. in such cases to offer sufficiently attractive counter-benefits to individual union members themselves. The answer could lie in tying up contributions to the N.T.U.C. with some form of benefit scheme, which will benefit individual members of affiliated unions themselves. This could take the form of retirement and death benefit schemes for those who keep union membership up-to-date and thereby contribute towards the N.T.U.C. as well. This benefit scheme could be financed by the N.T.U.C. out of a portion of the affiliation fees so collected.

Assuming that such an idea is acceptable, certain problems of implementation may well arise. Although benefits to individual members should be the aim of any such scheme, it may be difficult to implement this straightaway so long as subscription rates vary from union to union, often depending on the earnings of individual members. Further there are no central records, as of now, to indicate the present age of individual union members from which to work out the actuarial basis which the N.T.U.C. must take into account in operating a retirement or death benefit scheme of this nature.

That being the case, the alternative would be for the benefit scheme to be worked out and introduced in stages. In the first stage, i.e. the first year, it may not be possible for benefits to be paid to individual members of affiliated unions. During this first year, the N.T.U.C. might have to put aside the agreed portion of its affiliation fee for financing

the scheme in a reserve fund, for the purpose of meeting liability arising in subsequent year. Beginning with the second year, a modest death benefit scheme geared to current rates of subscription could be paid in respect of individual members who die while in service. Thus dependants of a member paying, say, a 50-cent monthly subscription and who dies in service will be paid "X" sum as death benefit. In another case, where a member was paying a \$1 monthly subscription, dependants will be paid "2X" sum as death benefit. This amount could in subsequent years be varied depending upon the years of membership maintained with the particular union after the introduction of the administrative check-off. While this is being done, the move should be made for a standardization of subscriptions in all unions, geared to the income levels of members.

On the expiry of five years and the achievement of standard subscription rates, the N.T.U.C. should be able to review the matter and move to the third stage, i.e. by developing an even broader benefit scheme incorporating even an element of a small retirement benefit in the form of a lump sum payment for members retiring after a certain minimum period of membership. By then, central records should have been developed giving the individual ages of members, and their types of vocation.

Targets should also be set to achieve standardized subscription rates for union membership which could, for instance, be:—

- (a) \$2 in the case of those earning \$200 and below;
- (b) \$4 in the case of those earning \$201 and up to \$650;
- (c) \$5 in the case of those earning more than \$650.

(These are mere suggestions but the Commission discussing the subject may well decide on a more appropriate standardized rate of subscription, having regard to the need for the N.T.U.C. to provide realistic benefits to individual members under any proposed benefit schemes.)

The details of the respective schemes and the methods of maintaining a revolving fund should best be left to be worked out on an actuarial basis. How the scheme is to be operated, whether by the N.T.U.C. itself or through an insurance company, are matters of details which will have to be pursued, once the approach to the question has been agreed upon.

With Singapore's economic survival depending mainly upon industrialization, a serious effort needs to be made not only to attract members to individual unions but also to sustain membership. The following is a table setting out the potential membership, as compared with actual membership of trade unions over the years 1957-1966. This information may be useful in projecting any ideas on membership subscriptions and N.T.U.C. affiliation fees.

ORGANISED LABOUR BY PERCENTAGE
(1957—1966)

Year	(1) a Labour Force (000)	(2) b Employ- ment (000)	(3) c Union Membership (000)	(3)/(1) Per Cent	(3)/(2) Per Cent
1957	471.6	448.6	140.7	30.0	31.4
1958	481.4	428.4	129.1	24.7	30.1
1959	491.3	426.3	146.3	30.0	34.5
1960	500.2	432.6	144.7	29.0	33.7
1961	511.2	433.5	164.4	32.5	37.7
1962	525.6	445.1	189.0	35.9	42.5
1963	540.7	465.0	142.9	26.4	30.7
1964	556.7	479.6	157.0	28.1	32.7
1965	573.0	502.4	154.0	26.8	30.6
1966	576.6	523.0	141.9	24.6	27.1

- Source: a. From employment and Unemployment in Singapore by D.J. Blake in *Crucial Issues in Industrial Relations in Singapore* by W.E. Chalmers, Donald Moore Press Ltd., 1967.
- b. do.....
- c. Annual Report of the Ministry of Labour, various issues.
- d. Singapore Sample Household Survey, 1966.

General

As the purpose of this paper is to stimulate discussion on the particular subject of the need for financial autonomy, leadership and structural development, the Chairman of the Workshop concerned will be posing a number of questions, geared to the problems raised herein. These questions which will be made available, together with Seminar papers, at the time of registration, will be intended to help the Workshop discuss the topic more helpfully and in greater detail.

APPENDIX I

FEES PAYABLE BY MEMBERS OF AFFILIATED UNIONS

Name of Union	Entrance Fee	Monthly Subscription
1. Air Ministry Local Staff Union	\$ 2.00	\$1.50
2. Amalgamated Union of Public Employees	\$ 1.00	\$200 and below - \$1.00 \$251 - \$650 - \$2.00 \$650 and above - \$3.00 (Basic Salary)

APPENDIX I *Cont'd.*

Name of Union	Entrance Fee	Monthly Subscription
3. Army Civil Service Union	\$ 1.00	\$140 and below - \$0.60 \$140 - \$250 - \$1.00 \$250 - \$400 - \$1.50 \$400 and above - \$2.00 (including 10 cts. for Benevolent Fund)
4. Naval Base Labour Union	\$ 1.00	\$0.50
5. Pioneer Industries Employees' Union	\$ 1.00	\$1.00
6. Singapore Bank Subordinates Employees' Union	Nil Others - \$1.00	Subordinates - \$0.50 Others - \$1.00
7. Singapore Bus Employees' Union	\$ 1.00	\$1.00
8. Singapore Insurance Companies Employees' Union	\$ 1.00	Subordinates - \$1.50 \$400 and below - \$3.00 \$400 and above - \$6.00
9. Singapore Manual and Mercantile Workers' Union	\$ 1.00	\$1.00
10. Singapore Printing Employees' Union	Nil	\$1.00 per month
11. Singapore Stevedores' Union	\$ 1.00	50 cents per month
12. Singapore Teachers' Union	Nil	Teachers-in-Training \$6.00 per year Qualified Teachers \$15.00 per year

APPENDIX I *Cont'd.*

Name of Union	Entrance Fee	Monthly Subscription
13. Singapore Telecom- munication Workers' Union	\$ 1.00	\$200 and below - \$1.00 \$200 and above - \$1.50
14. Singapore Traction Company Employees' Union	\$ 2.00	\$1.00
15. United Workers of Petroleum Industry	\$ 5.00	Industrial - \$1.00 Staff - \$2.00
16. Singapore Harbour Board Staff Associa- tion	\$ 2.00	\$1.00 (likely to be amended)
17. Commissioner - Gene- ral's Local Employees' Union	\$ 2.00	\$ 80 - \$150 - \$0.50 \$151 - \$250 - \$1.00 \$250 and above - \$3.00
18. Islay Kerr Local Em- ployees' Union	\$ 2.00	\$1.00
19. Malayan Teochew Theatrical Trade Union	\$ 2.00	\$1.00
20. Malaysia - Singapore Airlines Executive Officers' Union	\$15.00	\$3.00
21. Musicians' Union of Singapore	Ordinary Employed - \$3.00 Members - \$10 Unemployed - \$1.00 Temporary Temporary Members - \$40 Members - \$5.00 (other than citizens and permanent residents of Singapore and Malaysia)	

APPENDIX I *Cont'd.*

Name of Union	Entrance Fee	Monthly Subscription
22. Race Course General Employees' Union	Nil	\$1.00
23. Reuter Local Employees' Union	\$ 2.00	Less than \$200 - \$0.50 \$200 - \$499 - \$1.00 \$500 and above - \$2.00
24. Sime Darby Holdings Local Executives' Union	\$25.00	\$3.00
25. Singapore Admiralty Local Staff Union	\$ 1.00	\$1.00
26. Singapore Advocates and Solicitors Employees' Union	\$ 1.00	Below \$200 - \$0.50 \$200 and above - \$1.00
27. Singapore Bank Officers' Union	\$20.00	\$5.00
28. Singapore Cigar Workers' Union	\$ 3.00	\$1.20
29. Singapore Firewood and Charcoal Workers' Union	\$ 2.00	\$1.00
30. Singapore Government Technical Services Union	\$ 1.00	Below \$500 - \$0.50 Above \$501 - \$1.00
31. Public Daily Rated Market and Hawkers Workers' Union	\$ 2.00	\$1.00
32. Singapore Interpreters' Union	\$ 1.00	\$1.00
33. Singapore National Union of Journalists	\$ 3.00	\$400 and below - \$3.00 \$400 and above - \$4.00
34. Singapore Tamil Teachers' Union	\$ 2.00	\$12.00 per year

APPENDIX I *Cont'd.*

Name of Union	Entrance Fee	Monthly Subscription
35. Singapore Toddy Tappers' Union	\$ 2.00	\$2.00
36. Chinese Tailors' Union	\$ 5.00	\$1.00
37. Food, Drinks and Allied Workers' Union	\$ 1.00	\$1.00
38. Singapore Air Transport Workers' Union	\$ 3.00	\$1.00
39. Mansfield Local Employees' Union	\$ 1.00	\$200 and below - \$1.00 \$100 and above - \$2.00
40. Singapore General Printing Workers' Union	\$ 2.00	Below \$80 - \$0.50 Above \$80 - \$1.00
41. Public Utilities Board Staff Union	\$ 1.00	\$249 and below - \$1.00 \$250 - \$600 - \$2.00 \$601 and above - \$3.00
42. Singapore Telephone Board Workers Union	\$ 1.00	\$250 or less - \$1.00 \$251 - \$650 - \$2.00 \$651 and above - \$3.00
43. Singapore Housing and Development Board Workers Union	\$ 1.00	\$250 or less - \$1.00 \$251 - \$650 - \$2.00 \$651 and above - \$3.00
44. The Association of the Singapore Business Executives' Union	\$25.00	\$5.00
45. Securicor Limited Employees' Union	\$ 2.00	\$1.00
46. The Union of Keppel Shipyard Employees of Singapore	\$ 1.00	\$1.00
47. Port and Dock Officers' Union	\$ 5.00	\$2.00

APPENDIX II

NATIONAL TRADES UNION CONGRESS
MEMBERSHIP OF AFFILIATED UNIONS

Affiliates	As Calculated from Affiliation Fees Paid to NTUC in March 1967		As Declared to Registrar of Trade Unions on 31-3-67	
	Rate per month	Member- ship	Declared Member- ship	Paying Member- ship
	\$ c.			
1. Air Ministry Local Staff Union - -	202.90	3,058	3,921	3,921
2. Amalgamated Union of Public Employees -	725.24	16,508	19,440	6,508
3. Army Civil Service Union - -	350.00	9,167	8,405	6,991
4. Naval Base Labour Union - -	70.00	1,143	2,831	525
5. Pioneer Industries Em- ployees' Union -	200.00	3,000	4,799	3,816
6. Singapore Bank Em- ployees' Union -	200.00	3,000	3,685	3,440
7. Singapore Bus Employ- ees' Union - -	60.00	1,000	1,295	720
8. Singapore Insurance Companies Employ- ees' Union - -	46.00	800	881	754
9. Singapore Manual and Mercantile Workers' Union - -	725.00	16,500	17,087	11,007
10. Singapore Printing Em- ployees' Union -	45.50	793	789	760
11. Singapore Stevedores' Union - -	32.00	600	638	532
12. Singapore Teachers' Union - -	225.00	3,500	4,410	3,698

APPENDIX II *Cont'd.*

Affiliates	As Calculated from Affiliation Fees Paid to NTUC in March 1967		As Declared to Registrar of Trade Unions on 31-3-67	
	Rate per month	Member- ship	Declared Member- ship	Paying Member- ship
	\$ c.			
13. Singapore Telecommu- nication Workers' Union - - -	25.98	640	519	453
14. STC Employees' Union	210.00	3,200	3,607	2,920
15. United Workers of Pet- roleum Industry -	186.00	2,800	2,813	2,608
16. Singapore Harbour Board Staff Associa- tion - - -	175.00	2,500	4,782	4,782
17. Commissioner-General's Local Employ- ees' Union - -	25.00	210*	191	132
18. Islay Kerr Local Em- ployees' Union -	25.00	133*	101	99
19. Malayan Teochew The- atrical Trade Union	25.00	161	166	166
20. MSA Executive Offi- cers' Union - -	25.00	30*	46	42
21. Musicians' Union of Singapore - -	25.00	304*	307	234
22. Race Course General Employees' Union -	25.00	500	567	442
23. Reuter Local Employ- ees' Union - -	25.00	50*	48	48
24. Sime Darby Holdings Local Executive Union - - -	25.00	27*	20	12
25. Singapore Admiralty Local Staff Union -	25.00	705	657	408

APPENDIX II *Cont'd.*

Affiliates	As Calculated from Affiliation Fees Paid to NTUC in March 1967		As Declared to Registrar of Trade Unions on 31-3-67	
	Rate per month	Member- ship	Declared Member- ship	Paying Member- ship
	\$ c.			
26. Singapore Advocates and Solicitors Em- ployees' Union -	25.00	334*	340	251
27. Singapore Bank Offi- cers' Association -	25.00	246*	236	93
28. Singapore Cigar Work- ers' Union - -	25.00	42*	68	46
29. Singapore Firewood & Charcoal Workers' Union - - -	25.00	150*	117	83
30. Singapore Government Technical Services Union - - -	25.00	248*	228	166
31. Public Daily Rated Market & Hawkers Workers' Union -	25.00	249*	230	210
32. Singapore Interpreters' Union - - -	25.00	101*	99	99
33. Singapore National Union of Journalists	25.00	112*	250	188
34. Singapore Tamil Teach- ers' Union - -	25.00	126*	164	30
35. Singapore Toddy Tap- pers' Union - -	25.00	83*	78	62
36. Chinese Tailors' Union	25.00	500*	683	676
37. Food, Drinks & Allied Workers' Union -	169.41	2,563	3,105	2,380
38. Singapore Air Trans- port Workers' Union	117.33	1,816	2,156	1,813

APPENDIX II *Cont'd.*

Affiliates	As Calculated from Affiliation Fees Paid to NTUC in March 1967		As Declared to Registrar of Trade Unions on 31-3-67	
	Rate per month	Member- ship	Declared Member- ship	Paying Member- ship
	\$ c.			
39. Mansfield Local Em- ployees' Union -	37.04	672	672	662
40. Singapore General Printing Workers' Union -	66.01	1,086	1,414	1,275
41. Singapore Marine Pro- ducts Workers' Union	74.00	1,357	658	410

Summary

1. Total amount paid by 41 Affiliated Unions per month
— \$4,442.41
2. Total of paying Membership as declared to
Registrar of Trade Unions - = 63,462
3. Total of nominal Membership as declared
to Registrar of Trade Unions - = 92,503
4. Total of membership of 21 Unions calcu-
lated from affiliation fees paid to N.T.U.C. = 80,014

*In the case of Unions with less than 500 members, whose subscrip-
tion rate is \$25.00 per month, the figure of declared membership is taken
as the basis.

An Analysis of the Finance of Unions*

THE INCOME OF unions is chiefly derived from the subscriptions and entrance fees paid by the members (For income and expenditures of unions see Table A). Most unions have dues ranging from 50 cents to \$2/- a month, and it is generally true that in most unions the monthly dues can be earned in less than two hours of work. In some industries, the monthly dues can even be equivalent to about one-third of a day's pay. The following Tables B and C show the distribution of unions of employees according to rates of entrance fees and monthly subscriptions in 1968:—

TABLE B
RATES OF MONTHLY SUBSCRIPTION OF
UNIONS OF EMPLOYEES, 1968

Rates	Per Cent
Nil - - - - -	—
\$1/- and under - - - - -	56.36
Over \$1/- but not exceeding \$5/- - - - -	14.55
Varying amount - - - - -	29.09
	<hr/> 100.00 <hr/>

*Prepared by Sdr. Ang Taie Ping.

TABLE C
RATES OF ENTRANCE FEE 1968

Rates	Per Cent
Nil - - - - -	4.54
\$1/- and under - - - - -	39.09
Over \$1/- but not exceeding \$5/- - - -	46.36
Over \$5/- but not exceeding \$19/- - -	2.73
Over \$10/- but not exceeding \$50/- - -	3.64
Varying amounts - - - - -	3.64
	<hr/> 100.00 <hr/>

Source: Annual Report Ministry of Labour, 1968 pp. 174.

The merits and demerits of the "check-off" system have sometimes been discussed as a possible means of boosting union funds. An alternative system could be to make use of paid collectors as agents, who could in fact be trade unionists who could reach the grassroots.

As mentioned earlier, the principal source of union income is derived from subscriptions from members. The size of the union's income is therefore directly proportionate to its membership figure. Statistical data, however, have shown a declining trend in the growth of trade union membership, particularly since 1962. However, conclusions as to a union's income size based on book membership are not quite accurate for the obvious reason that there may be very wide discrepancies between book and paid-up membership. The following Table shows the trend of union book membership and paid-up membership from 1963 to July, 1969 (For union membership by affiliation—See Appendix I):—

TABLE D
TOTAL UNION MEMBERSHIP, 1963 - 1969 (July)

Year	Book Membership	Paid-up* Membership	Per Cent
1963	142,936	90,499	63
1964	157,050	77,016	49
1965	154,050	73,094	47
1966	141,925	71,783	50
1967	130,053	73,091	56
1968	125,518	62,084	50
1969 (July)	121,804	51,896	42

*Estimated figures.

In 1963, the union book membership amounted to about 142,936 persons, while the paid-up membership accounted for approximately 90,499 or roughly 63 per cent of the total book membership. In 1968, the union book membership amounted to 125,518 while the paid-up membership was only 62,084 or about 50 per cent of the total book membership. The total book membership declined by about 17,000 members between 1963 and 1968. Paid-up membership over the same period declined by 28,415 persons.

The wide discrepancy between book membership and paid-up membership invites close examination: it may well be traced to the failure of the union to inculcate in all its members the objectives and purposes of trade unionism.

It should be noted that the peak of union membership was attained in 1964 with a total of 157,150 workers. Between 1964 and 1968 the trade union movement suffered an average loss of approximately 8,000 members per year. What is more alarming is that between 1964 and July, 1969 book member-

ship manifested a 23 per cent decline against a 33 per cent decline in paid-up membership.

The moving average of trade union membership from 1963 to 1968 is about 141,500 members while the income from subscriptions and entrance fees is in the range of \$840,376 to \$1,211,860 (See Table A). The labour unions in Singapore have not reached "big business" status. It is likely that the net assets of all unions are not comparable to that of one of the big corporations in Singapore. Accurate figures as to the net assets of all unions are not available; it is estimated to be in the neighbourhood of \$4 million or roughly equivalent to about \$30/- per union member in 1968 (See the following Table E).

TABLE E
ASSETS OF UNIONS

Items	1963/64 102 Unions	1964/65 104 Unions	1965/66 106 Unions	1966/67 97 Unions	1967/68 91 Unions
	(,000)	(,000)	(,000)	(,000)	(,000)
Cash in hand and bank	\$ 1,867	\$ 2,189	\$ 2,413	\$ 2,683	\$ 2,347
Land and building	328	310	406	409	385
Investments	34	91	89	82	147
Others	482	537	533	562	366
TOTAL	\$ 2,713	\$ 3,127	\$ 3,444	\$ 3,737	\$ 3,246

The Table clearly shows that the cash in hand and bank runs from \$1,867,928 in the 1963/1964 fiscal year to \$2,347,728

in the 1967/1968 fiscal year. This represents 70-75 per cent of the total assets of trade unions in Singapore.

Investment in Government and Municipal securities, shares and others run from \$34,185 in the 1963/1964 fiscal year to \$147,049 in the 1967/1968 fiscal year. This is equivalent to about 0.1 per cent and 4 per cent of the total assets of trade unions. There is, however, a slight improvement in investment by unions in the 1963/1964 fiscal year and the 1967/1968 fiscal year from \$34,185 to \$147,049. This represents an increase of approximately 332 per cent in the five-year period.

Trade Union funds appear relatively stable for the last five years. In the 1963/1964 fiscal year, they amounted to about \$1,867,000 as compared with \$2,683,000 in the 1967/1968 fiscal year, an increase of \$816,000 or roughly about 43 per cent. However, between the 1966/1967 fiscal year and the 1967/1968 fiscal year there was a slight decline in union funds from \$2,683,000 to \$2,347,000 a loss of \$336,000 or 12 per cent. The N.T.U.C. affiliated unions' funds in 1968 are estimated at \$2.9 million. This is roughly equivalent to about \$30/- per union member. The following Table shows annual fluctuations in the N.T.U.C. affiliated unions' funds.

TABLE F
ESTIMATED N.T.U.C. AFFILIATED UNIONS' FUNDS
1963 - 1968

Year	Amount (Million \$)
1963	1.2
1964	1.5
1965	2.2
1966	1.6
1967	2.5
1968	2.9

Note: Unions' funds include only cash in hand and bank and fixed deposits; they do not include land and building, shares, etc.

There is a declining trend in the growth of trade union membership, particularly the paid-up membership of the unions. Contributory factors for this decline include: inefficiency in the collection of dues; administrative difficulties; lapses on the part of members, and the Employment Act.

Cash in hand and bank accounted for a large proportion of the unions' assets. Investment in the form of securities and shares played a relatively less significant role in the unions financial management. This could be attributed to restrictive clauses in the various unions' constitutions and/or the lack of knowledge of investment opportunities.

It would be noted that, taken as a comprehensive whole, the financial standing of the affiliates of the N.T.U.C. is theoretically healthy, although individually the lot of some unions leaves much to be desired.

A union's income is directly correlated to the size of union membership. Unless remedial action is taken, trade unions will be facing financial difficulties in the near future.

Like other organizations, the union incurs many expenditures and must meet its financial obligations. Adequate finance being a necessary ingredient for union activity, the mechanics for the collection of subscription and other revenues, sources of increasing income and the allocation of funds for expenditure, are inter-related aspects of the subject.

The pattern of expenditures of the unions covers more or less the same areas as that of other organizations. Chief items of expenditure of unions include the payment of salaries for their full-time officers and part-time field representatives, travel expenses, benefits, office supplies, telephones and telegrams, postage and so on.

In an analysis of the finance of unions, it is always important to examine the union's budgeted expenditure and to scrutinise the proportions allocated to the different items of expenditure.

The distribution of expenditure of a large German union, which is set out below, is typical of how a large union in a

more developed country with a longer history of trade unionism, apportions its expenditure:—

12% for trade union action

14% affiliation fees for D.G.B.

6% for education

25% for staff salaries

8% for office rentals

5% honorarium for treasurers and collectors

3% for press

5% for meetings

2% for special groups

2% for legal assistance

18% for union benefits to members

100

A comparative study of union expenditure in Singapore may assist in the organisation of our finances.

TABLE A
UNIONS' INCOME AND EXPENDITURE

Fiscal Year	Returns of Unions	No. of Members at the End of the Year	FUND						Balance at End of Financial Year
			Balance at Beginning of Financial Year	Income		Expenditure			
				Subscription and Entrance Fee	Other Sources	Working Expenses	Benefits	Other Outgoings	
			\$ c.	\$ c.	\$ c.	\$ c.	\$ c.	\$ c.	\$ c.
1963 - 1964	102	157,050	2,190,462.05	1,006,409.01	604,305.25	745,028.51	100,105.70	313,983.24	2,642,058.86
1964 - 1965	104	154,052	2,552,881.81	1,086,493.79	721,809.27	742,757.08	132,546.45	443,099.80	3,042,781.54
1965 - 1966	106	141,925	3,042,534.04	1,211,860.48	542,172.31	931,278.54	95,816.40	412,812.86	3,356,659.03
1966 - 1967	97	130,053	3,311,734.20	1,029,138.45	807,866.61	722,811.03	292,370.83	451,565.54	3,681,991.86
1967 - 1968	91	125,518	3,092,033.21	840,376.25	593,307.87	648,147.51	289,807.04	414,228.97	3,173,523.81

(APPENDIX I)

UNION MEMBERSHIP BY AFFILIATION 1963 - JULY 1969

Year	National Trades Union Congress			Singapore Association of Trade Unions			Independent		
	Declared	Paid	Percent	Declared	Paid	Percent	Declared	Paid	Percent
1963	91,052	60,497	66%	18,131	11,713	64%	20,612	18,289	88%
1964	66,485	53,596	80%	20,801	14,830	71%	18,995	8,590	45%
1965	77,122	50,939	66%	15,541	11,303	72%	19,044	10,832	57%
1966	66,041	50,928	77%	13,841	8,266	59%	19,727	12,589	63%
1967	94,372	66,071	70%	14,450	7,180	49%	18,712	9,848	52%
1968	92,196	54,687	59%	13,097	7,961	60%	18,243	9,436	51%
July 1969	89,932	40,723	45%	12,627	7,228	57%	19,247	3,945	20%



Workshop 'A' — From Left: Sdr. Peter Vincent, President, N.T.U.C; Sdr. Aziz Karim, N.T.U.C Rep.; Sdr. Gerald de Cruz, Chairman; Sdr. V.R. Balakrishna, Rapporteur.

Recommendations to the Plenary Session*

Workshop A: *"The Political and Socio-Economic Context in which Organised Labour has to function; the Response needed from Organised Labour if it is to fulfil a Positive and Respected Role."*

THE TOPIC THAT Workshop "A" had to consider was:

"The Political and Socio-Economic context in which organised Labour has to function; the Response needed from Organised Labour if it is to fulfil a Positive and Respected Role."

This topic has been fully, even exhaustively considered during the past two days by the 52 delegates from 30 trade unions who comprised our workshop. I would like, therefore, at the outset of this report, to pay a heartfelt tribute, as the Chairman of Workshop "A", to the quality of participation by its members.

We spent $9\frac{1}{2}$ solid hours on this topic and examined 4 well-prepared and documented papers—but never once did attention flag, or constructive discussion fall silent. On the contrary, there was a strong spirit of camaraderie throughout, plenty of robust give and take in the best Parliamentary fashion and, above all, a strong conviction and motivation which from the outset, was almost tangible in its reality. Here were no Old Testament fundamentalists wielding abstract principles like thunderbolts; here were indeed the New Testament prophet of trade unionism (though a few had gray and balding heads), sitting down in a spirit that combined both self-criticism and self-confidence. They knew

*The Recommendations of the Workshops were announced to the delegates by each Workshop Chairman in turn. The report of the Workshop "A" was read out by its Chairman, Sdr. Gerald de Cruz.

that they were facing a long pull, but they were determined to move forward together to modernize the labour movement.

Although we examined each of the four papers in turn: The Trade Union Movement in Singapore, Employment Legislation, Political and Social Options of Organized Labour, and finally Successful Trade Union Organization in the Developed Countries—the German, Swedish and Israeli Examples; it is true to say that our discussions were dominated by the need to map out a strategy which would ultimately make the legalistic provisions of the Employment Act unnecessary.

Many speakers in our Workshop expressed their detestation of the Act as a powerful threat to job security, but all were united in accepting that the principles behind it—to lower costs, raise productivity, curb malpractices, and base all work on the norms of the industrial worker—are vital to the survival and rapid development of our country and, indeed, of our labour movement.

In $9\frac{1}{2}$ hours of discussion, argument and debate, we have hammered out a strategy which, we think, will root these vital principles into the working life of the nation and also provide the motivation which will make legalistic prohibitions irrelevant. We have enshrined our strategy in the following 14 Recommendations to the Plenary Session:

SOCIAL OPTIONS

"That this Plenary Session, recognizing that, if our society does not survive, the bell will also toll for organised labour; that the next few years are crucial for Singapore and Southeast Asia; that if we are to survive and prosper we must take up now the challenge of modernization;

Pledges that all our actions shall be guided from henceforth by the dual purpose of strengthening our multi-racial State and the labour movement; and undertakes solemnly not to falter in this task until we overcome all obstacles, represent the overwhelming majority of the workers of Singapore, and become co-owners of our new, dynamic society."

PRODUCTIVITY

“That this Plenary Session, taking cognizance of the fact that Productivity is the key to the rapid industrialization and modernization of Singapore; and fully accepting this to be so; and drawing attention to the important factor that possession of status and function is the real key to increasing a worker’s productivity;

Requests the Government to accept, as obligatory on both management and labour, the following code of Management/Labour relations, for the achievement of high norms of Productivity:—

- (a) Full acceptance by *management*
 - of collective bargaining process under the law,
 - of unionism as an institution,
 - of a strong democratic union as an asset to management.
- (b) Full acceptance by the *union*
 - of private ownership (where applicable)
 - of private operation of the business concerned,
 - of the fact that the welfare of its members depends on the successful operation of the business.
- (c) Union to be responsible and disciplined and management to stay out of Union’s internal affairs and not to seek to alienate workers’ allegiance to their union.
- (d) Mutual trust and confidence exist between the parties that both are partners in the drive to modernization.
- (e) Neither party will adopt a legalistic approach to the solution of problems, but will, on the contrary, ensure that negotiations are problem-centred and more time is spent on day-to-day problems than on defining abstract principles.
- (f) There is widespread union-management consultation and a highly-developed process of sharing information.



Workshop 'A' in session.

- (g) Grievances are settled promptly and locally, wherever possible, and the procedure is both flexible and informal.

2. "That this Plenary Session, agreeing with the Prime Minister in his speech at this Seminar, that 'developing the economy and increasing productivity . . . make sense only when fair play and fair play and fair shares make it worth everyone's while to put in his share of effort for group survival and group prosperity,'

Requests that Joint Productivity Councils be set up immediately in all sectors, both public and private, on which unions and employers would be equally represented, with the following duties:—

- (a) the stimulation of Production;
- (b) the measurement of Productivity; and
- (c) the equitable sharing of the fruits of such productivity between employers and employees."

3. "That this Plenary Session, recognising the great importance of the factor of environment in the problem of Productivity; and observing that, with the rapid rate of industrialization in Singapore, the pollution of the environment can steadily assume greater and even frightening proportions, as may already be seen in the developed countries of the world,

Calls for the speedy setting-up, in both public and private sectors, of Joint Health and Safety Councils, with equal representation of management and labour, to which experts should be co-opted, to investigate all hazards to the health of workers, and to establish a Code of Safety Norms which would take into account air and water pollution, occupational and environmental hazards, industrial dangers, the need for regular inspection and supervision, etc."

4. "That this Plenary Session, in further prosecution of the key objective of rapid economic growth,

Urges that Works Councils be set up immediately, at all places of work without exception; and Requests the N.T.U.C.

to draw up a Model Constitution for such Councils in order to standardize procedures and terms of reference."

RE-ORGANISATION

1. "That this Plenary Session, having critically examined the trade union structure in Singapore; having noted its weaknesses; and with a view to streamlining this structure to meet the challenge of modernizing the labour movement;

Undertakes to make radical changes in the structure by re-organising unions on an industry-wide basis, thus eliminating splinter unions, and increasing the centralisation, co-ordination and impetus of the movement as a whole."

2. "That this Plenary Session, accepting the need to expand the social and economic activities of the labour movement,

Urges that the N.T.U.C. set up new Departments to take the responsibility for the organisation of new schemes in the areas of Co-operatives, Insurance, Housing, etc.; and it further urges that a corps of full-time executive officers be trained to man these Departments."

3. "That this Plenary Session, taking full cognizance of the large pool of unorganised labour in Singapore; and of the declining membership in the trade unions;

Calls upon the labour movement as a whole to recognise the great peril of our situation; and instructs the N.T.U.C. to bear the responsibility for drawing up and executing plans for the organising of unorganised labour into strong and democratic unions; and further instructs individual unions to shoulder the responsibility for achieving 100% membership, and to select cadres (full-time and part-time) to be sent to an N.T.U.C. Course on Recruitment Methods and Strategies."

FINANCE

"That this Plenary Session, recognising that no modernization of the labour movement is possible without adequate financial resources,

Decides that:—

- (a) union dues be increased;
- (b) affiliation fees to the N.T.U.C. be also increased;
- (c) loans by unions at favourable terms be made to the N.T.U.C. to fund its special projects like Co-operatives, Insurance, Housing, Banks, etc.;
- (d) every worker in Singapore be called upon to donate, annually on Labour Day, one dollar per head to the N.T.U.C.; and
- (e) various other fund-raising activities be fully investigated e.g. setting up a printing-press, travel agency, lotteries, concerts, etc.

EMPLOYMENT ACT (1968) AND CENTRAL PROVIDENT FUND AMENDMENT ACT (1968) AND INDUSTRIAL RELATIONS ORDINANCE (1960)

“That this Plenary Session, having considered these three Acts, and the promise of the Prime Minister that anomalies may be corrected; and drawing attention to the fact that the term ‘managerial, executive and confidential position’ has not been defined in the Employment Act, and is therefore likely to give rise to disputes between employer and trade union,

Proposes that the N.T.U.C. define this term with a view to preventing abuse, and to having this definition included in the Act.

That this Plenary Session in reference to employees who work on rest days under Section 37 (4) of the Employment Act,

Proposes that, to prevent possible abuse, if a day off earned is not given within the specific period of seven days, then the worker should be paid for the work performed on that rest day in accordance with Section 37 (3) of the Employment Act. Similarly an employee who works on any holiday under Section 41 (4) should be paid as provided under Section 41 (3).

That this Plenary Session Proposes that Section 43 (1) of the Employment Act (1968) be amended to provide that if any employee meets with an accident arising out of, or in the performance of his duties, which necessitates hospitalization, he should be eligible for paid sick leave, and such sick leave should not be deducted from the 60 days' sick leave entitlement provided under Section 43 (1) (b) of the Act.

That this Plenary Session, taking note of the undoubted fact that some employers are deducting from their contributions to the Private or Retirement Benefit Funds, in order to meet the increased payment to the Central Provident Fund (as called for by the C.P.F. Amendment Act 1968), thus flouting both the purpose and the spirit of the Act,

Calls upon the Government to take note of this and to revise the C.P.F. Act to prevent such abuse.

"That this Plenary Session, taking note of the undoubted fact that although provision is made under the Industrial Relations Ordinance (1960) to give remedy to an employee in the event of victimisation by his employer; that the term 'victimisation' is not defined; and that it is extremely difficult to prove victimisation under the present procedures, as is attested to by the fact that the relevant provisions of the Industrial Relations Ordinance have yet to be tested in a court of law, despite innumerable complaints of victimisation,

Calls upon the Government to revise the relevant provision in the Industrial Relations Ordinance by placing the onus of proof on the employer to show that he did not victimise the employee concerned."

BRITISH MILITARY SERVICES' WORKERS

"That this Plenary Session, recognising that the complete withdrawal of the British military services will place all those workers directly affected in an extremely difficult position,

Calls upon the N.T.U.C. to appoint a Special Committee to take responsibility for their plight and to recommend to

Government that such workers be given priority for alternative suitable employment in the new labour-intensive industries to be put up."

HISTORY OF THE TRADE UNION MOVEMENT

"That this Plenary Session, recognising that the history of the trade union movement is part of the history of Singapore,

Recommends that the N.T.U.C. set up a Special Committee to organise the writing of a full and objective history of our movement, by compiling all relevant data, requesting all unions to provide it with a full history of their part in the workers' struggle, and engaging an author of competence to write the history."



Workshop 'B' — From Left: Sdr. Lawrence Sia, N.T.U.C. Representative; Prof. T. H. Elliott, Chairman; Sdr. R. O. Daniel, Rapporteur; Sdr. Steve Nayagam, Secretariat Member.

Workshop B: *Conclusions and Recommendations of the Workshop on: "Programmes of Modernization".**

A. N.T.U.C. FUNCTIONS AND ACTIVITIES

It was recommended:—

1. That subscriptions of all unions be rationalised and that there should be an increase in subscriptions.
2. In this connection it was suggested that the subscription should be deducted at source and that a reasonable proportion should be paid to the national centre.
3. That the N.T.U.C. set up a team to survey all the activities of the affiliated unions and the N.T.U.C. and make recommendations as to what should be undertaken by the Centre and what they should themselves process in the future.
4. That the N.T.U.C. sponsor a scholarship fund for children of trade unionists to go for further studies to enable them to give their service to the Centre or an affiliated union. Children so provided with this scholarship will be bonded to serve the trade unions for a period of 5 years as in the case of recipients of Government Bursaries.
5. That the N.T.U.C. set up a Committee to look into the possibility of establishing a printing press to cater for the needs of affiliated unions. In this connection it was recommended that printing rates should be more attractive than those offered by commercial publishing firms.
6. That the N.T.U.C. programmes for the following year should be submitted to affiliates by October of the current year so that unions can plan their programmes to support and complement the same without the danger of duplication. Any programme planned should *not* seek to compete with those already in existence.

**Workshop "B's" Recommendations were announced to the Plenary Session by its Chairman, Professor Tom Elliott.*

7. That the N.T.U.C. immediately set up a Committee to amalgamate all small unions into BIG, EFFECTIVE UNIONS; only in exceptional cases should the Registrar of Trade Unions register unions of less than a thousand.

8. That the N.T.U.C. set up a Special Committee to look into the position of unionising unorganised workers in Singapore.

B. EDUCATION FOR LEADERSHIP IN THE TRADE UNION MOVEMENT

It was recommended:—

1. That the N.T.U.C. should support a fund for handicapped childrens' organisations so that an annual grant could be given to the organisations which would in return give special consideration for children of union members.

2. In view of the inevitability of the members' need for re-training to meet the demands of industrialization in Singapore, the N.T.U.C. should:—

- (a) Ensure that a survey be made of future job opportunities;
- (b) Request that full-time instructors rather than part-time instructors should train these employees;
- (c) Ensure that all workers who have to undergo re-training should as far as possible be given jobs when they finish their re-training.

3. That the Vocational Training Centre and the National Productivity Centre should organise these courses for the employees and the N.T.U.C., should have an effective voice in the organisation of these courses.

4. That the N.T.U.C. appoint a committee to look into the possibility of investing the Workers' Education Fund, so that the N.T.U.C. could grant scholarships to members' children at secondary and university level and that this committee should also examine means of obtaining further donations to the fund.

5. That the N.T.U.C. should examine the feasibility of establishing a workers' college. It was felt that trade union members would respond with the same enthusiasm that the public, particularly the workers, responded to the appeal of Nanyang University.
6. That the N.T.U.C. should organise more courses in industrial relations particularly in work study, union laws and advocacy, for rank and file members so that they would be able to negotiate at branch level.
7. That as an interim measure the N.T.U.C. explore the possibility of continuing to use the facilities at the National Youth Leadership Training Institute to carry on these programmes for the rank and file.
8. That priority should be given to the education of rank and file members to assume positions of leadership in the unions and to fill the posts to be created for career unionists.
9. That careful consideration should be given not only to the intellectual ability but also to the loyalty of those professional officers, e.g. lawyers, accountants, and economists etc., who would have to be recruited direct from the Universities.
10. That unions be given full details of the exact costs of running the operation and that there was proper budgetary control and that services be rendered impartially to all affiliates.
11. That this support was contingent upon a check-off system being instituted.
12. That although all the proposed projects were desirable in principle, first priority should be given to the education of the rank and file.
13. That all projects should be wholly financed by the unions themselves who were the ultimate recipients of these benefits.

C. WORKERS' PARTICIPATION IN MANAGEMENT

It was recommended:—

1. That the N.T.U.C. give immediate consideration to the formation of an effective Joint Consultative Machinery for all Unions.
2. That the N.T.U.C. should set up a programme to train members on the floor in the concepts and operation of Consultative Committees in order to effectively educate the members.
3. That both employers and employees serving on the Joint Consultative Committees should have full powers from their nominating bodies to make effective recommendations and decisions.
4. That the N.T.U.C. consult with recognised Employers' Organisations and the Government to draw up a common consultative procedure acceptable to all parties both in the private and public sector which should deal with matters of personnel relations, working conditions and all matters which are not dealt with in collective agreements.
5. That the N.T.U.C. should prevail upon the government to accept the principles of the 1952 Recommendations of the I.L.O. Committee on Joint Consultation.
6. That the I.L.O. Recommendations embodied in the 1952 agreement be regarded as a suitable basic working document as modified to meet the particular needs of Singapore, viz:—
 - (a) The representatives of the workers on bodies for consultation and co-operation should be freely appointed or recalled by the workers themselves in the undertaking.
 - (b) The different categories of workers employed in the undertaking should be represented on an appropriate basis on the bodies for consultation and co-operation.

- (c) (i) Bodies for consultation and co-operation should have the essential function of increasing understanding of each other's point of view between all parties in the undertaking on a basis of real equality of discussion, and of assisting management by giving advice, information and suggestions on matters relating to production and the comfort and well being of the workers.
- (ii) In accordance with national custom or practice such consultation and co-operation should be:—
 1. facilitated by the encouragement of voluntary agreements between the parties, or
 2. promoted by laws or regulations which would establish bodies for consultation and co-operation and determine their scope, functions, structure and methods of operation as may be appropriate to the conditions in the various undertakings, or
 3. facilitated or promoted by a combination of these methods.
- (d) The managements of undertakings should take appropriate measures to facilitate the proper functioning of bodies for consultation and co-operation such as:—
 - (i) placing at the disposal of the body for consultation and co-operation the premises, material, and, in appropriate cases, the staff essential to its meetings or indispensable for its secretariat;
 - (ii) informing the body for consultation and co-operation at regular intervals, and not less than once a year, regarding the activity of the undertaking and the plans for the coming 12 months, and to give general information regarding the

economic and technical situation of the undertaking;

- (iii) allowing the representatives of the workers the necessary time to perform their functions without loss of pay.
- (e) Appropriate measures should be taken to ensure that members of bodies for consultation and co-operation should not disclose confidential information which may be brought to their knowledge during the performance of their functions.
- (f) Appropriate measures should be taken to ensure the adequate protection of the representatives of the workers against discrimination because of the exercise of their functions.
- (g) All parties concerned with the activities of bodies for consultation and co-operation should take special measures to keep the whole of the personnel informed of such activities subject to the non-disclosure of confidential information referred to in paragraph (e) above.

D. CO-OPERATION

It was recommended:—

1. That the N.T.U.C. should embark upon co-operative ventures.
2. That initially the N.T.U.C. should start a Life Insurance Co-operative as the first priority. The collection of insurance dues would be at source.
3. That, in order to get an early start for these projects, affiliate unions explore the possibilities of offering as much as 50% of their uncommitted reserve funds to the N.T.U.C. as loans, at normal interest rates.
4. That:—(a) co-operative ventures should be fully competitive; (b) the labour movement should engage in fields where it has natural built-in advantages; (c) there should be complete integrity in the operation of the co-operative; (d) there should be effective management.

5. That a Consumer Co-operative be established as soon as there is sufficient capital and expertise to organise such a co-operative.
6. That the Consumer Co-operatives should be run on standard principles and that initially no credit should be allowed.
7. That all co-operative ventures should be operated through the N.T.U.C. and should be run on business lines and that a proportion of the profits be transferred to the N.T.U.C. Development Fund.
8. That a co-operative bank should be established only after funds have been built up and experience developed.
9. That subsequently industrial co-operatives should be set up.
10. That the feasibility of embarking on industrial co-operatives for the following enterprises be assessed: (a) a co-operative tailoring factory and a garment factory—men's ready-to-wear clothing for export to western countries; (b) cane and rattan work for tourist trade; (c) printing—dealing with small contracts, e.g. invitation cards etc.; (d) bookbinding; (e) carpentry for low-cost house furniture; (f) artistic metal works for the tourist trade; (g) shoe-making; (h) mattress-making for union members; (i) tin-smelting etc. as sub-contracts to larger industries; (j) spray-painting; (k) servicing of motor vehicles (l) laundry work for hotels; (m) co-operative cigarettes; (n) holiday tours; (o) co-operative transport; (p) a co-operative school bus service; and (q) a co-operative school book-shop.
11. That the N.T.U.C. examine the feasibility of establishing a Health Service in Jurong and other industrial estates for the benefit of workers, particularly for after office hours.
12. That a feasibility study of the possibility of providing canteen services for army, navy and air-force establish-

ments be undertaken. These co-operatives could also deal with durable goods.

13. That the N.T.U.C. draw the attention of Government to the fact that the legislation governing co-operatives was out-moded in certain respects and invite Government to review those clauses which are inhibiting the healthy growth of the co-operative movement.
14. That assistance be sought from Trade Union organizations overseas, which have developed successful co-operative ventures and that the services of the I.C.A. be sought as required.
15. That the co-operatives should have three main objectives: (a) to provide services to members of the unions for the benefit of membership; (b) to earn income for the trade union movement; and (c) to be of advantage to the Republic.

I.L.O. REPORT IV-2 on 'The Role of Co-operatives in the Economic and Social Development of Developing Countries'

LEGISLATION

10. All appropriate measures should be taken:—
 - (a) to detect and eliminate provisions contained in national laws and regulations which may have the effect of unduly restricting the development of co-operatives through discrimination, for instance in regard to taxation or the allocation of licences and quotas, or through failure to take account of the special character of co-operatives or of the particular rules of operation of co-operatives.
 - (b) to avoid the inclusion of such provision in future laws and regulations.
11. There should be national laws or regulations specifically concerned with the establishment and functioning of co-operatives, and with the protection of their right to operate on equal terms with other forms of enterprise. These

laws or regulations should preferably be applicable to all categories of co-operatives.

12. (1) Such laws and regulations should in any case include provisions on the following matters:

- (a) a definition of description of a co-operative bringing out its essential characteristics, namely that it is an association of persons who have voluntarily joined together to achieve a common end through the formation of a democratically controlled business organization, make equitable contributions to the capital required and accepting a fair share of the risks and benefits of the undertaking in which the the members actively participate;
- (b) a description of the objects of a co-operative, and procedures for its establishment and registration, the amendments of its statutes, and its dissolution;
- (c) the conditions of membership, such as the maximum amount of each share and where appropriate, the proportion of the share due at the moment of subscription and the time allowed for full payment, as well as the rights and duties of members which would be laid down in greater detail in the by-laws of co-operatives;
- (d) methods of administration, management and internal audit, and procedures for the establishment and functioning of competent organizations;
- (e) the protection of the name "co-operative";
- (f) machinery for the external audit and guidance of co-operatives and for the enforcement of the laws and regulations.

(2) The procedures provided for in such laws or regulations, in particular the procedures for registration, should be as simple and practical as possible, so as not to hinder the creation and development of co-operatives.

13. Laws and regulations concerning co-operatives should authorize co-operatives to federate."



Workshop 'C' — From Left: Sdr. Yeo Toon Joo, Rapporteur; Sdr. S.R. Nathan, Chairman; Sdr. N. Govindasamy, N.T.U.C. Representative.

Workshop C: *Conclusions and Recommendations of the Workshop on: "Human and Financial Resources to ensure that the Trade Union Movement will realise its effective Role in the Tripartite Social Partnership which forms the Basis of Singapore's Industrial Advancement."**

1. In the context of the unprecedented challenge facing the trade union movement today, the Workshop called for a new sense of direction and the identification of new fields of endeavour, if it is to modernize and avoid extinction. The need to set aside traditional virtues of militancy and struggle in favour of a high standard of discipline and general awareness of its social responsibilities in the larger frame-work of national interest was also stressed. It was acknowledged that in order to play a responsible, yet more difficult role, in the tripartite social partnership for the modernization and industrialization of Singapore, the movement had not only to develop the capacity to innovate new and more rational ways of mobilising rank and file support and retaining workers' interest, but also to demonstrate courage in facing up squarely to the numerous challenges of the times. This called not only for the highest standards of integrity but also a steadfast belief in being fully competitive, and accepting no privileged treatment.

2. If modernization is to be achieved, the Seminar considered it important that the movement:—

- (a) develops the capacity to anticipate changes in the environment, and determines the ideals, objectives and priorities which must be set in that context;

*These Recommendations were presented to the Plenary Session by the Chairman of Workshop "C"—Sdr. S.R. Nathan.

- (b) demonstrates its capacity to become an active participant in the process of social change and in creating the kind of Singapore which workers would like to see established;
- (c) examines long and short term perspectives and reviews programmes, policies and doctrines in the context of the future;
- (d) discovers policies and schemes which will have meaning for the increasing number of the new generation of workers, which has no direct knowledge or experience of the struggles of the past; and which is likely to be more educated and less emotionally motivated; and
- (e) observes and adheres with fidelity to certain principles of leadership and, through the development of a realistic strategy and a sound financial base, provides services to meet genuine and practical social needs of workers in general.

3. On the two essential ingredients necessary for strengthening the trade union movement in order to play a more effective role in this new situation—i.e. leadership and finance—the Seminar acknowledged the importance that must be attached to these resources if the National Centre and its affiliates are to play a genuine and effective role in the modernization process. The consensus was that the National Centre should secure these resources without further delay. Towards this end, its recommendations were as follows:—

(i) *Finance*

4. Since financial self-sufficiency remained a highly desirable objective both for the National Centre and for its affiliate unions, the Seminar considered it important for the National Centre to progressively discard its dependence

upon funds from outside sources. For this to be achieved it stressed the need for the Movement, as a whole, to find ways and means for remedying this situation. It drew reference to prevailing problems of collections of union dues and the need for some form of check-off to be secured, especially in the case of a union enjoying recognition as being the only bargaining agent for the workers it represents, and called upon the N.T.U.C. to commence discussions with Government, as a matter of urgency, for some arrangements to be effected whereby this check-off could be attained through administrative means. It was suggested that the following should be the basis on which check-off is effected:—

- (a) that it be granted by the Minister concerned only to the unions affiliated to the N.T.U.C. and which continue such affiliation,
- (b) that it is subject to periodic review, at intervals to be agreed upon between the N.T.U.C. and Government,
- (c) that measures be agreed to between the N.T.U.C. and Government to safeguard workers against any mis-use of such funds as are deducted from their earnings in this respect,
- (d) that a system be worked out whereby an employer will deduct on the basis of a schedule of membership presented to him by the affiliated unions, through the N.T.U.C.; and that deductions only cease when a member's resignation is accepted and confirmed by the union concerned, through the N.T.U.C., and
- (e) that it should not be applicable to any union which has not revised its rates of membership subscriptions to that proposed hereafter.

5. With these arrangements, it proposed that trade unions affiliated to the N.T.U.C. should standardize their monthly subscription rates on the following basis:—

Salary Range (Gross)			Rates per month
\$100/- and below	-	-	\$1/-
\$101/- to \$250/-	-	-	\$2/-
\$251/- to \$350/-	-	-	\$3/-
\$351/- to \$450/-	-	-	\$4/-
\$451/- to \$550/-	-	-	\$5/-
\$551/- and above	-	-	\$6/-

Towards this end affiliate unions should move towards amending their respective constitutions to provide for the revised rates of membership subscriptions to be brought into effect on the first day of the month following the introduction of an administrative check-off.

6. The Seminar also considered it necessary to recommend standardised rates of entrance fees for those seeking to enrol as members of trade unions affiliated to the N.T.U.C. However, in this case, it was felt that the effective date of these new rates should be 1st April, 1971 as this would allow interested workers to enrol as members of unions before the enhanced rates of entrance fees are introduced. The Seminar proposed that the entrance fees should be on the following basis:—

Salary Range (Gross)			Entrance Fee Rates
\$200/- and below	-	-	\$2/-
\$201/- to \$500/-	-	-	\$5/-
\$501/- to \$600/-	-	-	\$10/-
\$601/- to \$700/-	-	-	\$15/-
\$701/- to \$800/-	-	-	\$20/-
\$801/- and above	-	-	\$25/-

7. The question of self-sufficiency of the trade union centre was discussed at length. The Seminar agreed that affiliates had a responsibility not only towards attaining this objective but also towards providing the National Centre with resources for other Development plans that were envis-

aged. A variety of solutions were considered and it was felt that there was no other way other than for affiliates to provide the National Centre with sufficient funds by way of affiliation fees worked out on a percentage of union subscriptions collected each month. The Seminar considered that with the introduction of standardised rates of subscriptions, monthly affiliation fees to the N.T.U.C. should correspondingly be revised to 25% of the total subscriptions collected each month by affiliated unions, (including Annual Bonus payments and Ex-Gratia payments in lieu thereof). It was felt that of the sum so derived by the N.T.U.C. as affiliation fees, the latter should apportion the following percentages for the purposes specified:—

- (a) 60% of affiliation fees collected to be devoted to the operational expenses of the N.T.U.C.
- (b) 40% of the affiliation fees collected to be paid towards a separate N.T.U.C. Development Fund which is to be used solely for the financing of projects and development programmes of an investment nature.

8. With the allocation of such resources, the Seminar felt it important to stress the need for the N.T.U.C. to observe the following:—

- (a) To ensure strict budgetary control over its spending and to present yearly estimates of proposed spending in advance in order to give affiliates an opportunity to examine N.T.U.C. finances and make suggestions of how spending could be channelled while ensuring the proper handling and utilization of N.T.U.C. funds.
- (b) The setting up of a Special Committee of experts to study the areas in which the N.T.U.C. development fund can be invested and the cooperative projects most feasible for implementation.
- (c) The exercise of stringent control over benefits accruing from N.T.U.C. projects and membership of N.T.U.C. schemes that may be set up in the future open only to members of affiliated unions.

- (d) The levying of a reasonable fee on unions for the exclusive utilization of service of Officers of the Research Unit, except in cases where the unions concerned are in no position to meet this liability.

9. Attention was also paid to the prevalent practice of workers enjoying benefits secured by trade unions through the collective bargaining process, though themselves disinterested in trade union membership. Fears were expressed over the tendency of employers to oblige such workers by granting these benefits obtained by unions, and it was suggested that a closed-shop policy, or alternatively a union shop policy might be the best possible solution. The Seminar felt that it was more important at this stage for the movement to demonstrate its capacity to be able to bring such workers into its fold by encouraging membership, through attractive and beneficial schemes which fulfil genuine and practical social needs of workers.

(ii) *Leadership*

10. In the context of the expanding role of the trade union movement and the increasing demands that will be made upon leadership at all levels, the Seminar felt that there is urgent need for competent manpower resources to be available for a broad variety of activities. While the movement will have to depend largely for leadership to be provided by those whose service to it are available only on a part-time basis, the Seminar recognised that increasingly this must give way to trade union leaders who are available on a full-time basis if they are to meet the many demanding and exacting responsibilities expected of leaders henceforth. Manpower resources would therefore have to be developed at all levels both for the execution of policies as well as to provide the leadership in the organisational and other activities of the movement. The call was made for the development of professional skills within the movement and identifying of talents that will be required. Stress was placed on the importance of training at all levels in order to develop

this wide corps of trade union workers and leaders if the modernization process is to succeed. It was suggested that training at grass-root levels of rank and file members and at shop-steward level were matters of urgent need. The view was expressed that special training programmes for leaders at branch level and at national level should also be envisaged.

11. With this training programme, the Seminar felt that it was equally important that those who were trained for leadership were given the opportunity within the movement to benefit from the practical experience of leadership in different trade union settings. Training and experience are both essential ingredients for the development of leadership qualities among members.

12. The problem of small unions being unable to provide personnel to carry out their day-to-day activities was also raised in the Seminar. The general consensus was that the National Centre should have available a number of skilled personnel who could provide the necessary service on a full-time basis, at least until the union is able to afford these from its own resources.

(iii) *General*

13. Since it would be meaningless to allow the momentum generated by the Seminar to lapse owing to delays in the implementation of its recommendations, the Seminar stressed the need to keep up the tempo and win ground support for the modernization programme as the next immediate stage of the modernization process. It therefore called on the Central Committee of the N.T.U.C. to institute a "Modernization Campaign Committee" with detailed terms of reference to give effect to these objectives and report periodically the progress made on its recommendations.

14. To meet possible delays in the implementation of its major recommendations owing to unavailability of sufficient funds, the Seminar proposed that some effective scheme

should be launched as a matter of urgency with the assistance of affiliate unions. Towards this end, it called upon the N.T.U.C. Central Committee to take immediate steps to produce a detailed blue-print for the launching of a cooperative insurance scheme for the benefit of unionised workers enjoying the membership of N.T.U.C. affiliate unions. It stressed the need for expert opinion to be obtained in this regard and for the scheme to be launched without waiting for finances to accrue to the N.T.U.C. Development Fund via the revised affiliation fees proposed by the Seminar. As an interim measure, it suggested that on the basis of a fool-proof and practical blue-print for such a scheme, affiliate unions should be urged to purchase shares in the scheme out of existing deposits held by them, and union members interested in participating in the project should also be given incentives to invest. Where necessary, unions should make available to the N.T.U.C. funds on a loan basis, repayable within a specified period, to be utilised as operating capital during the initial period of the scheme.

Closing Session of the Plenary

“Pioneers of Change”

Seminar Chairman, Sdr. C.V. Devan Nair

THE HOPES OF the organisers of this Seminar have, it seems to me, been more than realised. Such a Seminar would have been unthinkable five or ten years ago in the days of 50-cent trade unionism. For the first time in the history of the trade union movement in this Republic, and in this part of the world, trade unionists gathered together to discuss in a serious, sober and responsible way the past, the present and the future outlook of organized labour. And we have a wealth of materials to draw upon from the papers presented by the Seminar Committee and from the contributions made by the Prime Minister, the Minister for Labour and the Minister for Finance. The Prime Minister gave the participants an understanding in depth of the total situation, internal as well as international, in which the people of Singapore find themselves today.

The labour movement cannot insulate itself from the harsh realities of life. Surrounding circumstances can prove unsettling, very volatile and explosive and it would be a piece of abysmal folly to believe that the calamities which have overtaken other developing societies may not yet overtake us. And this possibility exists, according to the Prime Minister, if this Republic and all sections of the community including organised labour do not deliberately plan and prepare for survival in the decade of uncertainties which lies immediately ahead. He struck a grim and sober note, I think, which was not lost on the participants. The Minister for Labour, Comrade Rajaratnam, gave us a trenchant analysis of the old-style trade unionism of pre-independent days and asserted more encouragingly in a very

categorical fashion the crucial role which a new style and modern trade unionism can play in the life and development of this Republic. Last but not least, Dr. Goh Keng Swee, the redoubtable Minister for Finance, went so far as to offer guidelines and the sound strategy of growth for the trade union movement to follow in its plan to engage in cooperative endeavours for the service and relief of the working population.

I may make bold to make a confident assertion that nowhere else in the developing world would three of the leading figures in the political leadership come out so openly, (i) to outline the shape of things to come; (ii) to categorically affirm the crucial role of labour in the task of development and (iii) to actually assist in the formulation of a strategy of growth for organized labour in its escalation for modernization. And it was intelligent and forthright advice that we received, not sentimental prattling or assurances of soft-soaping and feather-bedding and continued subsidy. It was advice that was calculated to arouse our capacity to respond with the best in us and not to pander to the weakness in us; and it came from members of a political leadership who have, where the people of Singapore are concerned, overwhelmingly vindicated themselves and have no reason to be apologetic or defensive about anything they have done. The discussions in the three Workshops under the able guidance of Professor Tom Elliott, S. R. Nathan and Gerald de Cruz established beyond doubt that the essential message of this Seminar has sunk home: that there is no cheap way for organised labour to modernize and to succeed. The message has sunk home that a price has to be paid for achievement—a price in terms of effort, of organisation and of greater contributions from the working population, if their representative institutions, the trade unions and the N.T.U.C., are to have their rightful role, function and status in society. If this is not done the organised workers of Singapore must inevitably lose, by default, their collective influence in the shaping of the

Singapore of the future and their just share in the fruits of prosperity and progress.

It was an appreciation of this fundamental fact that has resulted in the recommendations which we have adopted today. No doubt, we had the occasional voice of cynicism, of doubt, sometimes of negative protest, of an ingrained resistance to change. But these negative contributions also assisted, for they helped to arouse the positive pulls in all the three Workshops. All trade union leaders and observers in all the Workshops contributed their share in free, full, frank and often lively exchanges of opinion. And, as Brother Kandasamy very aptly remarked, this was the first trade union gathering in which there was no rat-race, no struggle for votes or for position. Everyone tried in his own measure to contribute to the general good of the labour movement. But this Seminar is not the end, it is only the beginning.

As I remarked in one of the Workshops, it is only Scene I, Act 1 of the whole process of modernization. There are many more acts to go through and several more scenes to go before organised labour can claim that it has achieved the breakthrough into the dimension of modernization. Our conclusions and recommendations must be translated into practice. And before we can do that, there must be a continuous process of contacting, informing and inspiring the rank and file membership with the objectives we have formulated here, and the recommendations we have made. If only the union leaders respond but the rank and file do not, then our Seminar would have failed to achieve its purpose. The modernized trade union movement would in that event prove to be a still-born child.

We have participated in the conception of a modernized movement. But we would be failing in our duties if we did not try to ensure a safe delivery. All of you have successfully impregnated the N.T.U.C. and this organisation is already showing or is already protuberant with child, with a promise of a new birth. But this new birth might easily prove abortive, there might be a miscarriage or other hazards that might afflict

the pregnant mother. So we must ensure that the most stringent anti-natal precautions and care are taken. Adequate nutrition for the mother, that is the N.T.U.C., in the shape of vitamins, especially Vitamin M, must be ensured for the labour movement which you have made pregnant with promise. Towards this end, it is of vital importance that all affiliated trade unions and their leaders from headquarters level as well as at the branch level engage from now on, in a sustained, continued and concerted effort to explain to the rank and file the concrete benefits that would accrue to the workers, if the Seminar's recommendations were actively supported. In this connection, I would draw your attention in particular to the last recommendation of Workshop 'C'—"General." Briefly it calls, in the first instance, for the setting up of a special Modernization Campaign Committee with detailed terms of reference, whose job would be to embark on an educational campaign, use of mass media, radio, T.V., publicity, meetings of trade unions at branch level, general meetings and so forth. This must be done. Secondly, we have also recommended certain immediate measures which might be taken to prove to the ground that we mean business.

In the meanwhile, the N.T.U.C., assisted by experts, would have to formulate detailed plans of execution for some of the major cooperative, educational and other projects outlined by this Seminar. In the long run, unless tangible results are provided through these projects, the credibility of our modernization programme will not be accepted by our working population as a whole. It must never be forgotten that the ultimate test of our success must depend on the actual success, the services we manage to provide for the working population. We cannot trick the workers into supporting us, our objectives and the measures we have proposed just by a display of verbal gymnastics. Any worthwhile support must be earned the hard way through proved capacities and effective service. So, we would appeal to all our participants not to revert or be tempted to revert to the old

passivity, or cynicism of hopelessness after this Seminar. Do not let us be discouraged by inertia and the resistance of inertia which we are bound to encounter in the course of our work. It is a fact of experience that the moment something desirable and positive seeks to establish itself, the negative forces of inertia and resistance to change have also a habit of emerging. But it is also a fact of experience that inertia and resistance to change invariably give way and must give way before a sustained will, drive and determination. Do not make the mistake of underestimating the capacity of the workers of Singapore to respond, provided there emerges a leadership which earns their respect for the sincerity of its commitment to the goal of modernization.

One of the things we have to do is to restore, by our work and by the results we produce, a sense of pride in trade unionism and in the trade union movement. And one of the basic failings of the labour movement in the last few years was a loss of pride in the trade union movement mainly because there was a loss of pride by the trade union movement and its leaders in themselves.

Now there are these very simple basic and fundamental lessons which we have to learn if we are to get anywhere and one of them is this: no individual or organisation gets respect unless he or she or the organisation deserves it. If the majority of workers in Singapore are outside the trade union field, then it must mean to an objective observer that this is because they have found little reason to respect us. If the workers fail us then it can only be because we have failed them, and it is invariably the leaders who fail their people and very seldom the people who fail their leaders. So the most honest question we can ask ourselves is: are we leaders who deserve respect and support? And if not, why not? If the labour movement emerges as a powerful, influential and modernized organisation in the years to come, all of us who have contributed to the Seminar here will go down in history as the pioneers of change, of the creators of a new era for organised labour, and that is a much more worthy distinction

than to go down in history as merely a bunch of ineffective clowns, who achieved nothing more than to engage for the last three days in talking shop. So let us regard ourselves as pioneers to whom succeeding generations of workers will have reason to owe a deep debt of gratitude. We would be recorded in history as the ones, as the pioneers, whose decisions and whose actions lifted the labour movement out of despondency and ineffectiveness because we chose to be active creators of the future instead of being passive prisoners of the past or of the present. No individual or group of persons can achieve this transformation by himself or themselves. It requires a collective team effort—the days of the individual hero who accomplished everything by himself are over. The modernization process in particular must do without heroes and must require co-ordinated team work among all union leaders from the top to the bottom.

The Delegates who voted for Modernisation of the Labour Movement

by unanimously adopting the Recommendations of
the Three Workshops

Name of Delegate	Name of Union
1. Mr. Quek Mong Song	SINGAPORE GOVERNMENT TECHNICAL SERVICES' UNION
2. Mr. I.C. Baptist	"
1. Mr. Patrick Chan Eng Soo	THE PORT AND DOCK OFFICERS' UNION
2. Mr. Bobby Kwang Eng Kwee	"
1. Mr. Ajmer Singh	SINGAPORE INTERPRETERS' UNION
2. Mr. P. Athisdam	"
3. Mr. Mohd. Yatim Dohon	"
1. Mr. R. Sreedharen	SINGAPORE ADMIRALTY LOCAL STAFF UNION
2. Mr. Lam Ah Kwong	"
1. Mr. Cyril Ambrose	AIR MINISTRY LOCAL STAFF UNION
2. Mr. Teo Teck Kiang	"
3. Mr. P. Palaniyandi	"
4. Mr. Tan Sian Keng	"
5. Mr. Devakirubai	"
6. Mr. M.O. Chacko	"
7. Mr. P.M. Rajagopal	"

1. Mr. R. Velu

SINGAPORE PRINTING
EMPLOYEES' UNION

2. Mr. Steven Chee

”

3. Mr. Brian Oliveiro

”

1. Mr. Hashim bin Idris

SINGAPORE TRACTION
COMPANY EMPLOY-
EES' UNION

2. Mr. Sumari bin Sukir

”

3. Mr. Koh Hock Lye

”

4. Mr. Lee Hock Seng

”

5. Mr. Ridzwan bin Alwi

”

6. Mr. Ong Kim Thuan

”

7. Mr. K. Govindasamy

”

1. Mr. Abdul Karim bin Bagoo

SINGAPORE TEACHERS'
UNION

2. Mr. Jagjit Singh

”

3. Mr. V. Jayakody

”

4. Mr. K. Thiagarajan

”

5. Mr. Avtar Singh

”

6. Mr. Edwin Netto

”

7. Mr. C. Tiruchittamapalam

”

8. Mr. Tng Chua Hock

”

1. Mr. M. Vendasalam

SINGAPORE TELECOMS
WORKERS' UNION

2. Mr. Paul Wee

”

1. Mr. Roderick Pestana

SINGAPORE NATIONAL
UNION OF JOUR-
NALISTS

2. Mr. Yeo Toon Joo

”

1. Mr. Tan Soon

SINGAPORE BUS EM-
PLOYEES' UNION

2. Mr. Lee Boon Hua

”

3. Mr. K. Ramalingam

”

1. Mr. P.T. Murthee

2. Mr. D.A. Zehnder

3. Mr. John Nonis

4. Mr. A.P. Rajoo

5. Mr. Michael Tham

6. Mr. Roland Rozario

7. Mr. Joseph Tan

8. Mr. Chan Sie Seng

9. Mr. Eric Cheong

10. Mr. Lian Teck Sum

11. Mr. Foo See Siang

1. Mr. Fook Chee Wah

2. Mr. Abdul Rahim bin Gimin

3. Mr. Stephen Wong Chay Kiong

4. Mr. Leong Heng May

5. Mr. M.K.A. Jabbar

1. Mr. Foo Seng Juan

2. Mr. Suhaimai Hj. Sidek

3. Mr. Tan Soon Yam

4. Mr. A. Rahman b. Mohd.

5. Mr. A.R. Dawood

6. Mr. D.V.C. Silar

1. Mr. Abdul Aziz Karim

2. Mr. Mustapha A. Kadir

3. Mr. K.T. Samuel

4. Mr. Pagi bin Sadek

5. Mr. Seah Mui Kok

6. Mr. Austin Chia

7. Mr. Koh Keow Hin

SINGAPORE MANUAL AND MERCANTILE WORKERS' UNION

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UNION OF KEPPEL SHIPYARD EMPLOY- EES OF SINGAPORE

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FOOD, DRINKS AND ALLIED WORKERS' UNION

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UNITED WORKERS OF PETROLEUM IN- DUSTRY

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8. Mr. Rahim Bacha	UNITED WORKERS OF PETROLEUM IN- DUSTRY
9. Mr. Freddi Puah	”
1. Mr. Gan Eng Joo	ASSOCIATION OF SINGAPORE BUSI- NESS EXECUTIVES
2. Mr. Soh Chuan Woo	”
1. Mr. Leslie Long	PUBLIC UTILITIES BOARD STAFF UNION
2. Mr. Goh Teng Chuan	”
1. Mr. Lim Ah Chong	MANSFIELD LOCAL EMPLOYEES' UNION
2. Mr. Tan Boon Kwee	”
1. Mr. Charlie Koh Mui Choon	SINGAPORE INSUR- ANCE COMPANIES EMPLOYEES' UNION
2. Mr. Alan Tan Hou Soon	”
3. Mr. Ong Thian Bin	”
1. Mr. Ho Mun Poh	PIONEER INDUSTRIES EMPLOYEES' UNION
2. Mr. Tan Chin Heng	”
3. Mr. Ng Lye Soon	”
4. Mr. Ang San Tik	”
5. Mr. Fauzie bin Omar Aliwy	”
6. Mr. Lim Chong Heng	”
7. Mr. Francis Kong	”
8. Mr. Charlie Seow	”
1. Mr. P. Ramasamy	AMALGAMATED UNION OF PUBLIC EM- PLOYEES
2. Mr. Lee Gek Seng	”
3. Mr. Suyot Sarmani	”
4. Mr. Mak Kam Heng	”
5. Mr. Henry Conceicao	”

6. Mr. Paul Tan Kim Huat

AMALGAMATED UNION
OF PUBLIC EM-
PLOYEES

7. Mr. G. Kandasamy

”

8. Mr. Teo Hock Kin

”

9. Mr. T. Kirupakaran

”

1. Mr. Albert Tan Chin Koon

THE SINGAPORE HOUS-
ING AND DEVELOP-
MENT BOARD WORK-
ERS' UNION

2. Mr. Michael Foo Siang Cheng

”

1. Mr. Patrick A. Pereira

SINGAPORE TELEPHONE
BOARD WORKERS'
UNION

2. Mr. Pang Swee Khim

”

3. Mr. Teoh Ong Teck

”

1. Mr. Phey Yew Kok

SINGAPORE AIR TRANS-
PORT WORKERS'
UNION

2. Mr. Derek Chua

”

3. Mr. Bok Sye Foo

”

4. Mr. Peter Tan

”

5. Mr. Syed Taha

”

1. Mr. Tan Cheng Kiang

SINGAPORE BANK
OFFICERS' ASSOCIA-
TION

2. Mr. Richard Tong

”

1. Mr. A.H. Jeeris

ARMY CIVIL SERVICE
UNION

2. Mr. Lim Ah San

”

3. Mr. N. Somanathan

”

4. Mr. M.G. Mathews

”

5. Mr. Sim Cheng Swee

”

6. Mr. C.A. Pinto

”

7. Mr. L.A. Miranda

”

8. Mr. T.V. George

”

9. Mr. J. Shadrak

”

1. Mr. V. Ramasamy	SINGAPORE TAMIL TEACHERS' UNION
2. Mr. P. Raman	"
1. Mr. N. Arunachalam	PUBLIC DAILY-RATED MARKET AND HAW- KERS WORKERS' UNION
2. Mr. M. Thirugnanam	"
1. Mr. Cho See Kin	SINGAPORE GENERAL PRINTING WORK- ERS' UNION
2. Mr. Teng Jin Aik	"
1. Mr. Wee Chuan Siew	ISLAY KERR LOCAL EMPLOYEES' UNION
1. Mr. Lim Then Kuang	COMMISSIONER - GEN- ERAL'S LOCAL EM- PLOYEES' UNION
2. Mr. Ayub Ibrahim	"
1. Mr. P. Balakrishnan Pillai	NAVAL BASE LABOUR UNION
2. Mr. M.K. Mydeen	"
3. Mr. P. Govindasamy	"
1. Mr. Lee Kim Kum	THE SINGAPORE BANK EMPLOYEES' UNION
2. Mr. Wong Kok Cheong	"
3. Mr. Ahmad Jafaar	"
4. Mr. D.P. Gomez	"
5. Mr. Yap Kian Teck	"
6. Mr. Lim Kim Hian	"
7. Mr. Teo Tian Saw	"
1. Mr. Ahmad Sihmahoon	SINGAPORE PORT- WORKERS' UNION
2. Mr. M.N. Lingam	"

3. Mr. Andrew Loh Peng Hock

SINGAPORE PORT-
WORKERS' UNION

4. Mr. Joseph Edward

”

5. Mr. B. Mishra

”

6. Mr. C.V. Rodrigues

”

7. Mr. S. Velayudan

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The participants of the historic Seminar on "Modernization of the Labour Movement".

List of Unions Affiliated to the N.T.U.C.

Name of Union	No. of Delegates
1. Air Ministry Local Staff Union - - -	7
2. Amalgamated Union of Public Employees - -	9
3. Army Civil Service Union - - -	9
4. Commissioner-General's Local Employees' Union -	2
5. Food, Drinks and Allied Workers' Union - -	6
6. Malaysia-Singapore Airlines Executives Officers' Union - - - - -	2
7. Mansfield Local Employees' Union - - -	2
8. Musicians' Union of Singapore - - -	2
9. Naval Base Labour Union - - -	3
10. Port and Dock Officers' Union - - -	2
11. Public Utilities Board Staff Union - - -	2
12. Reuter Local Employees' Union - - -	2
13. Sime Darby Holdings Local Executives Union -	2
14. Singapore Admiralty Local Staff Union - -	2
15. Singapore Advocates and Solicitors' Employees' Union - - - - -	2
16. Singapore Air Transport-Workers' Union - -	5
17. Singapore Bank Employees' Union - - -	7
18. Singapore Government Technical Services Union -	2
19. Singapore Portworkers' Union - - -	6
20. Singapore Insurance Companies Employees' Union - - - - -	3

21. Singapore Interpreters' Union	-	-	-	2
22. Singapore Manual and Mercantile Workers' Union	-	-	-	12
23. Singapore National Union of Journalists	-	-	-	2
24. Singapore Printing Employees' Union	-	-	-	3
25. Singapore Teachers' Union	-	-	-	8
26. Singapore Telecommunication Workers' Union	-	-	-	2
27. Singapore Telephone Board Workers' Union	-	-	-	3
28. Singapore Housing and Development Board Workers' Union	-	-	-	2
29. The Association of the Singapore Business Executives	-	-	-	2
30. Singapore Traction Company Employees' Union	-	-	-	7
31. United Workers of Petroleum Industry	-	-	-	7
32. The Union of Keppel Shipyard Employees of Singapore	-	-	-	5
33. Malayan Teochew Theatrical Trade Union	-	-	-	2
34. National Tailoring Trade Union	-	-	-	2
35. Pioneer Industries Employees' Union	-	-	-	7
36. Singapore Bus Employees' Union	-	-	-	3
37. Singapore Firewood and Charcoal Workers' Union	-	-	-	2
38. Singapore General Printing Workers' Union	-	-	-	3
39. Singapore Stevedores Union	-	-	-	2
40. Public Daily-Rated Market and Hawkers Workers' Union	-	-	-	2
41. Race Course General Employees' Union	-	-	-	2
42. Singapore Cigar Workers' Union	-	-	-	2
43. Singapore Tamil Teachers' Union	-	-	-	2
44. Singapore Toddy Tappers' Union	-	-	-	2
45. Securicor Limited Employees' Union	-	-	-	2

"It is the consciousness of our being co-owners of the new society we are creating that provides the drive for fulfilment. In multiracial countries like ours, trade unions have a special role in building up this spirit of camaraderie amongst the workers. Developing the economy, increasing productivity, increasing returns, these make sense only when fair play and fair shares make it worth everyone's while to put in his share of effort for group survival and group prosperity."

—Lee Kuan Yew,
Prime Minister of Singapore.

"I cannot conceive of the successful modernization of Singapore—politically, economically and socially—without the participation of active and strong trade unions."

—S. Rajaratnam,
Minister for Labour and Foreign Affairs.

