

## WARNING AGAINST FOREIGN UNIONS

# PM: Be wary of BT 7/8/93 false sympathy

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MALAYSIAN workers should be wary of the "false" sympathy being shown towards them by foreign trade unions, and they will be better off if they have trust in the Government as it has the workers' well-being at heart.

Prime Minister Datuk Seri Dr Mahathir Mohamad told workers last night that the Government wishes to see the nation developed and the people enjoying higher income and purchasing power, while the intention of these foreign unions is merely to further their own interests.

"Certainly, they are not 'sympathetic towards our aspiration to be a developed nation capable of competing with, and beating, them,'" he said when speaking at the 1993 Workers' Day dinner in Kuala Lumpur.

An example of the insincerity on the part of unions in developed nations, Dr Mahathir said, is that they do not show any sympathy or brotherhood towards workers in least developed countries (LDCs) who are experiencing even worse standards of living than their counterparts in developing nations.

These foreign unions never bother about the plight of the poor workers in LDCs as they do not produce industrial goods that compete with products of developed countries, he said.

"Here it is clear that the sympathy and workers' brotherhood from unions in developed countries are not sincere; rather they are aimed at destroying the economies of developing countries which are able to venture into the industrial field, such as Malaysia."

Dr Mahathir said he hopes workers in Malaysia are not deceived by the 'so-called sympathy shown by foreign trade unions:

"If their advice and assistance is accepted, the development of our nation will be affected while job opportunities and job security will be threatened. In the end we will become poor again while they will continue to get rich and live in prosperity?"

The Prime Minister stressed that there is no shortcut for both entrepreneurs and workers to get rich. Pickets and threats may, succeed in winning higher wages and other rewards, but a country known for industrial action by its workers will not attract investors, resulting in rising unemployment.

The fact is that industrial

peace and high productivity are more effective and lasting in raising workers' wages than other dated means such as industrial action.

"Wage increases in this manner do not cause inflation. Therefore, additional income means higher purchasing power. If the increase in wages is due to threat, without any rise in productivity, then inflation will happen," he added.

Dr Mahathir said if wages are raised without corresponding increases in productivity, working hours are reduced and industrial actions become more frequent. Then costs will rise and the country will no longer be competitive.

He said because wages in industrialised countries are so high and working hours

are shorter, these countries are losing their competitiveness to developing countries which are yet to have the same level of management skills, technology and capital.

Dr Mahathir noted that according to the World Competitiveness Report 1993, Malaysia is the fourth most competitive among industrialising countries, and said this is an achievement which Malaysians can be proud of as all developing countries are always taking measures to improve their competitiveness.

"The earnings of the workers have to increase. But this increase should be through a rise in productivity. With this, costs will not spiral and competitiveness will not be affected," he added.

The Prime Minister also

said the failure of industries in the West has been due to rising costs to the extent that they cannot compete with products from Asia, including from developing countries like Malaysia.

He said in the colonial era, they could prevent industries from being set up in their colonies, control and lower prices of raw materials and pay low wages.

But today their empires are gone and they face competition. Despite this, their work attitude never changed, with workers and executives continuing to demand high salaries, Dr Mahathir said.

Their governments also pay those on the dole highly, hence wages cannot be reduced, he added. Consequently, investors are not interested to invest there.