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Good ties help solve problems

KUALA LUMPUR, Tues. - Prime Minister Datuk Seri Dr Mahathir Mohamad said today cordial ties between the Government and Cuepacs had enabled many problems to be resolved.

Thanking the umbrella organisation for unions in the civil service for their support and co-operation, he said it "had made his job easier". As both sides understood each other well, Dr Mahathir said more problems were ironed out, something that could not be achieved if they had adopted a confrontational attitude.

The Prime Minister said this at a gathering in conjunction with Workers' Day at the National Institute of Public Administration in Bukit Kiara. The event was organised by Cuepacs and the Public Service Department. Dr Mahathir also had a dialogue with the participants.

The Prime Minister spoke about his experience with Cuepacs, saying he was first given the responsibility to deal with them when he was Deputy Prime Minister.

"At that time, we were like sworn enemies. My heart pounded everytime I had to meet them, thinking about the new demands they were going to make. Moreover, its leader then, T. Narendran, looked fierce and was more knowledgeable about the salary scheme and related matters.

"But gradually, I started to get to know them better and, with it, better ties were developed."

Dr Mahathir said now the Government would ask for feedback from Cuepacs without having to wait for the congress to submit its grouses.

The Prime Minister praised Malaysian workers, saying they were not militant like in some countries.

In these countries, their workers made unreasonable demands and when these were not fulfilled by the Government, they resorted to violence. "But here, the workers believe in negotiations. This approach is better than being confrontational."

Dr Mahathir said the trend of confrontational workers could be traced to the early 20th century in Europe where workers, especially those working in coal mines, were mistreated by their employers.

The Prime Minister advised local workers to be wary of foreigners who purportedly wanted to champion their interests, instigating them to demand for a higher salary.

He said these people realised that East Asian countries were now able to compete with them in manufacturing cheap and quality goods, and the only way to stop this was to disrupt the good ties between workers, employers and the Government.

Dr Mahathir said he was confident Malaysian workers realised the importance of increasing productivity and to master information technology.

"When productivity increases, the Government gets more income (from tax collections), employers make more profits and workers get paid a reasonable salary. In Malaysia, we believe in a win-win formula where everybody makes gains."

Dr Mahathir said a high salary would be meaningless if the people's purchasing power was reduced. He said how much workers were paid was not important. What was more vital was the real value of the money they took home every month.

"I notice we sometimes are more concerned about numbers. Actually,

what's more important is the value of the money.

"If one sen can buy an ounce of gold, it is better to have this instead of one million ringgit if they can only buy a packet of dried chilli," he quipped.

Dr Mahathir related his experience of having in possession a 50 billion note of a foreign currency that was only worth US\$12. He said this in response to a query from a participant on the proposed minimum wage of RM1,200 and the fate of workers in the country in future.

Dr Mahathir said if the Government had the funds, employees could be given a pay rise. "But the problem is that if we raise the minimum wage to RM1,200, others already earning that salary will also want their pay to be increased. In the end, we have to raise the salary of everybody."

Dr Mahathir said salary increases should be based on productivity, adding that as the country became more prosperous, workers would be paid more.

The Prime Minister also spoke at length about the adverse effects of globalisation and a borderless world where some companies, through the World Trade Organisation, sought national treatment in other countries for their products.

He said unions and their leaders should understand the danger posed by this, which was just another attempt to re-colonise the developing countries.

"When these big corporations enter our market, they will gobble up everything. For example, new foreign banks wishing to set up operations here are only allowed to open one branch in Kuala Lumpur.

"But with the World Trade Organisation (WTO) coming in, they will want to open up banks everywhere... so what will happen to our banks?" he said.

Dr Mahathir said Malaysia should embrace globalisation according to its requirements that would reap profits as well as benefits for the country.

He criticised some foreign companies which shifted their operations elsewhere just to make higher profits. This had caused many workers to lose their jobs.

"Although our labour costs are already low, they want to make more profits, so they go to countries like China," he said, adding that this was one clear impact of globalisation and a borderless world propagated by the West.

Earlier, Cuepacs president N. Siva Subramaniam said it was not wrong for Cuepacs to support the Government which had always been concerned over the welfare of its employees. He said at a time when the country was besieged with economic problems, unions should not take the opportunity to flex their muscles and show they were stronger than the Government.

"What is wrong in us backing the leadership? When there is a problem, these leaders help us. We should reciprocate their gesture," he said.

Siva said as a democratic country, union leaders were free to criticise the Government unlike in many other countries.

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