INTRODUCTION

In response to a call for its application to countries other than America (Kochan et al., 1986), and having found the systems model wanting (Leggett et al., 1983), the author has applied the strategic choice model to Singapore. The practices, values, laws, rules and institutions that make up Singapore’s industrial relations no longer reflect the system’s dynamics, and the convergence thesis of Kerr et al. (1960) appears to have lost its capacity to predict (Dore, 1973).

THE CONCEPT OF TRANSFORMATION

The strategic choice model of Kochan et al. (1986) was devised to explain a transformation, which the Shorter Oxford English Dictionary defines as the ‘action of changing in form, shape, or appearance; metamorphosis’ and a ‘complete change in character, nature, etc,’ as distinct from incremental change (Kuruvilla and Erickson, 1996). Every transformation has its defining events, such as the 1904 Commonwealth Conciliation and Arbitration Act in Australia. Singapore’s transformations have been: from colonial administration to regulated pluralism 1960-1967, with the Industrial Relations Act 1960; from regulated pluralism to corporatism 1968-1978, with the Employment Act 1968, the Industrial Relations (Amendment) Act 1968 and the National Trades Union Congress (NTUC) modernisation seminar in 1969; from corporatism to corporatist paternalism, 1979-1986, with wage reform from 1979, trade union restructuring and the Trade Unions (Amendment) Act 1982. These transformations have had a cumulative effect, one that extended to 1997 and beyond. The strategic initiative for transforming Singapore’s industrial relations has been taken by the government, which includes trade unionists (Leggett, 1988, 1993a, 1993b, 1993c, Chew and Chew, 2003).

THE STRATEGIC CHOICE MODEL

The strategic choice model has been variously criticised (Begin, 1990; Lewin, 1988; Block, 1990; Erickson and Kuruvilla, 1998; Strauss, 1990), including with the observation that it did not apply to countries other than America (Dunlop 1993). Its authors counter that it is the systematic nature of the change in American industrial relations that justified it as a transformation, and that the exercise of strategic choice reveals ‘the discretion that remains even in the face of environmental factors’ (Katz et al., 1990, pg. 189-196). Verma (1990, pg. 176) found the strategic choice approach ‘a powerful tool for analyzing and understanding industrial relations developments elsewhere [than in America],’ especially as a generator of hypotheses, and an ongoing project has applied it to a wide range of industrialised market economies (Locke et al., 1995; Bamber et al., 2004). This paper claims that the transformations of Singapore’s industrial relations have been driven by political pragmatism in the pursuit of economic development (Chua, 1995).
THE PRESENTATION OF SINGAPORE’S INDUSTRIAL RELATIONS

Singapore has been described as an ‘administrative state’ (Chan, 1975) and its governance as the ‘management of compliance’ (Wilkinson and Leggett, 1985), whose leaders established ‘bureaucratic authoritarian corporatism’ (Deyo, 1981). The People’s Action Party (PAP) justifies its social control with pragmatism and it having enabled Singapore’s transition to a developed market economy. Demographics and HRM have been central to public policy, and the government has been sensitive to overseas perceptions of its workers.

For the late colonial period informative documents come from the Office of the Trade Union Adviser Malaya (see Gamba, 1962), propagandists like Josey (1958, 1976) and former Communist Party of Malaya (CPM) Secretary-General, Chin Peng (Media Masters, 2003). In the 1970s and 1980s defences of Singapore’s labour policies were made by Raza (1970), Nair (1976 and 1982) and Vasil (1984), while George (1984) was highly critical. Recounting the colonial legacy has occupied Singapore scholars, including Pang and Kaye (1974) and Tan (1995). An increase in academic analyses in the 1980s was due to the attribution of Singapore’s successful industrialisation to its manpower policies (Chua, 1982; Pang and Tan, 1983; Leggett, 1988, 1993a; Krislov and Leggett, 1984, 1985a, 1985b; Wilkinson and Leggett, 1985; Cheah, 1988). Earlier, Kleinsorge (1964) and Chalmers (1967) had reported favourably on Singapore’s industrial relations, but Levine (1980) described them as ‘orchestrated’. Singapore’s economists place industrial relations as the ‘manpower’ dimension of national economic development (Lee, 1973; Pang, 1982, Tan, 1984). The publications of the National NTUC and the Ministry of Labour/Manpower (MOM) have periodically invoked the urgency of meeting the latest national imperatives for labour.

THE TRANSFORMATIONS OF SINGAPORE’S INDUSTRIAL RELATIONS
From Colonial Administration to Regulated Pluralism, 1959-1967

Although Singapore’s colonial administration did not fit the industrialising elite of Kerr et al. (1960), its strategies of basic rule-making did. It regulated industrial relations through the Trade Unions Ordinance 1940, the Trade Disputes Ordinance 1941, the Industrial Courts Ordinance 1941 and the Criminal Law (Temporary Provisions) Ordinance 1955. This was supplemented by piecemeal regulation of conditions of employment for clerks, shop assistants and children and young persons and, with the Central Provident Fund (CPF) Ordinance 1955, state superannuation. The high level of industrial conflict may be attributed partly to the political strategy of the CPM, which had infiltrated the labour movement (Media Masters, 2003).

The PAP that won office in 1959 was an unstable alliance of ‘nationalist leaders’ and ‘revolutionary intellectuals,’ (Kerr et al., 1960). With its Industrial Relations Ordinance 1960 it established an Industrial Arbitration Court (IAC) and put collective bargaining on a legal footing. However, a schism in the PAP in 1961 led to the ‘nationalist leaders’ establishing a National Trades Union Centre to rival the ‘revolutionary intellectual’s’ Singapore Association of Trade Unions (SATU). The Centre was registered as the NTUC in 1964, by which time it had organized 73 per cent of trade unionists in 57 affiliates. After 1963, worker days lost through strikes declined, but it was not until 1966, following the de-registration of two unions for calling for an unlawful strike (Ministry of Labour, Annual), that the first transformation of Singapore’s industrial relations was complete (Lee, 2000: 106-107). Figure 1 details the changes and the strategic choices made.

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Figure 1: The first transformation of Singapore’s industrial relations

British Colonial Office, 1867  

Strategic choices and initiatives of colonial administrators for the regulation of labour, 1816-1959

Strategic choices and initiatives of nationalist leaders for the regulation of employers and unions, 1960-1967

PAP sovereign government, 1965

Industrialisation through MNCs

From Regulated Pluralism to Corporatism, 1968-1978
To counter the potential unemployment effect of the withdrawal of the British military the government legislated for a second transformation in 1968. The Employment Act 1968 and the Industrial Relations (Amendment) Act 1968 extended the duration of collective agreements, protected managerial prerogatives and confined employment conditions for manual workers to the prescribed minima. There were fewer disputes and working days lost but trade union membership declined. Consequently the NTUC committed itself to establishment of consumer cooperatives and provision of welfare services (NTUC, 1970), after which it assumed an increasingly corporatist role. The NTUC became the transmission belt (Pravda and Ruble, 1987) for the government’s imperatives for a productive workforce (NTUC, 1970; 1985b). Figure 2 illustrates the strategies and events of the second transformation.

Figure 2: The second transformation of Singapore’s industrial relations

Nationalists outflank pro-communists, 1963

Nationalist leaders’ regulation of a plurality of employers and workers, 1960-1967

Labour-intensive rapid industrialisation based on MNC investment decisions

Federation; independence; collective bargaining constraints; union modernisation; British military withdrawal; full employment; oil price hikes

Strategic initiatives by government and unions

Corporatist regulation of trade unions, wage determination, and peaceful industrial relations, 1968-1978

PAP poised to upgrade the Singapore economy
The direction of the second transformation of Singapore’s industrial relations was sustained by the establishment of the tripartite NWC in 1972. Its recommendations were incorporated into IAC awards and played a crucial role in the management of Singapore’s development (Oehlers, 1991). The second transformation included the last authentic strike in Singapore — at the Metal Box Company in 1977 — one that might be seen as another turning point in Singapore’s industrial relations. A strike-free Singapore was maintained by the Ministry of Labour’s ‘preventive mediation’, conciliation and arbitration, and to the NTUC’s reviewing of its affiliates’ grievances (Nair, 1976).

From Corporatism to Corporatist Paternalism, 1979-1986

The third transformation of Singapore’s industrial relations — from corporatism to corporatist paternalism — between 1979 and 1986 was induced by the government to complement the restructuring of the economy to a capital-intensive, high technology, high value-added one (Lim, 1979). From 1979 to 1981, the NWC boosted wages to slow employment growth and raise productivity. Inflation was minimized by increasing contributions to the Central Provident Fund (CPF). However, the policy was premature and in 1986 had to be corrected (National Wages Council, 1986; Mauzy and Milne, 2002). The contexts of the transformation are illustrated in Figure 3.

**Figure 3: The third transformation of Singapore’s industrial relations**

<table>
<thead>
<tr>
<th>New blood to replace the ‘Old Guard’</th>
<th>Economic restructuring from low technology, low value-added manufacturing to high technology, high value added production interrupted by an economic recession, 1985-1986</th>
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<tbody>
<tr>
<td>Corporatist control of trade unions, wage determination, and peaceful industrial relations, 1968-1978</td>
<td>Strategic initiatives by government and unions</td>
</tr>
<tr>
<td>Corporatist paternalism influenced by perceptions of Japanese employment relations and trade union structure, 1979-1986</td>
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</table>

The requirement for the third transformation was set out in an NTUC seminar, *Progress into the 80’s* (NTUC, 1980) and begun by bringing technocrats into the NTUC and restructuring its affiliates into ‘industry-wide’ unions, later into ‘house’ (*Straits Times*, 27 July 1984). Internal resistance was overcome politically (Leggett, 1988) and by legislating a redefinition of trade unionism that substituted ‘good’ industrial relations for the confrontational ‘objects’, and made the prevention of breakaway (house) unions ‘oppressive and unreasonable,’ (Leggett, 1993a). The merger of the two main employers’ associations in 1980 completed the tripartite structure of Singapore’s industrial relations and any remaining conflict was ignominiously dismissed (Wong, 1983; Leggett, 1984).

The Progression from Industrial Relations to Manpower Planning, post-1997

In 1997, the government began to progress industrial relations to those more appropriately served by ‘Manpower Planning’ (MOM, 1999), and the Ministry of Labour was renamed MOM. Figures 4 and 5 illustrate this progression.
The Parties’ Strategies
The government’s Manpower 21 Steering Committee set out six strategies: (1) integrated manpower planning; (2) lifelong learning for lifelong employability; (3) augmentation of the talent pool; (4) transformation of the work environment; (5) a vibrant manpower industry; (6) a redefinition of partnerships. MOM was required to take the lead, and the NTUC and SNEF to continue to support development programs for older and less educated workers, to
develop the manpower for strategic industries, and to promote best HRM practices. (MOM, 1999). MOM produced The National Human Resources Handbook (MOM, 2000) and a commission on wage restructuring made 1 recommendations for achieving a competitive wages (MOM, 2004).

In 1997, NTUC 21 identified five pillars for the labour movement: ‘Enhance Employability for Life;’ ‘Strengthen Competitiveness;’ ‘Build [a] Healthy Body, Healthy Mind;’ ‘CareMore;’ ‘Develop a Stronger Labour Movement’ (NTUC, 1997). By 1998, membership density had increased to 20.51 per cent (MOM, 2003), partly achieved by the introduction of non-bargaining and transferable memberships (Tan, 2004), and by the abandonment of the preference for house unions (Lee, 2000).1 The programs derived from the NTUC’s 1997 strategy are multi-functional: social development, employment management, union agency maintenance and development, and human resource development. They operate at society, work community and workplace levels.

Singapore employers and managers are officially represented and regularly consulted. The policy-making body of SNEF comprises mainly senior executives, but policies on industrial relations issues are formulated by a panel of human resource practitioners and the chairpersons of industry groups. SNEF’s strategic intent, formulated as SNEF 21 (SNEF, 1997), is to pursue productivity for strong companies; to stay competitive by improving the cost structures; to win workers through corporate bonding; to equip workers with skills to keep pace with changes; to create more high value-added jobs; and to cultivate corporate citizenship (Tan, 2004). The issues that concern SNEF are much the same as for MOM and the NTUC, but with a greater concentration on labour costs (SNEF, 1991, 2001).

Globalisation, increased competition and the acceptance of economic rationalism have created new contingencies for Singapore managers, requiring them to hone their skills, set strategic directions and be more responsive to markets.

CONCLUSIONS

The three observed transformations of Singapore’s industrial relations and their progression to manpower planning are illustrated in Table 1.

Table 1 Strategic initiative, strategic choice and the transformations of Singapore’s industrial relations

<table>
<thead>
<tr>
<th>Colonial Authority to Regulated Pluralism to Corporatism to Corporatist Paternalism to ‘Manpower Planning’</th>
<th>PAP</th>
<th>PAP</th>
<th>PAP</th>
<th>PAP</th>
</tr>
</thead>
<tbody>
<tr>
<td>1960</td>
<td>1968</td>
<td>1979</td>
<td>1998</td>
<td>ongoing</td>
</tr>
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</table>

Strategic Initiatives Taken by Government

From the unsuccessful suppression of politicised To the regulation of industrial relations and employment To the legal constraint of collective bargaining, To the To the response to globalisation by transforming industrial relations into

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to the promotion of economistic trade unionism regulated by union registration.

terms and conditions by law.
To the cultivation of politically loyal trade unionism through the NTUC.
To the decline of rival unions through suppression of Leftists.

Strategic Choices Made by Trade Union Leaders

<table>
<thead>
<tr>
<th>Labour Front</th>
<th>SATU and NTUC</th>
<th>NTUC</th>
<th>NTUC</th>
<th>NTUC</th>
</tr>
</thead>
<tbody>
<tr>
<td>From the challenge to authority through labour unrest.</td>
<td>To identification with Barisan Socialis (SATU) or with the PAP (NTUC).</td>
<td>To the abandonment of confrontational bargaining in favour of cooperative and social welfare provision.</td>
<td>To the strengthening of the NTUC leadership with technocrats.</td>
<td>To the restructuring of unions along industry and enterprise lines.</td>
</tr>
</tbody>
</table>

Strategic Choices Made by Employers

<table>
<thead>
<tr>
<th>Government as Employer, NEC and SEF</th>
<th>Government as Employer, NEC and SEF</th>
<th>Government as Employer, and SNEF</th>
<th>Government as Employer and SNEF</th>
</tr>
</thead>
<tbody>
<tr>
<td>From grudging compliance</td>
<td>To compliance with the legal regulation of</td>
<td>To participation in centralised</td>
<td>To the adoption of some Japanese</td>
</tr>
</tbody>
</table>

strategic HRM, called ‘Manpower Planning’.
Singapore's industrial relations needs something more than the systems model if it is to be understood and Figure 6 substitutes the characteristics of Singapore's industrial relations for the universals in Kochan et al's general framework (Figure 1). The dynamics of Singapore’s industrial relations transformations have been mediated by government pragmatism, legitimacy and acceptance of change (Chua, 1995), but also by continuities, for example by the long service of key officers. Firm level industrial relations have been largely determined at the national level. The procedural and substantive rules of Dunlop (1958) leave little room for initiatives in collective bargaining by either individual employers or by trade unions, and confrontation is ruled out by the national commitment to tripartism (Krislov and Leggett, 1984). To promote productivity various joint-consultation initiatives have been taken, but of greater relevance at the firm level are the recommendations of the NWC and of committees appointed to report on wages.

Figure 6: Analytical framework for Singapore's industrial relations

The outcome of Singapore’s industrial relations constructed according to the general framework of Kochan et al. (1986) is their tripartite regulation qualified by the PAP-NTUC symbiosis and by the multi-national status of employers. Bearing in mind these qualifications the analytical framework of Kochan et al. (1986) appears to be a sufficiently flexible to explain the transformations of Singapore’s industrial relations. Employers’ long term
strategies in Singapore were to exploit the relatively low labour costs, the infrastructure, fiscal incentives, strategic location and regulated, strike-free environment. Their HRM is largely taken care of by government, NWC and NTUC.

The strategic choice model has three levels of industrial relations activity at which strategic choices might be made (Kochan et al. 1986). Table 2 substitutes Singapore activities for Kochan et al.'s (see Table 2).

This paper has accounted for the clustered activities of the transformations of Singapore's industrial relations with the aim of assessing overall the extent to which the strategic choice model is a useful tool for their analysis. It has been demonstrated that the strategic choice model is as useful for analysing industrial relations where the government is primary initiator of strategy as for where it is the employer. The strategic choice approach therefore is as likely to be as applicable to systems where initiatives and choices of significance are made by employers, trade unions or governments.

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