

May 15, 93

HPM'S ADDRESS TO THE NATIONAL WORKERS' UNION
24TH ANNUAL CONGRESS

Brother Goodleigh

Distinguished visitors

Officers of the National Workers Union

Ministers of Government and Members of Parliament

Delegates

Brothers and Sisters:

It is indeed, a very great pleasure and an honour for me to be here at this particular moment in history.

I have had the opportunity of addressing previous annual meetings of the National Workers Union, but this is the first time in my capacity as Prime Minister of Jamaica and after a most successful Election Campaign.

I remind you that I happen not only to be the Prime Minister but President of the Peoples National Party, and I do not believe my National Executive Council would ever forgive me if in my capacity as President I did not bring greetings and felicitations to the National Workers Union at this meeting.

You General Secretary said that there is one person who has been an incumbment at Jamaica House who would have felt very

unwelcome in a meeting such as this. You did not call any names, but I could not help recalling that one of the most memorable legal battles in which I was engaged had to do with the decision taken by the then Government to terminate the employment of people in a particular enterprise because they had withheld their labour for a period in excess of three days during the general strike, and instruct me that it was a cruel irony that the same person who would have ordered that those people not only have their payments withheld but that their jobs be terminated, is the same person who has not only decided to boycott Parliament which is his right but to have his members sign in on Tuesday in the expectation that although they will not perform the job for which they have been duly elected they, never the less expect to receive their pay.

Indeed, indeed, if any Union Leader had dared to suggest that it would be appropriate for their members to sign in every morning more so, one morning every six weeks and then to claim that they should receive their pay without performing their task, everybody, the Church the media, the private sector would have joined in loud condemnation of that act as being immoral.

I think we must recognise that people have a right to fight for principles in which they believe, but principles bear a price when we decided as a matter of principle that we would not contest the elections in 1983. We never pretended that we had a right to claim payment whether Mr. Manley was the Leader of the Opposition or persons who would have won in Parliament had we contested the elections. We recognise that we had to forego our salary, we had to forgo whatever privileges are attached to being in Parliament, and I hope that everybody will accept that with rights or with responsibilities and with the expectation of pay must go performance.

And I hope that Mr. Seaga and the seven others who have been returned to Parliament with him will soon write the Clerk of the House and indicate to them that as a result of the action which they are taking they do not expect to receive any emoluments during this period.

As we meet today, that National Workers Union celebrates his 41st birthday. During the period of its existence it has carved for itself a place of preeminence in the national labour movement. One, when a right is not only from the size and breadth of its membership but for the seminal contribution it has made to the struggles of its working class in Jamaica, in the Caribbean and in the developing world. This has not come easy, the sacrifices have been great and I appeal to both the officers and the members not to take lightly any prospect of reversal. We owe it to those who conceived of this movement and have built this movement to keep the flag of the National Workers Union flying high and flying proud.

Today, we remember people like Thossy Kelly, Roy Thompson, Osmond Dyke, Ken Sterling, Lester McKenzie, Caswell Rodney, and a number of other persons who have given distinguished services.

In a time when we are all gender sensitive, I had to take note of the fact that those women who have made outstanding contributions to the union are happily still alive and with us today. We think of people like Gladys Ellington and those whose names are

another male who has survived all of this. Indeed, when he joined the union long before he acquired the name of Joshua, he was known by everybody as young boy and I have to acknowledge at this time the truly outstanding contribution made to the union movement, made to the political process of none other than the Right Honourable Michael Norman Manley.

Many changes have taken place in the world around us during those 41 years, but perhaps they have been more dramatic than ever within the last five years. We have seen the dismantling of the Soviet Empire. The Soviet Union no longer exists. We have seen the disappearance of the bi-polar axis, we have seen an abatement of cold war tension; there has been a move away from ideological confrontation towards a path of greater intellectual accommodation. We have seen marked changes in political boundaries, in some places, they have been followed very shortly after by ethnic conflicts and by the very worrying rise of the monster of what is called racial cleansing. The changes have been equally dramatic on the economic side, the whole world is now

moving towards an economy where the model is based on free enterprise where economic forces are market driven, where trading blocks are becoming larger and more powerful, where some are still promoting protectionist policies while, at the same time, we who are traditional suppliers cannot continue forever to rely on the certainty of our traditional market. Instead, in this world of changing technology, and with the possibilities of instant communication, the emphasis is now on the competitive advantage and on establishing niche markets.

The theme of your congress, appropriately is "STRUCTURAL ADJUSTMENT AND THE WAY FORWARD". We believe that in Jamaica, we have engaged on a process of structural adjustments, partly because of the compelling imperatives of the international environment in which we exist but as a result of our own analysis of the need for undertaking the profound changes that are necessary to move from a dependent economy which is the legacy of colonialism into an economy that is independent and truly self-reliant.

The liberalisation of our foreign exchange control system together with the process of deregulation on which we have embarked represent the most far reaching measures on the economic side which have been taken by any government since our independence in 1962.

Indeed, we are in a new ball game, every national institution has to examine its roll and its function as a consequence of all this and the labour movement is no exception and it is incumbent upon the National Workers Union which is in the vanguard of the labour movement to take the lead in helping us to chart these bold new directions.

Traditionally, our unions over time have played the role of the adversary of capital at the work place; protecting the workers and their members with the traditional tool of collective bargaining. I would want to suggest to you today that this is no longer enough.

If the labour movement is to maintain its relevance in today's environment, it has to become a truly national institution with a perspective that is national, that is regional and that is international. Indeed, it is the union's attitude to information, to education and to productivity that is going to largely determine its relevance to the future and the years ahead.

I'd like to suggest that unions though properly concerned with salary increases and conditions of work at the work place have to extend their visions beyond that. If as a government and as a people, we reduce inflation dramatically in a single year and at the same time we manage to increase employment among our people we will be creating benefits which no salary increases in isolation would be sufficient to match. For by so doing we would be expanding the economy, we would be increasing the quality of life for all our people, including union membership, and of course, the unions would also benefit directly by increasing the potential membership base. And therefore, I want to suggest that the union cannot confine its attention to those who are presently employed, it must extend its concern to the broader society to work towards a situation where one day we will have full

I do not say this unmindful of the need to improve the conditions under which workers operate. I don't think our credentials whether a government led by Michael Manley or a government led by P.J. Patterson can be questioned in that regard. Let me just remind you that it is we who removed the wage guidelines. But the removal of the wage guideline does not remove the obligation for us to remain competitive. When the government proceeds as we have to systematically raise the threshold of income tax and to reduce personal income tax from 33 1/3 percent to 25 percent that is positive demonstration of the commitment of the government to improve the conditions of working class people.

It is this government which has enabled workers in the tourist industry to get gratuities without the incidence of tax. It is this government which has committed the country to growth which is led by increased production and productivity and that is why we have agreed to make income tax relief available for genuine productivity schemes and those which secure better export performance. But we have to ensure that the productivity schemes are genuinely about productivity and not merely a roost or a

disguise to reduce income tax obligations without increasing the level of productivity which is so badly to enable us to compete in the international market.

I would like to suggest to you today that the notion of the working class as a frozen category valid. Increasingly, the worker, while holding a job is busily trying to become a small entrepreneur and hopefully in time become a bigger one. We have historic evidence of this, in portions of South St. Elizabeth and South Manchester, many of the people in businesses are persons who commenced work years and years ago in Kaiser and even more recently in Alpart who have moved from being employed by others to being self employed and are now employing others as well.

The rank of the Small Business Association is being swallowing by former members of the labour unions and indeed the stock exchange in Jamaica is not something in which only the big people are played a lot of small people and a lot of workers are beginning to understand how to buy shares on the stock exchange and that is something that we need to encourage because we want not only to

have political democracy, we want to have economic democracy in Jamaica, and all of this, will not mean the demise of the union, it simply calls for a new role for our union the labour movement can help to define new opportunities and assist the new entrepreneur in establishing progressive labour policies. I would like to call upon the union at this time to encourage members to move into business activities of their own. We in the government are prepared to work with you, to expand programmes, will provide credit and technical assistance for new entrepreneurs.

I call upon the workers to become owners in the enterprises where they are presently employed that is why before the end of this year the employer/employee share owners programme will become legally enacted and thereby enable special relief to those who intend to purchase shares in the enterprises where they work. And in the whole process of privatisation, the workers are being invited to become part-owners. I have kept the subject of

privatisation under my own immediate control because I think it is going to profoundly affect the social and economic face of Jamaica well into the future. Shortly, we will be making advertisements which indicate that we are now ready to privatise portions of the sugar industry in the first phase and the entire sugar industry eventually. I want the workers to be a part of that. You and I have come from too far we must remember how we came here and why we came here, and if we are to be truly masters in our own land, we must own the resources in our country and where better to start than in the sugar industry. And to the Union leaders let me admit that workers tend to feel that whenever a company is changing hands what they must look to grab is the redundancy pay to put in their pockets, and while in the whole divestment process calculations will be made as to redundancy entitlement, I would like the far sighted union leaders to use their influence in encouraging their members to invest as much as possible of the redundancy payments to which they are entitled in acquiring a piece of the cake in the sugar industry.

And what we want to do in the sugar industry I would like us in due course to do in the bauxite industry, and I would like us to do it in tourism, I emphasise, we are about economic democracy, and that must mean that the base of ownership is as wide as possible to permit our people to be active owners and participants in the economic future of our country - Jamaica.

To do this, we have to build a savings ethic, one of the reasons why we have remained so long with the IMF is because we have been unduly dependent on borrowing the savings of people from other countries. We must generate our own savings and be able to use our own savings in building our own country. Very recently, many workers have got huge retroactive payments, some from the public sector some from the private sector, these have been accompanied by significant salary increases, and I am going to beg you, don't use all that money in purchasing consumer goods, use some of that money to put a roof over your head, and put something in

a savings account that you can look after yourselves, look after your children and when they come of age they not only go to secondary schools, not only to technical school, but you have something stashed away that can help to get them through the University. To achieve this, information and education are essential, these must assist the workers to determine what constitutes a fair return from the enterprise to which they give their labour and to demand the conditions which will enable them to give of their best.

I regard the Labour movement as a force for political and social change, it must also be an influence to help chart the attitudinal change which we need in our society and let me say it, and say it plainly, you can't build a country on indiscipline, you can't build a country where no one respects anyone else, you can't build a country on intolerance, you can't build a country where everyone feel they are free to do as they like, without regard to the interest of others around them, and a

union movement therefore has a special role in influencing its members to have respect for laws, respect for collective agreements solemnly entered into, and if decisions must rest on the democratic participation of its memberships at all times. Indeed, I believe that the challenge of the trade union movement and of the National Workers Union as an important leader in that process is how to avert industrial strife while ensuring the benefit of creative tension that comes from an organised and powerful labour movement. I say to you educate your members to enhance productivity and in their sense of social responsibility.

The government has made education and training its priority, the union can make its accumulated experience of four decades felt by formulating concrete proposals to advance the process of technical and vocational education. A sign there says 13 years under the IMF, here are we - and let us be frank - the process of structural adjustment has not been devoid of pain, it has entailed considerable sacrifices although we are not yet out of the woods, there are encouraging signs around us.

We have seen a reduction of our trade imbalance we have seen an increase of our net international reserves, the foreign exchange situation has removed any overhang of public or private external debt the foreign exchange which is available has enabled the private sector fulfill its needs and we do not see anywhere shortage of basic foods or supplies, indeed, whatever differences exist between the official rate and the parallel rate are due to the practice of speculators and a number of people who always find a way to beat the system rather than be part of the system.

Most welcome of all, for the union, is that inflation is on the decline and as I have said inflation of 21 percent last year, although lower than the previous year is itself much too high and our determination for this financial year is to contain inflation to 6.5 percent.

What we need is a spur of investment. We need to increase production with emphasis on export earnings, we have to become

efficient and competitive in the international market place, we cannot depend on external loans forever, because others are increasingly looking on their own problems therefore we have to find our own solutions. Self reliance is the key, competition is the name of the game. And when we get our act together the government, the private sector and the labour movement, we will not only make our economy resilient and strong but we will ensure that I am able to fulfill my election commitment that this IMF agreement will be our last and in 1995, we will say to the IMF tata, goodbye and farewell.

I would like to assure the union that our commitment to labour legislation and industrial harmony remains unchanged. During the 1970s we introduced revolutionary laws affecting the relationship between workers and employers. We learnt through some of the legal battles in the 1980s that there were still some gaps which need to be filled. We have given approval on Monday, of last week for drafting instructions that will amend insignificant

ways, the labour relations industrial disputes act, and among the things we will be amending is the common law doctrines that the withholding of labour in an industrial dispute which is not otherwise unlawful can serve as a repudiation of the contract of employment.

We will of course need to ensure that the decisions to withhold labour are not contrary to existing laws, for example, there is an essential services law in place, the Industrial Disputes Tribunal has a certain competence, the courts have a certain authority to deal with industrial problems of a particular kind. What we are saying is that when, in furtherance of a genuine industrial dispute supported by the democratic decision of its members and duly authorised by its leadership which is not in contravention of any existing laws and where the provisions of the collective labour agreement have been properly observed a withholding of labour in those circumstances would not serve to terminate the contract of employment.

As I close, I ask us to remind ourselves that it was the Caribbean Labour Congress, which, in 1945 did much of the pioneering work of Caribbean integration. I am particularly delighted that we see Brother Trotman with us today.

The emergence of the concept of a global village is a phenomenon with which the National Labour movement will have to contend, and as we move towards the process of economic integration within CARICOM the ties and bonds between labour unions in the Caribbean should become stronger and closer as the days go by.

The national trend toward the formation of larger trading blocks is of tremendous significance for all of us. We have to decide, and decide rapidly how we are going to fit into these developments. What place can we secure for ourselves in a world which is rapidly responding to the dynamics of interpretation and

the globalisation of products. What can we do when the world is not going to wait upon us to make up our minds as to what we should do next. We live in challenging times, my presence here underscores my conviction that the National Workers Union is equal to the challenges.

In wishing you a successful challenge, I want to go beyond the song that the PNP and the NWU have always sung "Hold the Fort, for we are coming". I want to say let us lead the way into the future, into the 21st century. We on the political side are ready, I believe you on the industrial side also are ready, let us proceed together and for those reasons I have great pleasure in declaring this Congress formally opened.