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MALAYSIAN TRADES UNION CONGRESS (MTUC) 1949-81:

A STUDY OF A NATIONAL LABOUR CENTRE

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SUMMARY

This is a study about the trade union movement in colonial and early post-colonial Malaysia. This is done by examining the role and development of the country's national labour centre, the Malaysian Trades Union Congress (MTUC), and in particular, its leadership from 1949 to 1981.

The central argument of the study is that the MTUC was a reformist organisation because of state control and the dominance of "moderate" and "responsible" leadership. It is also argued that the national centre was unable to effectively represent the interests of labour because the leadership lacked a working-class ideological perspective. These arguments are developed with reference to a number of major themes or issues during the period under review such as "responsible unionism", government incorporation of the movement, politics, tripartism and industrial peace, "worker capitalism", conflicts within the movement, and communalism. An essential part of the exercise has been to reinterpret the history of the national centre during its first three decades of existence.

After the first two introductory chapters, Chapters 3 and 4 discuss the formation and early development of the MTUC during the colonial era. The role of government and "moderate" labour leaders is highlighted. Chapters 5 and 6 consider the position and role of the MTUC with respect to labour disputes and politics under the post-colonial Alliance government. The following two chapters analyse the compromising ideology and divisions and split within the movement under the Barisan Nasional government.

The study is an appraisal of the Malaysian trade union movement attempting to contribute to an understanding of trade unionism in an ex-colonial "Third World" setting.

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LIST OF ABBREVIATIONS

ADC	-	Annual Delegates Conference
AEU	-	Airline Employees Union
AMMISU	-	All Malayan Mining Industry Staff Union
ANULAE	-	Amalgamated National Union of Local Authorities Employees
AMESU	-	All Malayan Estate Staff Union
AR	-	Annual Report
AUEGCAS	-	Amalgamated Union of Employees in Government Clerical and Allied Services
BDC	-	Biennial Delegates Conference
CSEU	-	Commonwealth Services Employees Union
CUEPACS	-	Congress of Unions of Employees in Public and Civil Services
DAP	-	Democratic Action Party
EIWU	-	Electrical Industry Workers' Union
FLC	-	Federal Legislative Council
FES	-	Friedrich-Ebert-Stiftung
FAFCSU	-	Federation of Armed Forces Civilian Staff Union
FTU	-	Federation of Trade Unions
GCR	-	General Council's Report
GLU	-	General Labour Union
IAT	-	Industrial Arbitration Tribunal

ICFTU	-	International Confederation of Free Trade Unions
ILO	-	International Labour Organisation
IMP	-	Independence of Malaya Party
INA	-	Indian National Army
IRA	-	Industrial Relations Act
ISA	-	Internal Security Act
ITF	-	International Transport Workers' Federation
IROU	-	Inland Revenue Officers Union
ITS	-	International Trade Secretariat
MAS	-	Malaysian Airlines System
MCA	-	Malayan/Malaysian Chinese Association
MCEO	-	Malayan Council of Employers' Organisation
MCP	-	Malayan Communist Party
MIC	-	Malayan/Malaysian Indian Congress
MMEU	-	Malayan Mining Employees Union
MPAJA	-	Malayan People's Anti-Japanese Army
MPAJU	-	Malayan People's Anti-Japanese Union
MTSU	-	Malayan Technical Service Union
MTUC	-	Malayan/Malaysian Trades Union Council/ Congress
NJLAC	-	National Joint Labour Advisory Council
NEP	-	New Economic Policy
NMWU	-	National Mining Workers Union
NUBE	-	National Union of Bank Employees
NUCW	-	National Union of Commercial Workers
NUPW	-	National Union of Plantation Workers

NUFGW	-	National Union of Factory and General Workers
NUMW	-	National Union of Mining Workers
NUT	-	National Union of Teachers
NUTE	-	National Union of Telecom Employees
PMFTU	-	Pan-Malayan Federation of Trade Unions
PMGLU	-	Pan-Malayan General Labour Union
PMRWU	-	Pan-Malayan Rubber Workers Union
RP	-	Report of Proceedings
RTU	-	Registrar of Trade Unions
RUM	-	Railwaymen's Union of Malaya
SEAD	-	Scottish Education and Action for Development
TUA	-	Trade Union Adviser
TWU	-	Transport Workers Union
UETU	-	Union of Employees of Trade Unions
UMNO	-	United Malays National Organisation
UPOW	-	Union of Post Office Workers
WDCSA	-	War Department Civilian Staff Association
WFTU	-	World Federation of Trade Unions

CHAPTER ONE

INTRODUCTION

1.1. Themes of Study

The central argument of the study is that the Malaysian Trades Union Congress (MTUC)* was a reformist organisation because of state control and the dominance of particular leadership grouping. While the whole question of state control does feature throughout the chapters, particularly through the discussions on MTUC-government relationship as well as government labour policies, the focus here is on the role of the reformist leadership of the MTUC; who they were, what they did, and why they were able to maintain their leadership positions. The focus on leadership is necessary to understand the role and development of the MTUC not only because most of the policies and issues undertaken by the centre were decided by a small coterie of leaders, but also because this leadership itself was sustained, throughout most of the period under review, by a few relatively large affiliated unions. The outcome was a reformist peak union organisation.

The period under review is from 1949, the year when

* At its inception the centre assumed the name of Malayan Trade Union Council. This was changed to Malayan Trades Union Congress in 1957, and again to the present name, Malaysian Trades Union Congress, in 1963 with the formation of Malaysia. "Malaysia" refers to the Federation of Malaysia formed in 1963 consisting of Peninsular Malaya (also known as West Malaysia), and Sabah and Sarawak (together as East Malaysia). The term "Malaya" here and throughout the study refers to Peninsular Malaya prior to the formation of Malaysia.

the first steps were taken to establish the MTUC, to 1981. The latter year was chosen as an appropriate year to conclude the study because this was when the public and private sector unions in the MTUC-led movement split and went their separate ways. Although there had long been tension between the two wings of the MTUC the final occasion for the separation was the centre's response to the government's new labour legislation of 1980. Further, 1980/81 was an important turning point in the history of the country's trade union movement as it marked the implementation of another round of even more restrictive labour legislation. With reference to the MTUC-government relationship, 1981 was also as an appropriate year to end this review of the national labour centre because it marked a change in the leadership of the government from Hussein Onn to Mahathir Mohammad. Although both administrations were still under the same ruling party, the Barisan Nasional, and both demonstrated an uncompromising policy towards labour, the change in government leadership in 1981 nevertheless signified a "new" shift in the political and economic approach of the government, which deserves special treatment or a more extensive study than the present one.[1] It is for these various reasons that the study is confined to 1949-81, a period which covers the formation and development of the MTUC during the colonial era and into the early post-colonial years of Malaysia. This suggests that the periodization of the study is sufficient for a proper

appraisal and understanding of the development of the national labour centre to be made.

The study focusses on social institutions and should be read in this light. This is necessary given a context where comprehensive labour studies are not yet well developed. There is neither a tradition of debate on the working-class movement, nor complementary institutional histories of trade unions. For this reason, an institutional study is an important first step for a comprehensive study of the country's trade union movement. This will be done by examining the following themes.

First, I shall study the character of leadership evident at the MTUC. By leadership I usually mean those elected Principal Officials who made up the Central Committee or Working Committee of the MTUC, particularly the President, Deputy President, Secretary General, and Treasurer although in some cases the much bigger quasi-legislative General Council, which was made up of the Central Committee and representatives of the affiliated unions and state/divisional committees, and the Council's appointed Executive Committee (which also included the elected officials) are also loosely regarded as constituting the leadership. As indicated earlier, the leadership question is important in understanding the MTUC because most of the policies and issues undertaken by the centre were, by and large, decided by these leaders, particularly the Secretary General (who was also the

MTUC's Chief Executive) as well as and the few elected officials just mentioned.

In discussing the leadership of the MTUC and the unions as a whole such terms as "moderate" and "responsible" are regularly employed. These terms are generally used to describe those labour leaders and their unions (or "new" unions) who were essentially anti-communist and non-militant in their attitude towards various issues of labour and trade unionism as opposed, for instance, to the militant or radical labour leaders and trade unions of the Pan-Malayan Federation of Trade Unions group who dominated the labour scene in the immediate post-war years. Of course, apart from the term "responsible", such terms as "healthy", "sound", "independent" and "democratic" have also long found place in official circles (and their sympathisers) when referring to the kind of unions acceptable to or encouraged by the establishment. They were also used to imply that other unions, that is, the PMFTU-type or other radical unions, were undemocratic and were either controlled or influenced by the Communists. The theme "responsible unionism" is pursued in the discussion to describe the general character and posture of the MTUC-led movement. In elaboration of the above, "responsible unionism" is also used with reference to a unionism committed to reform within the capitalist structural framework. This is a unionism which sees its future and the future of the working class as being determined by

close cooperation with capital and the government of the day, and that it was only prepared to exert its role to the extent that this did not antagonise the power structure.

Second, I consider the relationship between the MTUC and the government, colonial and post-colonial, particularly with reference to the question of the centre's influence on government labour policy. Indeed, as a central labour body whose main task was to coordinate and to serve as the spokesperson for the union movement in relation to the employers group and especially the government, the extent or even the ability of the MTUC to influence government labour policy was certainly an indication of the centre's overall effectiveness in its role. All this is pursued through a close look at issues which appeared to preoccupy the movement such as government labour legislation, tripartite cooperation, the codes of conduct for industrial peace, and the like.

A major theme which features prominently in the study is government incorporation of the "moderate" labour leaders and the MTUC-led movement. This idea of incorporation is adapted from Trotsky's thesis on trade unions in the era of capitalist economic and political crisis in Europe.[2] I also draw on notions of corporatism and corporatist structure elaborated by Panitch (1986) when discussing the close partnership between labour, capital and the state in the context of Western liberal democracies. As shall be shown in the

following chapters, the process of incorporation which entailed an active collaboration of the "moderate" labour leaders, and which was also facilitated by the governments' anti-communist Emergency rule (1948-60) and policies, started very early in the history of the MTUC-led movement and continued in varying degrees throughout the period under review.

Third, I study the position and role of the MTUC with regard to "politics". This is examined in terms of union (as well as MTUC) relations to the parliamentary political process, such as union participation or involvement in political parties, campaigning for electoral support, and the like. The varying and conflicting opinions among the trade unionists regarding their political role and trade union roles as well as government responses is studied. This allows me to address in a rather specific way the distinction between "politics" and industrial relations.

Fourth and finally, I shall briefly consider the general character of the MTUC-led movement, and to a limited extent, the relationship between the MTUC and affiliate unions. For instance, I shall examine some of the main internal divisions within the MTUC, although this is not a comprehensive examination of the relations between the MTUC and affiliate unions, a subject of another study. Related to this I shall also deal with the question of communalism within the MTUC. The term "communalism" in this thesis refers to communal or ethnic divisions which had come to characterize the country's

social and political structure. Following its widespread public usage in the country, the term is employed interchangeably to mean "racial" and "ethnic".[3] In this study, communalism, or rather problems of communal nature, refers to the circumstances that arose from the prevailing pattern of ethnic divisions within the MTUC leadership and the impact this had on the centre's relationship with government and capital.

On the basis of the study of these themes, I shall develop the following arguments:

1. I shall claim that the formation of MTUC at the beginning of the Emergency years underlined the close collaboration between the colonial government, particularly the Trade Union Adviser and the "moderate" leaders of the unions. Following on from this I shall argue that the scheme, which was facilitated by the circumstances of the Emergency rule, further reinforced the incorporation of these "moderate" labour leaders, and hence the MTUC, by the government.

2. I shall argue that the fear of communists usurping the unions prompted the government to place trade unionists and the MTUC-led movement under constant surveillance. This surveillance tended to inhibit the growth and development of the union movement, which in turn resulted in a weak and ineffectual movement.

3. I shall argue that the inclination towards "responsible unionism" by the MTUC leadership was largely due to the continued labour disciplinary and restrictive

measures undertaken by the government, as well as the compromising attitudes of the labour leaders. The approach of the leaders, and most of their policies, were informed by their desire to secure the acceptance and recognition of the government, which in turn guaranteed their personal as well as institutional importance within the country's industrial relations framework. Further I shall suggest that the "moderate" leaders in the MTUC were opposed to union involvement in "politics" because they feared that this might antagonise the government, and would, therefore, threaten their broker-leadership role within the existing industrial relations framework. The approach of these leaders also served to confirm the predominance of the "responsible unionism" tendency or the reformist character of the MTUC-led movement.

4. For the government, strong opposition to union involvement in "politics" was also informed by its fear of a possible strengthening of class politics, which in turn might pose a threat to its communal, elitist and especially pro-capital policies. It was also this same worry which underlined the government's sensitivity towards labour militancy, hence its restrictive legislation and other disciplinary measures against labour and the unions. I shall suggest that on the whole, the policy pursued by the government was essentially and increasingly anti-labour. I shall claim that these policies created a web of constraints for the MTUC-led

movement and contributed to its overall ineffectiveness during the period under study.

5. With regard to communalism I shall argue that it constituted a major obstacle to worker mobilization. The MTUC leaders lacked a working-class ideological perspective and were not prepared to educate and to lead the movement in a class-based struggle. Specifically, I shall suggest that the Indian-dominated MTUC leadership operating in an ethnically-conscious socio-political environment, could hardly exert an effective influence on the labour policies of the Malay-dominated government. This further contributed to the development of a "reformist" leadership approach.

1.2. Notes on Study Material

My aim in this study has been to reinterpret the history of the MTUC, using primary and secondary source materials. As listed in the bibliography the primary materials consulted include MTUC reports and minutes of meetings, texts of speeches, government reports, and trade union reports. Part of the primary data was generated through a range of interviews with a number of key informants who played leading roles, or were involved in trade union politics, at the time under review (see Appendix B). This information is important in areas where other source material is scarce, either providing additional information and perspectives that complement current literature, or, in some cases, providing the basis

for interpretations of MTUC history where there has been little commentary and analysis.

There are, it should be noted, a few studies on trade unionism in Malaya/Malaysia which together form an essential background and reference material for the present study. These include Gamba (1962b), Josey (1958), Stenson (1970), Zaidi (1975), and Todd and Jomo (forthcoming).[4] While all these works deal with the development of trade unionism in the country at some particular periods during the colonial or post-colonial years, only Zaidi specifically deals with the MTUC. Irrespective of their focus and approach to trade unionism, these studies contribute significantly to our understanding of labour and trade unionism both in the colonial and post-colonial Malaysia, and together, apart from the primary sources referred to above form a crucial background and information resource for the present study.

Gamba's pioneering work, *The Origins of Trade Unionism in Malaya*, as the name suggests, traces the history of union growth and development in Malaya up until the early 1950s, after the formation of the MTUC. A major part of the work is devoted to the situation and development between 1945 and 1950 which witnessed the return of British rule to Malaya after World War II, the problems it encountered with respect to labour and the economy, and the British handling of the militant unions and the communist threat which culminated in the declaration of a state of Emergency in June 1948.

It should be noted that while critical of colonialism Gamba is obviously sympathetic with and exhibits high respect for the colonial Trade Union Adviser (TUA), John A. Brazier whom he regards as "anti-colonial" and "the father of contemporary Malayan trade unionism" (Gamba, 1962:ix). For all their weaknesses and limitations which he acknowledges Gamba also shows sympathy for the "new" and "independent" (read independent from the communists) unions which were promoted and supported by Brazier. Gamba's notes based on Brazier's views and personal documents also provide valuable and interesting information about the role and attitude of this man, particularly in respect of the growth and early development of the "new" unions as well as the formation of the MTUC itself. My Chapter 3 on the formation of the MTUC draws substantially but critically on a number of suggestions and observations made by Gamba.[5]

Stenson's *Industrial Conflict in Malaya* is another major work on Malayan labour and trade unionism prior to the declaration of the Emergency in 1948. However, unlike Gamba, the focus in Stenson is on the PMFTU-led militant unionism -- its growth, development and demise. Stenson is equally critical of the conduct of the PMFTU-led militant unionism and the MCP as well as the approach to unionism by the colonial interests. For him the failure of the MCP-led militant Left to win the support of the wider population in the struggle against British colonialism, was as much responsible for its eventual

demise as was the combined opposition of capital and the colonial state.

Unlike Gamba before him Stenson is also critical of the role of the TUA (see Stenson, 1970:133-48). According to Stenson, the TUA's efforts to build "independent" and "democratic" unions up until early 1947 were more informed by his "highly developed sense of paternalist responsibility" and strong hostility to the PMFTU-led militant unions, rather than his devotion to democracy as many others believed.[6] Indeed, for Stenson, the TUA was very much part of the colonial regime, adjusting himself and responding to the overriding interest of British-led capital. Stenson's work is especially useful for Chapter 2, particularly in tracing the rise and fall of militant unionism in the 1945-1948 period.

As indicated earlier, Zaidi's account "from inside", *Malaysian Trades Union Congress 1949-1974* is, to date, the only published work which specifically deals with the development of the MTUC. Zaidi served as the Secretary General of MTUC from the 1963/64 session to 1975 and was a member of the MTUC Central Committee for most of the time from the 1956/57 session to 1975. The book was written in Zaidi's capacity as MTUC Secretary General (near the end of his trade union career) as the MTUC's official publication to commemorate the centre's 25th anniversary. The book which draws heavily from the reports and other documents of the MTUC, and which includes some description and justification for the centre's positions on various

issues of importance, provides an important source of information for the study. Indeed, as one of the major participants for nearly two decades, Zaidi's views and position on various issues, and to a certain extent, his sense of priority in the work, reflects the thinking of the MTUC leadership itself throughout most of that 25-year history of the national centre, thus making the work more than an official documentation of the centre. In this context the present study which adopts a more critical view of the MTUC should be seen as an attempt to provide another more critical and rigorous version of the MTUC, this time from an "outsider".

The underlying theme running through Zaidi's work is that the MTUC was a "responsible" leader of the country's trade union movement. The author attempts to highlight the various efforts undertaken by the leadership to defend and to work for the democratic rights of the unions, and also to be accepted by both government and employers as partners in nation-building. Although at times appearing inconsistent, and in many others lacking the substantive arguments and documentation, Zaidi (and of course, the MTUC leadership he represented), continuously reasserts MTUC's opposition to labour militancy, and to union involvement in political parties competing for electoral support. He also continuously supports the MTUC's quest for an "orderly conduct" of industrial relations, for a harmonious relationship between labour and capital, and for its readiness to contribute towards industrial peace

in the country. This approach and interpretation is critically assessed in the present study.

A more comprehensive historical account of the trade union movement in Malaysia can be found in Todd and Jomo, *"Trade Unionism in Malaysia : A Preliminary History"* (forthcoming).⁷¹ Most of the works or studies cited above deal with trade union developments during relatively short historical periods. In contrast, the work of Todd and Jomo traces the development of trade unionism in Malaysia up until the 1980s. To this extent it is an important work despite a generality and superficiality evident in the argument. It should be noted that the authors' description of the role and impact of a number of important radical unions in the era of MTUC-led "responsible unionism", and their account of the interplay of economic and political forces in influencing trade union conduct and development provides an informative account of the movement through these years.

1.3. Structure and Organisation of Thesis

The following chapters chronologically deal with the formation and development of the MTUC during its first three decades of existence. The priodization of the thesis has been determined in relation to key moments in the MTUC history. Chapter 2 outlines the background history of labour and its organisation in colonial Malaya. Drawing on secondary source material the chapter provides a brief history of the importation of labour, especially

from China and India, the early forms of labour organisation, the labour movement before and during the Second World War, the PMFTU-led militant unionism during the immediate post-war years until its eventual suppression by the British colonial government in 1948, and the promotion of "responsible" and "independent" or "new" unionism by the colonial government. This provides the essential backdrop to a consideration of the emergence and development of the MTUC.

Chapter 3 deals with the formation of the MTUC. It discusses the ideas and rationale behind the formation of MTUC and the role played by the TUA in this formation. Following on from this, Chapter 4 provides an account of the early years of the centre before independence from British colonial rule in 1957. The chapter also addresses the upsurge in labour militancy prior to independence, and thus enables a preliminary consideration of the question of MTUC and "politics", a feature during the colonial years.

The developments during the post-colonial years are taken up in four chapters: Chapters 5 and 6, which cover the 1957-69 period under the Alliance government, and chapters 7 and 8, which cover the 1970-81 period under the Barisan Nasional government. Chapter 5 discusses the situation of labour unrest and the MTUC's approach towards this and the government's labour policy. The focus here is on the Railway Dispute/Strike of 1962/63, the government's Code of Conduct for Industrial Peace, and the

labour laws of 1965 and 1967. "Politics" and communalism within the movement are the subjects of Chapter 6. This chapter considers the controversy surrounding union involvement in "politics" and communalism which tended to undermine the MTUC-led movement. Following this, Chapter 7 analyses the compromising ideology of the MTUC leadership. The chapter focusses on the MTUC's campaign for labour's involvement in economic ventures (also referred to as "New Frontiers of Trade Unionism"), as well as its role in attempting to secure industrial peace in support of the government's New Economic Policy. Following this, Chapter 8 deals with the internal divisions and split within the MTUC. This is first undertaken by considering the dissatisfactions with and the challenge against the incumbents in the MTUC leadership. A section on the Malaysian Airlines System (MAS) and the Airlines Employees Union (AEU) dispute and 1980 laws highlights the ever-compromising posture and the incapacity of the MTUC to serve as the spokesperson for the union movement. This section also highlights the increasingly tough line of the government towards organised working class. In relation to this another section deals with the conflicts and split between the public service and private sector unions in the MTUC, a division which further undermined the MTUC as a potentially united movement.

Finally, Chapter 9 concludes the study by drawing attention to the main themes of the discussions, namely,

the MTUC leadership; MTUC and the government; MTUC and "politics"; MTUC, the unions and labour; and MTUC and communalism. The chapter ends with a note on the future of the MTUC which draws on the analysis undertaken in the the previous chapters to suggest possible reasons for recent developments in the MTUC.

Notes

[1] A brief but interesting work on these developments in the 1980s could be found, for example, in Wad (1988).

[2] See these views of Trotsky in Hyman (1971:17-20, 33-35); Clarke and Clements (eds.) (1977:28-29, 77-92).

[3] Hua Wu Yin (1983:2) defines communalism as "the division of the masses along national lines in order to prevent them from acting as a unified political force". A brief note on the more precise usage of the terms "race", "ethnic" and "communal" could be found in Syed Husin Ali (1984).

[4] Other important contributions on the subject which, although not noted here, but are cited in the following chapters, include Parmer (1955), Gamba (1962a), Rudner (1973), and Morgan (1977).

[5] For a critical review of Gamba, see Blake (1963).

[6] For example, even V.David, Secretary General of the Transport Workers Union (TWU) and former Secretary General of the banned National Union of Factory and General Workers (NUFGW) who was of more radical persuasion states that "Brazier, though appointed by the Colonial Office, displayed an encouraging element of sympathy towards workers. At times he had to confront compatriots who were well entrenched, powerful and influential planters". See David (c1984?:iv).

[7] Part of this work has appeared as an article, "The Trade Union Movement in Peninsular Malaysia, 1957-1969" in *Journal of Asian and African Studies* XXIII, 1-2 (1988), pp. 102-124.

CHAPTER TWO
THE BACKGROUND

The argument in this thesis is that the MTUC was established/promoted to meet a problem that confronted the colonial government, namely to prevent the development of nationalistic and politically progressive, or communist trade unionism. In doing this, the colonial government underwrote communal divisions and prohibited communist and left politics. This was possible because of the long colonial rule of Malaya which allowed any indigenous union movement to be suppressed. In this chapter I shall trace out some of the key features of Malayan history which have bearing on this argument.

This chapter which draws heavily from a number of important works describes briefly the history of labour and the unions in colonial Malaya before the formation of the MTUC in 1949-50. Four major features of union history in Malaya will be outlined, namely, the colonial economy (including the importation of foreign labour and the early labour organisations), labour situation prior to 1945 (including the Japanese Occupation and its impact on the general population and labour), the rise and fall of communist militant unionism during the immediate post-war years (1945-48), and other aspects of colonial legacy such as communalism, the regulations of unions by legislative means, the use of Emergency rule to legitimise repression of labour, the promotion of "new" unionism, as well as the

process of incorporating the labour leaders and their ("new") unions. Implicit in this description is the argument that the formation and development of the MTUC cannot be understood without understanding this background.

2.1. Colonial Economy and the Early Labour Organisations

Colonial Economy and Immigrant Labour

The economy of colonial Malaya centred around two major commodities, tin and rubber. Tin had initially been mined by the Malays and later, especially by the end of the 18th century, developed and largely overtaken by the Chinese mining interests due to capital expansion, better technology and more intensive utilization of imported Chinese labour. Rubber was only introduced during the last decade of the 19th century by the British after the sharp fall in the prices of the other commercial crops (example, gambier, pepper, sugar and coffee). Large rubber plantations were soon opened up by employing largely Indian labour, following an increasing demand for rubber by western market.

Because of the lack of indigenous Malay labour as well as other considerations which will be touched upon shortly, the labour needed for the two industries was mainly brought from southern China and India. This, and the later British immigration policy to meet the needs of the economy set the stage for the development of a multi-

ethnic population and dominant immigrant character of the country's work force.

A number of reasons were suggested to explain the lack of indigenous Malay workers and why the British and the other earlier mining employers appeared to prefer immigrant labour. Most of the rice-peasant Malays were economically self-sufficient in their communal *kampung* (village) setting and were reluctant to work under strenuous working conditions and strict disciplinary regulations of wage employment. It was also in the interest of the mining and plantation owners to rely on cheap and plentiful supply of immigrant workers who laboured solely for money, whereas the Malays were regarded as an unstable source of labour supply, since they could always return to their *kampung* whenever wage work became unpalatable. Further, it was also part of the British policy to encourage the Malays to continue with their rice production activities as more of this staple food was required to feed the growing immigrant workers (Jomo, 1986:56). All this suggests that it was economically cheaper and politically less problematic for the colonial administration and the investors to rely on immigrant labour.

The above approach helped to offset the dominance of any particular ethnic group in Malaya, including the Malays. Here the notion of "divide and conquer" which has become part and parcel of the colonial governing ideology is relevant, particularly when seen in the context of lack

of inter-communal interaction between the Malays, Chinese and Indians following jobs "specialization", and consequently, residential segregation.

Around the turn of the century, employers began to demand better access to supplies of labour, with the increased use of tin, especially for food canning industry, oil barrels and corrugated roofing in European industries, and rubber grew in importance particularly in tyre manufacturing. Immigration and other forms of recruiting labour (for example, the "kangany" and professional systems) were then encouraged by the British.[1] Likewise, with expanding tin and rubber trade, communication and other economic activities also began to grow. Roads, railways, docks, engineering works, other skilled trades, menial jobs, and commerce, created further employment. The increased demand for labour tended to push up wages slightly and generate workers' mobility which hitherto were confined to a limited few. Thus, as indicated above, the colonial administration resorted "to turn on the tap of immigration", resulting in the arrival of more people from China and India.[2]

Following the steady expansion of British and other European interests in the country, which also saw the annexation of the economically important states (mainly for their mineral deposits) of Perak, Selangor, Pahang and Negeri Sembilan, and the setting up of a central administration for these states (also known as the Federated Malay States) in Kuala Lumpur, the British were

in the position to streamline their economic policy, including the control of the supply of labour. With continued waves of immigration the size of the Chinese and Indian communities in Malaya also began to increase rapidly.[3]

The depression of 1929-1933, however, placed a check on these immigration trends. As rubber and tin prices fell production was severely cut. Thousands of workers were retrenched.[4] Fearing that widespread unemployment would create chaos in the economy the British decided to repatriate many Chinese and Indian workers to their homelands. The Immigration Restriction Ordinance, 1930 and the Aliens Ordinance, 1933 were introduced primarily to that effect. A further dimension of these decrees was that the Aliens Ordinance was used to deport communist leaders and cadres from Malaya. In view of the prevailing hardships at home this immigration restriction forced many of the remaining immigrants to make Malaya their new, permanent home. The decision is important in the sense that it gave a sense of permanency or "stability" to later generations of Chinese and Indians.

The segregation of labour, and residential separation between the people of the three major communities -- the Malays, Chinese and Indians -- did not provide a good basis for inter-communal interaction. Together with the management policies of segregation, this communal isolation tended to obscure the people's identification with their workplace or economic commonalities. Under

these circumstances suspicion and even mistrust between the communities could hardly be avoided, and, as I will show, this would continue to undermine the people's broader national consciousness, and also that of trade unionism.

Early Labour Organisations

The earliest forms of labour organisations in Malaya were the guilds and triads (secret societies) found among the Chinese workers, both of which had a long tradition in mainland China. The guilds and secret societies were not only confined to the workers, they were in fact part and parcel of the cultural and communal life of the Chinese community.[5]

The guilds which were especially popular among tradesmen and skilled workers (for example, tailors, shoemakers, goldsmiths, carpenters and builders) functioned both as trade unions and welfare associations. They also served to regulate the labour supply of their members, determine the quality of products, wages and hours, and coordinate the terms of apprenticeship. While there were guilds solely for workers and separate guilds for employers, most catered for both employers and their workers.

An offshoot of these guilds were the associations of skilled tradesmen such as mechanics, fitters, plumbers, welders and draughtsmen which began to emerge during the last quarter of 19th century. Although they grew into

larger associations with branches in many states of Malaya in the early part of this century, they were pushed into the background with their alleged connections with the secret societies which brought them under the surveillance of the state, and the rapid development and dominance of the western-type trade unions during the period.

Another very important form of labour organisation was the triad (secret) society (Blythe, 1947; Purcell, 1948). These also originated in China. The early concerns of these societies in Malaya were commerce and tin trade. The contests for territorial control, and the competition for the collection of "protection" dues sometimes resulted in fierce and bloody clashes between rival societies. Further, secret societies were often employed by the mine owners to control their immigrant labourers. The state at first did not find it necessary to check the growth of these secret societies, as they benefitted the organisation and control of labour. However, when inter-society rivalry and clashes became widespread, and proved to be a liability to the economy (in the sense that they began to threaten the further inflow of investments) the authorities began to take measures to curb them.

In contrast with the Chinese workers, organisations among Indians were not established until the end of the 1930s. Major inhibiting factors on organisation were strict control and managerial paternalism, strong caste and regional differences, and the almost complete

isolation in the rubber jungles (see Parmer, 1960; Jain, 1970; Asaratnam, 1970). Although Indian workers acted in collective ways as early as the 1920s, the greater risks of dismissals and the possibility employers' reprisals (particularly in the tightly-controlled working environment) made it difficult for these workers to develop more permanent forms of organisation.

2.2. Labour Before and During the Second World War

As indicated above, the demand for tin and especially rubber around the turn of the century boosted the Malayan economy. Skilled and semi-skilled labour was much in demand. This situation, coupled with the impact of the socio-political developments in China, particularly the Nationalist Revolution of 1911, made the Chinese workers more conscious of their position in the economy and served as a breeding ground for the growth of modern trade unionism in Malaya. Later, when the rivalry between the Kuomintang (Nationalist Party) and the Chinese Communist Party took the centre stage, their supporters in Malaya also took sides and began to intensify their organising campaigns, thereby further boosting the growth of unions in Malaya. However, as the unions appeared to be more politically oriented and militant, they were also a source of worry to the colonial government and business interests. This delayed the process of obtaining legal recognition from the colonial government.

An important development in the 1920s was the establishment of the Nanyang (South Seas) General Labour Union (GLU) by the communists (Stenson, 1970:8). Set up in Singapore in 1925 the GLU was thought to have influenced a number of important strikes between 1926 and 1928 by the Chinese fitters, the workers of the Singapore Traction Company, and Singapore shoemakers and other workers. They did not survive long because of police raids and repression between 1928 and 1931. At any rate by this time, another important organisation which was to provide the ideological impetus and organisational drive for the continued organisation of labour in Malaya, the Malayan Communist Party (MCP), was already active. It had been formed around the late 1920s with membership drawn largely from the Chinese working- and lower-middle classes. The Party, believed to have been the offshoot of the earlier Singapore-based Nanyang Communist Party, played an important role in the strikes of the second half of the 1930s.

As indicated earlier, the organisation of the Indian workers did not take place until some time later. In the 1920s close contact with the Chinese workers, especially in other (non-plantation) industries, knowledge of political and trade union struggles in India, and the rise of a more educated generation of workers contributed to a greater union consciousness among the Indian workers. For example, organised industrial actions by Indian workers

were reported both in the private and public sectors (Asaratnam, 1970).

By 1940, the Central Indian Association of Malaya (CIAM) which has been in operation since 1936, and other Indian organisations, such as the Klang District Indian Union, served as the main voice of Indian workers.[6] The strikes by Indian estate workers in the Klang area (Selangor) in early 1941 under the leadership of the Klang District Indian Unions are of particular significance (Wilson, 1981; Stenson, 1970:25-33). They were organised not only in demand of improved wages and conditions, but also in protest against the poor treatment of the workers and their families by the management and the lack of social amenities in the estates. The strikes later spread to many other estates in Selangor and Negeri Sembilan prompting the British to send in troop reinforcements and declare a state of Emergency in Selangor (on 16 May) to crush them. Government repression resulted in serious injuries, the death of five workers, and also in the deportation, arrests, and detention of strike leaders and activists.

Compared with the moves by Chinese and Indian workers to establish unions the Malays lagged far behind.[7] Of course, Malay workers did play an active part in the unions, and the multi-racial character of the strikes at the Batu Arang collieries (Selangor) and Singapore Traction Company, for example, confirmed their union involvement. Nevertheless, the evidence suggests that

their numbers were small, involving particular sections of the Malay working class. As indicated earlier, the Malays were slow to be recruited into waged employment in the first place. Their strong ties with the *kampung* tended to mean that waged work was an "option", rather than a must for their economic survival.

Colonial Policy on Trade Unionism

As far as the colonial government was concerned trade unions were not recognised as legal entities until after the Second World War. The virtues of strict labour discipline and managerial paternalism, which the European employers had long upheld, militated against the state according any legal status to workers' organisations. Indeed, legislation concerning labour only dealt with the questions of labour recruitment and supervision and, at most, with the treatment and "basic" welfare of migrant labour in Malaya. However, labour organisations in the form of guilds, secret societies, and others had already been in operation. Although there was no legislation concerning trade unions, there was the Societies Ordinance of 1895 (and 1889 in Singapore) which provided for the registration of associations of the guild type.[8]

There were, however, moves by the colonial administration to regulate the labour market, as well as to conform to some international labour standards (in the ILO conventions) which Britain had earlier ratified. This led to a shift in the colonial labour policy.[9] Labour

unrest in the 1930s also prompted the authorities to consider regulating the unions in the hope of making them more accessible to the state. Thus the Trade Unions Bill and the Industrial Courts Bill were introduced in the Legislative Council (of the Federated Malay States) for the first time in late 1939, and enacted in 1940, while the Trade Disputes Ordinance was passed in late 1941. A Trade Union Registrar was also appointed to deal with the registration of unions. However, nothing followed until after the war as there was strong opposition from the employers and because the country, by the end of the year, had already come under the grips of the Japanese Military administration.

From this brief account it is clear that the multi-racial character of the population and more particularly, the work force in Malaya was very much a legacy of the colonial economic circumstances. The Chinese and Indians together made up the bulk of the country's industrial work force, while the Malays on the whole, were not a significant factor. It is also clear that the early organisations and activities of labour, at least prior to the 1940s, were largely a Chinese phenomenon, and that this was much influenced by the politico-economic situation and developments in mainland China. As will become evident, the exploitation of communal differences by the new Japanese overlords still posed serious organising problem for Malayan labour.

Labour During the Japanese Occupation (1942-45)

Although Japanese military rule in Malaya during the Second World War lasted less than four years (from 1942 to August 1945) it nevertheless created a significant impact on the people. The rise of organisations among the Indian workers, the enhancement of organising work mainly among the Chinese workers, the increased tension in communal relations, and the upsurge in the quest for freedom (from colonialism) could substantially be attributed to the impact of this rule.

Briefly Japanese rule was noted for the tremendous hardships caused to the people. The economy was in a constant state of anarchy with prolonged shortages of essential items. Jobs were scarce and unemployment mounting. To consolidate their rule and expand their territorial ambitions, the Japanese militarists introduced forced labour schemes whereby workers were assigned to various posts in the country as well as to other areas under Japanese control. Tens of thousands of workers, mostly Indian plantation workers were transported to Thailand and Burma to work in the Siam-Burma Railway projects.[10] Under the circumstances prevailing at the time it was impossible for unions to operate openly. The main resistance to Japanese rule was led by the MCP through its major united front organisations -- the Malayan People's Anti-Japanese Union (MPAJU) and the armed unit, the Malayan People's Anti Japanese Army (MPAJA), and

labour activists formed part of this broader united front movement.

Although the efforts of the resistance forces to fight the Japanese served to unite the people, the serious communal conflicts caused by the Japanese policy of treating people along communal lines tended to outweigh the forces toward unity. The Chinese, in particular, were singled out for brutal treatment by the Japanese, mainly for the role played by the predominantly Chinese MPAJA against the Japanese rule, and for the anti-Japanese impact of the Sino-Japanese war (in China). Many Chinese were brutally murdered and tortured. On the other hand, the Japanese exhibited some degree of tolerance towards, and even encouraged, Malay and Indian nationalism. For instance, the *Pembela Tanah Ayer* (PETA), an anti-British Malay organisation believed to have been the offshoot of the earlier radical Malay organisation, the *Kesatuan Melayu Muda* (KMM) that was earlier suppressed by the British was allowed to operate by the Japanese.

The Japanese also underwrote some forms of Indian nationalism. Encouragement and support were given to the Indian Independent League (IIL) and the Indian National Army (INA) whose primary aim was to struggle for the independence of mother India from the British rule (Stenson, 1980:91-102). The Japanese anti-British strategy aside, many Indians in Malaya regarded the IIL and the INA as a salvation to their problems and misery. Understandably, the cause of freedom for the motherland

served to uplift the morale, sense of dignity and national pride of the especially oppressed Indian workers in Malaya. Their identification with and participation in this movement also, apart from the breakdown of the tightly-controlled estate employment structure and their coming into contact with the well-organised Chinese workers boosted their confidence for union organisation later on after the war.

This differential treatment, and consequently the suspicions led to tensions between the ethnic communities, especially between the Malays and the Chinese during the aftermath of the Japanese withdrawal in 1945 and 1946. This experience complicated the country's ethnic relations and certainly the task of unifying the workforce.

The war and the Japanese Military rule in Malaya had a strong impact on the people. The immediate collapse of the British and their allies when faced with the Japanese onslaughts in late 1941; the severe economic hardships, and the brutal force and humiliation experienced by the people at the hands of the Japanese; the rise of especially the MPAJA as a new force to challenge the Japanese rule and, in the process, acquired experience and confidence. This prompted many to organise themselves, and to play what they considered to be their proper role in the new Malaya, especially with the arrival of the British to reimpose their rule.

2.3. The Rise and Fall of Militant Unionism (1945-48)

The immediate post-war years saw the people responding to the new circumstances by organising themselves under various shades of social and political organisations, all of which played important role in defining new political terrains of the country. Communal divisions continued to be a feature of labour organisations. These divisions were rooted in British colonialism and exploited by the Japanese during their occupation years. With the reimposition of British rule these divisions were maintained and extended. Nevertheless, the development of militant, communist-led unionism from 1945 to 1948 was a moment when these divisions were challenged.

On the labour front the role of organising the workers was undertaken by the front organisations of the MCP, the General Labour Unions (GLUs) and their central organisation, the Pan-Malayan General Labour Union (PMGLU).[11] The PMGLU was later reconstituted as the Pan-Malayan Federation of Trade Unions (PMFTU). This organisation had gained important organisational as well as political experience, especially through the part played by its (earlier) front organisations like the MPAJA and MPAJU during the war. The MCP's earlier organisational and political network (established during the resistance against the Japanese rule) stood it in good stead in the months immediately following the Japanese surrender. In late 1945 there was a dramatic rise of the

district-based GLUs in various parts of the country. Workers in urban industry, transport services (bus and railways), ports, rubber plantations, and the mines were organised, with lightning strikes and demonstrations demanding improvements in wages, conditions of work and other social amenities becoming a commonplace. As demands for rubber and tin rose and employers wanted production increase, the GLU-led workers were also increasingly successful in employing the strike weapon to back their demands.

Working as a labour front of the MCP, the GLUs began to pursue both economic and political objectives identified with the party. Stenson (1970:61) notes that the actions of the GLUs were "not so much for immediate economic gains... but for the long-term objective of worker solidarity and awareness". This "planned campaign" was evident in a series of strikes and demonstrations which began in mid-October 1945 involving workers of the Sentul railway workshops and Batu Arang collieries near Kuala Lumpur which later spread to other towns in the country. The demands by the strikers and demonstrators for more rice, freer movement of foodstuffs, exemption from water and electricity dues and higher prices for rubber and tin were also clearly popular demands affecting wide section of the population, and not restricted to the "rice and fish" issues only. The strikes later affected Singapore where heavy concentrations of workers and better

labour organisation guaranteed a more prolonged and intense labour protest.[12]

The organisational capacity of the GLUs was enhanced by the formation of their central organisation, the PMGLU in February 1946. The proclaimed objectives of the PMGLU included a struggle for the improvement of the livelihood of the labour class; to fight for the realization of democratic government in Malaya, and to support the independence movements of all weak and small nations (cited in Khong Kim Hoong, 1984:68). Through this central body a proper coordination of the educational and propaganda work, as well as support network for strike actions by the unions was possible, while negotiation and other labour support services, strike reliefs, and protection from victimization were also carried out or provided for the workers.

At this point, apart from its political orientation, the general and non-communal character of the PMGLU needs to be underlined. Whereas history and colonial economy had shaped the "specialization" of economic tasks of the predominantly immigrant labour, making multi-racial worker interaction and unity problematic, the general and multi-racial character of the GLUs transcended these economic and communal boundries. The PMGLU's campaign to attract the Indian-based estate unions throughout 1946 as a way of breaking down communalism proved successful when all the newly formed Indian unions, with the exception of the Negeri Sembilan Indian Labour Union led by H.K.Choudhury

and P.P.Narayanan, were brought together under the PMGLU (Morgan, 1977). As pointed by Morgan, without the PMGLU, labour which had a tendency to divide into separate unions and, in the case of Malaya, also along racial or ethnic lines, would be further subject to the old cardinal rule of "divide and rule".

Of course this is not to imply that there was no problems of communal nature in the PMGLU-led unions. In fact, as Stenson (1970:132) points out, their inability to influence Malay labour later proved helpful for the employers who saw the ready supply of non-unionised labour in the Malays could make up for the labour shortage as well as meet the threats of the organised Chinese and Indian workers. Nonetheless, among the Chinese and Indian workers, who constituted the bulk of the industrial workforce, the leadership and influence of the PMGLU were unquestionable. In short, the establishment of general, multi-racial and political unionism became something that worried both the colonial government and the employers.

At this juncture it should be noted that the success of the GLUs' industrial and political campaigns in 1946 must also be attributed to other factors, in particular, the high demand for Malayan commodities by the western industries, and the tight (local) labour market immediately after the war. Demands for wage increase were usually successful as employers, especially of the smaller Chinese-owned industries, who wanted quick profits and did not want production hampered. This, in effect, helped to

heighten unionism among the workforce. In the same context the workers themselves had genuine economic and social grievances which prompted them to resort to industrial actions which in turn helped to boost the movement (Todd and Jomo, forthcoming).

These developments were a cause for concern by the British who badly needed Malayan rubber and tin for Britain's post-war recovery efforts (Morgan, 1977). From the employers side pressure was also building for the administration to take some action to check the trends. A series of measures aimed at breaking the strikes were employed by both the employers and the government, including the use of "blacklegs" and arrests of union leaders and activists. For instance, as noted by Stenson, the British also ordered the Japanese war prisoners, who were still kept in Singapore until 1947, to carry out the work of the strikers and "as a means for staving off pressure for wage increase". The Japanese war prisoners, estimated at 30,000 during 1946 were also used in various government installations (Stenson, 1970:86).

The government's preoccupation with the political reconstruction of the country underwrote their opposition to these developments among workers. The British proposed a constitutional and political reform through the "Malayan Union" scheme which was strongly opposed by the people. The proposal called for the restructuring of Malaya into a centralised state system under the direct rule of the British Governor, the island of Singapore to be made a

separate Crown Colony, and the granting of citizenship rights to the non-Malays.[13] This was to be an imposed solution and not one that met the aspirations of the people, including workers, via their unions.

There were also other developments which tended to caution, at least temporarily, the colonial government approach to labour situation at the time. For example, despite the initial scepticisms on the part of certain quarters in the bureaucracy and among employers the government was also considering the possibility of bringing the unions under state control and supervision through a "proper" system of industrial relations. This would allow the government to regulate labour and belatedly and secondarily to honour the ILO conventions.

Such view appeared plausible, especially with the thinking within the British colonial circles in Britain, that trade unionism, especially modelled on the British type, was necessary for a healthy development of democracy in the colonies. The thinking, though debatable, is understandable especially when coming from a tradition where trade unionism had long been incorporated into, and part of the state institutions.[14] It was also part of that thinking that far too many in the colonies did not have the know-how of trade unionism and "proper" trade unions should be encouraged (see Morgan, 1977: footnote 85). The whole thinking was given a boost with the dispatching of Trade Union Advisers (who were recruited from among the British union officials) to the colonies by

the new (post-war) Labour Party majority government in Britain. Further, the government also issued a model Trade Union Ordinance which was to be implemented throughout the Empire. As indicated by Morgan, this actually formed part of the broader colonial strategy to ensure that the development of trade unions in the colonies did not challenge British hegemony.

The major pre-war legislation, the Trade Unions Ordinance, 1940, with certain amendments based on the recommendation from London, was finally implemented in Malaya from 1 July 1946 (Gamba, 1955:14). A post of Trade Union Adviser (TUA) was created, with John A. Brazier, a British trade unionist who had worked as Railway engine driver and served on a number of government boards, appointed to the post. A department under his charge, the Trade Union Adviser Department, was also set up. In addition, two other separate departments were established, concerned with labour matters, a Department of Labour and a Department of the Registrar of Trade Unions.

Brazier's role was to encourage the formation, growth and development of "sound", "responsible" or "independent" (that is, independent from the communists and the GLUs) trade unions in Malaya. In fact, according to Gamba (1962b:171, footnote 6), Brazier had been asked "to liquidate the GLU" upon his arrival in Malaya. Strongly anti-Communist himself, Brazier wasted no time and effort to execute his job. In this work, he managed to organise white-collar unions and some predominantly Indian unions

with little bargaining power. Although less successful in his initial task, the unions he helped organise or encouraged, nevertheless provided the government with an alternative labour group to the militant PMGLU (Morgan, 1977).

Regulation for Union Registration

The implementation of the Ordinance marked a new turn in the country's trade union situation. With it not only the whole idea of bringing the unions under state control became possible, but so did the notion of curbing the growth and development of the PMGLU-led militant unionism.

The Ordinance made union registration compulsory and accorded considerable discretion to the Registrar of Trade Unions (RTU) (Stenson, 1970:42-43; Morgan, 1977). The RTU, for instance, could refuse to register a union if in his view the union was likely to be used for unlawful purposes or purposes inconsistent with its objects and rules. He was also granted the right to ensure that union funds were restricted to "trade union purposes". The Ordinance prohibited public employees from joining or be affiliated to unions of non-public employees. It also required at least two-thirds of the union officers to be engaged with an industry or trade with which the union is concerned. Following the Ordinance a campaign was launched to register the unions by September 1946.

Although at first opposed to the Ordinance, particularly the registration requirement, the PMGLU later

decided to allow its affiliates, now to be reconstituted as craft, industrial or regional unions, to be registered, while itself, and its state-based affiliates/branches, were reformed into federations of trade unions. Following this on 25 August 1946 the PMGLU was reformed into the Pan-Malayan Federation of Trade Unions (PMFTU) and its state-based affiliates/branches established as Federations of Trade Unions (FTUs). According to Stenson (1970:134-35) the change in the PMGLU's position with regard to registration was because the centre was in the process of consolidating its support while, at the same time, also seeking government recognition.

However, once the process of registration began, the RTU insisted that unions should neither include (in their union rules) any references to accepting the guidance of the federations, nor provide for payments of dues (about 20 to 25 percent of the subscriptions collected) to any federation (see Stenson, 1970:136). To further restrict the movement union funds were also not permitted to be used for political purposes or sympathy strikes. In October the government also ruled that all federations including the PMFTU had to apply for registration or for exemption, and to follow the regulations applied to individual unions. The RTU also declared in November that all the state FTUs should dissolve and wind up their assets and could only reconstitute as federations upon the wishes of the affiliates already registered. He further insisted that any federation formed should have no

executive powers and only act in an advisory capacity (see Stenson, 1970:136-37; Khong Kim Hoong, 1984:127-28). The new rulings were clearly intended to stifle the centralized power of the PMFTU. They were also meant to destroy the main bases of PMFTU's influence and hence its leadership of the movement.

Although strongly resisting the registration rule the state FTUs finally conceded in March 1947. There was no reply from the RTU office until over a year later when a decisive blow against the movement was delivered. While the compliance was perhaps unavoidable for the FTUs to enable them to continue working legally and to win recognition, it also sent a signal to the government and the employers that their efforts to control and curb the movement were paying off. According to the RTU source, by 1 March 1947, 147 unions or about half of the unions in existence in peninsular Malaya were registered (cited in Stenson, 1970:138).

The combined government-employers offensive against the unions escalated in 1947. Strikes which continued during the year were met with increasing police violence such as that which characterized the Kedah unrest of early 1947 when police opened fire to break strikes and meetings of the estate workers, resulting in injuries, imprisonment and even deaths of the workers (Morgan, 1977). Harassment, disciplinary action, victimization and dismissals of PMFTU organisers and branch leaders by the management with the help of police became more frequent.

The trespass law was rigorously enforced by police and the employers making organising work in the estates increasingly difficult. Further restrictions were introduced with the Labour Department and the TUA Office ensuring that the requirements of the law, especially those which denied PMFTU's access (financial and political) to the unions, were complied with, as well as preventing other unions from joining the PMFTU. Even the judiciary, whose infamous Willan Judgement of October 1947 which ruled that workers who absent from work (because of strike) in effect broke their employment contract and were, therefore (in the eyes of the law), legally dismissed, also militated against the unions.

In addition, the political climate of the country had become more settled by 1947 thus enabling the government to shift its focus and move towards a ban of the PMFTU and its affiliates. In 1946 the major controversy surrounding the proposed "Malayan Union" was "resolved" with a Draft Agreement on the new "Federation of Malaya" structure published.[15] This allowed the colonial government to prepare for the suppression of PMFTU. Meanwhile the PMFTU continued its campaign to extend its organisational and political base. In fact, more than 300 strikes with a total 696,036 person-days lost were reported for 1947.[16] Labour unrest continued in 1948 although, by this time, the movement on the whole had already been on the defensive. The police and military were increasingly employed to back up the employers and to arrest union

leaders. The strikes however escalated in April and May. This prompted the government to introduce three amendments to the Trade Unions Ordinance through the Federal Legislative Council (FLC) on 31 May. The first amendment allowed only persons with at least three years' employment in an industry to hold official trade union posts in that industry. This amendment was aimed at professional trade unionists. The second amendment prevented anyone who had been criminally convicted from holding a trade union office. As commented by Morgan (1977), since it was so easy "to secure convictions against militant trade unionists" at the time the aim was clearly to fill the unions with the proteges of the government. The final amendment prohibited federations of trade unions other than those based on similar trade, occupation or industry. With the last amendment the PMFTU and the FTUs were considered illegal.

Following the amendments, and after the murder of three European planters in Perak in June the FTUs were officially refused registration and, therefore, declared illegal. The MCP and the PMFTU were banned. Wide powers of arrest and deportation of those alleged to have been involved in the violence were introduced. The government first declared a state of Emergency in central Perak and west-central Johor on 16 June, and later, on 12 July, the Emergency was extended throughout the country.

The Emergency Regulations provided the government with almost every legal means "to restore order".[17] The

Governor was empowered to legislate any rule he deemed necessary. The Regulations gave the police the right to disperse any meeting or assembly of five or more workers. Strikes were considered illegal if the employers were not given two weeks' written notice signed by seven people representing the group concerned. With the employers resorting to various forms of intimidation of the work force and reprisals against the unions, workers were in disarray, fear and confusion.

The state of Emergency which began in mid-1948 marked the end of the militant unionism in Malaya. The suppression of unions and unionists identified with the PMFTU's militant tendency or suspected of being subversives was extensive. On 21 June police raided union premises and arrested some 600 people, mainly unionists (Morgan, 1977). Many others were also banished from the country or repatriated, especially to China. The scale of repression can be gauged from the sharp fall in the total person-days lost due to strikes, the number of unions and their membership after the Emergency was declared. Thus whereas the total man-days lost for April, May and June 1948 in peninsular Malaya were 12,773, 178,634 and 117,154 respectively, the figures for the following three months were 3,394, nil, and 348 respectively (Labour Department, AR 1948).[18] Likewise, between December 1947 to December 1949 union membership fell from 195,113 to 41,305 (cited in Gamba, 1962b:364, Table 30).

The Emergency rule, however, did not seriously affect the "responsible" and "independent" unions which Brazier and the government had been encouraging since 1946. Thus, whereas many unions were deregistered by the RTU on the ground that they contravened the Ordinance the "new" unions continued to mushroom. In cases where genuinely independent unions survived it was under heavy constraints with close police scrutiny and surveillance.

2.4. "New" Unionism and the Emergency

As indicated earlier, one of the important moves by the colonial administration via Brazier, the TUA, to break the PMFTU-led militant unionism had been to encourage the growth and development of "responsible" and "independent" or "new" unions. As noted by Stenson (1980:138-39), this was initially directed to the white-collar and Indian workers because "in the main they were English-speaking and because they were amenable to persuasion". Brazier's task started in early 1946 with railway employees and other government unions and clerical employees and continued later in the year in the attempts to woo the plantation workers away from the PMFTU-led unions. In the latter case, he and the RTU are noted to have established close rapport with the Negeri Sembilan Estate and Other Workers Union and the Perak Estate Employees Union headed by P.P.Narayanan and John Emmanuel respectively who were known to be staunchly anti-communist and who cooperated closely with employers.[19] By 1947, the "new",

"independent" unions were reported to have been established, for example, among clerical workers, rubber plantation workers, Agriculture Department workers, electricians, hospital employees, mechanics, railway workers, and Public and Works Department workers (Trade Unions Registry, AR 1947).

The support and encouragement given to the "new" unions could also be seen as an attempt on the part of the colonial government to incorporate the "moderate" labour leaders and the unions. This is evident from the appointment of a number of these labour leaders to some important state bodies and the supportive role they were to play in furthering the government's labour scheme. Such English-speaking labour leaders of non-PMFTU unions like V.M.N.Menon (Estate Staff Union) and M.P.Rajagopal (Pan-Malayan Railway Workers' Union), for example, were appointed to the Malayan Union Advisory Council, while P.P.Narayanan (Negeri Sembilan Indian Labour Union), Osman Siru (Penang Postal Uniformed Staff's Union), Khong Soo Chin (Selangor Clerical and Administrative Staff Union) and also M.P.Rajagopal were appointed to the Labour Advisory Board in 1947 (Trade Unions Registry, AR 1947). In addition, the following were appointed to sit on the country's legislature, the FLC in early 1948: P.P.Narayanan, M.P.Rajagopal, Mohd.Yusoff bin Mohd.Noor (Penang Municipal Services Union), Nasaruddin bin A.Rais, Khoo Khoon Huat (Perak Hydro Employees' Union), and Lee Woon Mun (RP, ADC 1950).[20] For the government, this

exercise was necessary to show its strong support and recognition for a "responsible" and "independent" unionism. With their sudden rise to prominence, and with the prestige and glamour they now enjoyed by the appointments, these "moderate" labour leaders were more grateful to the government and felt obliged to support it. This was evident in the part they were to play in setting up the MTUC and in their "responsible" manner in leading the trade union movement. This fulfilled the expectations and hopes of the government.

Brazier's task of building up and encouraging "new" unions also continued more vigorously after the declaration of Emergency and repression of militant unionism began. With the state organised against the communist organisational network, including the remnants of the PMFTU-led unions, his task was made easier. Again he and his colleagues in the TUA Department concentrated their efforts on the rubber plantation workers as well as the public sector employees where he already had some important links established and from which he could expand the work. Apart from that, the plantation sector was also a crucially important sector in the economy and if he could reorganise the rubber workers under "sound" and "responsible" unions this would benefit the state as a whole.

However, most of the "new" unions were small, fragmented and weak with a limited capacity to bargain with the employers. Even in the case of a few relatively

large ones, like the railway and the plantation unions, the kind of union leadership produced by the Emergency circumstances, and state patronage tended to weaken or "moderate" the unions' position in their dealing with the employers. Under the tense Emergency climate and strong employers' suspicions of unions, most union leaders tended to look to the government, particularly the TUA Department for support to enable them to carry out their trade union work, and submitted themselves further to the influence if not control of the government. Indeed, continuous police surveillance and government expectation that they served as the "eyes and ears" of the state (in the war against communism and militant unionism) encouraged their subservience to the state.

At this stage, the labour leaders were without a proper union structure. The "new" unions, being ineffective, received limited support from workers. In these circumstances the government became concerned lest the situation be exploited by the very elements which they hoped to uproot from the unions, namely the communists and other "militant" workers. Indeed, without the support of the workers, these labour leaders would not be in the position to play the role expected of them by the government. In that respect a proper union structure was necessary, as well as the "official" recognition of this "new" unionism within the overall polity. It was partly in this context that the idea of establishing a new labour centre, the MTUC, evolved.

2.5. Summary

The history of trade unionism prior to the establishment of the MTUC had three features to it. First, dating back to the earliest origins of unions there was a marked communal feature to unions in Malaya. Unions and their forebears were organised along communal or ethnic lines, as guilds and secret societies and subsequently as unions. Even under Japanese occupation these divisions were confirmed and extended. This also was a feature of British rule both before and after the Second World War. Second, and related, the main moves for "political" unionism came from the Chinese community, although the establishment of the PMFTU was characterized by an attempt to go beyond communal boundaries. The evidence suggests that this was partly successful. Third, the British saw the development of PMFTU as a threat to their continued rule and, in a post-independence situation, their continued influence in Malaya. A non-communal and communist PMFTU threatened to become a focus for nationalist forces in Malaya and the British acted to suppress this development, first with the imposition of the Emergency rule and, second, by further underwriting communalism, particularly through the promotion of Indian led "new" unions.

Following the Emergency, the colonial government was faced with a problem. The "new" unions were small, fragmented and without effective leadership. They could

not be expected to secure the confidence of the workforce without which they could hardly play the proper role expected of them by the government. At the same time the vacuum in the national trade union leadership created by the demise of the PMFTU was a concern for the government lest this was filled by other "undesirable" elements. A solution to this was found by Brazier with the support of his superiors in the government, in the creation of a new apex union structure that would serve to coordinate the "new" unions, and which would also help to facilitate the liaison between the government and the unions. This was the background to the setting up of the Malayan Trades Union Council (MTUC), the concern of the next chapter.

Notes

[1] The new forms of recruiting labour include the "kangany system" and professional recruitment as compared to the previous "indenture system". For details of the systems of labour recruitment see, for example, V.Thompson (1947:65-80); W.L.Blythe (1947) and J.N.Parmer (1960).

[2] Of course, as noted by Caldwell (1977a) the influx of these immigrants also served to increase the pool of reserved labour needed by capital to force wages down.

[3] For example, in the Federated Malay States where there was concentration of tin mining and rubber

plantation industries the Chinese and Indians together had overtaken the Malays by the year 1901, whereas in the other Malay states, Perlis, Kedah, Kelantan, Trengganu, and Johor (collectively termed as the Unfederated Malay States) where subsistence agriculture was still prevalent, the Malays continued to predominate. Population census (various years) cited in Jomo (1986:324, Appendix 3).

[4] According to Caldwell (1977b), employment in the estates fell from 258,780 in 1929 to 125,600 in 1932.

[5] For a brief explanation of these organisations in Malaya see Gamba (1962b:1-5).

[6] For an elaborate account of the Indians and their organisations in Malaya see Stenson (1980).

[7] The Club Kapitan² dan Injinir² Melayu formed by Malay shipping captains and engineers in Singapore in 1893 noted in Roff (1980:182) is often cited as an early example of Malay industrial combination.

[8] See Gamba (1955:10-12). This legislation was more for the purpose of curbing secret societies and other secret labour unions which were causing problems to the employers and the administration then.

[9] A circular from Lord Passfield, the Secretary of State for the Colonies in 1930 which called for the legalization of trade unions in the colonies is often cited as an example of this policy change (Gamba, 1955:10-12).

[10] It was estimated that 73,000 workers were sent to these projects and most of them never returned (cited in Gamba (1962a:13)).

[11] A detailed account of the rise and fall of this militant unionism is given in Stenson (1970). A brief but excellent account on this unionism is provided by Morgan (1977).

[12] Here it should be noted that as far as the MCP was concerned, Singapore has always been a part of Malaya.

[13] For a discussion of this see Khong Kim Hoong (1984:73-122).

[14] See, for instance, Eric Hobsbawn (1951) for an early account of how British capital incorporated labour into the state.

[15] For some details of this see Khong Kim Hoong (1984:98-121).

[16] Cited in Khong Kim Hoong (1984:149). Compare this, for example, with the 1946 figure estimated at 476,101 in Gamba (1962b:288).

[17] For an account of the Emergency Regulations and its impact on the country see Caldwell (1977c).

[18] "AR" here and throughout the thesis refers to "Annual Report".

[19] Gamba (1962a:25) and Stenson (1980:139, 168). According to Stenson, together the RTU, the TUA and the police Special Branch also played an important role to promote the rubber union led by John Emmanuel to try to break the radical Indian leadership in Perak. The close relationship between these "moderate" and "responsible" labour leaders with the colonial government is also confirmed by a number of veteran unionists interviewed by this writer.

[20] "RP" and "ADC" used here and throughout the thesis refer to "Report of Proceedings" and "Annual Delegates Conference" respectively (see bibliography).

CHAPTER THREE

THE FORMATION OF MTUC (1949-50)

Colonial government encouragement of "new" unions after the war, and the imposition of Emergency rule to fight communism and militant unionism beginning in mid-1948 set the stage for the establishment and development of the apex structure of this "new" unionism, the Malayan Trade Union Council (later, the Malaysian Trades Union Congress). As will be argued in this chapter the MTUC was created by and in a colonial context. It was an imposed structure, based on an official recognition and affirmation of communal divisions. In this respect the colonial government attempted to place its stamp on trade union organisation in Malaya and this is most evident with regard to the formation of MTUC.

This chapter deals with the formation of MTUC between 1948 and 1950. It was mainly with the idea of having an alternative movement to the PMFTU-led militant unionism after the war that the "new" unions and the MTUC were encouraged and sponsored by the colonial government. I shall suggest that the formation of MTUC at the beginning of the Emergency years underlined the close cooperation between the colonial government, particularly the TUA and the "moderate" labour leaders at the time. Following on from this, I shall suggest that the whole scheme, which was facilitated by the circumstances of the Emergency

rule, served to reinforce the incorporation of the "moderate" labour leaders and the trade union movement by the government.

The discussions and arguments in this chapter draw heavily from the works of Gamba (1962b), Josey (1958), and Zaidi (1975); from MTUC reports and minutes of meetings, and also from the interviews with some veteran unionists. It should be noted that, together, the material and information from these obviously varied perspectives, enable a brief discussion on the formation of MTUC, which extends the usual argument about the formation of the MTUC.

The chapter first considers the major circumstances and rationale which led to the formation of the MTUC. The role of the centre within the context of the colonial anti-communist strategy is highlighted in this section. A second section deals with the formation of the MTUC itself. The section focusses the part played by the colonial TUA, John Brazier and the "moderate" or "responsible" labour leaders in the formation of the centre. Finally, I conclude by pointing to the key features of this history and noting the importance for the subsequent development of the centre.

3.1. Why was the MTUC Formed?

As implied above the formation of the MTUC in 1949-50 should primarily be seen in the context of the anti-communist and anti-labour militancy campaign being waged

by the colonial state especially with the declaration of the Emergency rule at the time. The new labour centre was needed to help the government in its fight against Communism and militant unionism on the labour front.

With the Emergency, the government became convinced that it needed the support of the "moderate" labour leaders and their unions to fight communist influence among the workers and in the government view improve industry. The government, and some section of employers, were also convinced that it was in their interest to assist the development of "sound" and "responsible" unions. The structural network for this development had already been started with the encouragement and support for the formation of "new" unions. It was believed that these unions would help provide the workers with a channel to express their grievances and reciprocally the authorities could maintain links with and monitor labour.

In this context, the steps taken earlier by the government to promote a number of "moderate" labour leaders to places of prominence such as the Malayan Union Advisory Council, the Federal Legislative Council (FLC), and the Labour Advisory Board were steps towards the incorporation of labour. However, most of these unions were poorly organised and there was no national labour leadership structure to which the government could have ready access. The government became worried about the possibility of communists usurping the unions' leadership. The solution was to continue to build and support the

"new" type of unions, and at the same time establish a new labour centre that would play a watchdog role against a possible communist "infiltration" into the movement.

Indeed, the idea of filling the "dangerous vacuum" following the demise of the PMFTU, as explained by Gamba (1962b:399) clearly points to this anti-communist strategy in the formation of MTUC. At such an early stage of the Emergency rule, in fact, just about a year after the Emergency was declared, a new labour centre would not have been possible unless the government was confident that the centre could and would play a complementary role in its anti-communist efforts. The anti-communist strategy of the government was supported by the "moderate" leaders of the unions who were themselves anti-communist and who also identified themselves with the colonial order. Indeed, in the opening speech as the chairperson of the MTUC inaugural conference (1950) and on behalf of his other colleagues, M.P.Rajagopal, the leader of the All-Malayan Railway Workers Union (AMRWU) (who was also a nominated member of the FLC), reaffirmed the commitment of the labour leaders to fight communism and to stand "solidly behind the government" but made no mention of independence or freedom from the colonial rule (see RP, ADC 1950). At the same time, these labour leaders must have had some idea of their future role in a labour centre. For example, the first circular informing the unions about the proposal to hold the first conference of unions "to examine the possibility of forming a Malayan Council of

Trade Unions" was signed by V.M.N.Menon, another nominated member of the FLC (Gamba, 1962b:396). The government also sent three members of the same group of labour leaders, Mohd.Yusof bin Mohd.Noar (Penang Municipal Services Union), P.P.Narayanan (Negeri Sembilan Plantation Workers' Union) and Tan Tuan Boon (Interpreters' Union, Kuala Lumpur) as observers to the ICFTU inaugural conference in London in late 1949 which also was important in socialising these trade unionists for their new roles in the MTUC.

The MTUC was primarily envisaged as a coordinating body for the unions in the country. It was believed that this coordinating role would enable the MTUC to maintain a close rapport with the unions, and make representation to the government, particularly via the advisory councils/boards and commissions mentioned above. Indeed, the two major terms of reference for the formation of the centre as recommended by the Working Committee formed by the unions (in 1949) to study the proposal were: 1) to ascertain further steps for establishing closer inter-union liaison, and 2) to consider the type of machinery and organisation which would allow regular consultation and discussion between trade unions and the labour representatives on various government bodies and committees".[1]

According to Gamba, in the wider context of British (and their allies) interests in the region a "responsible" labour centre in Malaya was also seen as a buffer against

the influence of the left-inclined World Federation of Trade Unions (WFTU). The WFTU was said to be planning to intensify its campaign in the colonies. This followed a split in the Paris-based WFTU between the Soviet-led and the Anglo-American-led camps which culminated in the withdrawal of the British, American and Dutch labour centres from the federation in 1945. The breakaway group was soon moving to set up an alternative confederation with the active support of Whitehall.[2] The split led to the convening of a preparatory conference in Geneva in June 1949, and then to the Free World Labour Conference in London in November the same year which witnessed the inauguration of the International Confederation of Free Trade Unions (ICFTU). As indicated above three Malayan labour leaders representing the major ethnic communities in Malaya were sent by the colonial government to observe the proceedings of the London conference and to express the support of the Malayan unions to the new confederation. It is important to note here that these labour leaders were sent to London at the time when the MTUC was not yet inaugurated. It is also interesting to note that one of them, P.P. Narayanan, a government-nominated member of the FLC (from the rubber unions group) soon was to head the newly formed MTUC.

The above explanation of the formation of MTUC implies that the MTUC was a scheme envisaged by the colonial interest at the beginning of the first Emergency rule in Malaya. It also suggests that the trade unionists

or the "moderate" labour leaders played a subsidiary, or rather, a collaborative role to that of the government, and not as the prime mover as suggested by Zaidi (1975:15-19). The unions at that time were weak and divided and their leaders, including those appointed by the government to the bodies mentioned above, were themselves very dependent on the government. According to T.Narendran and K.George, two veteran unionists, even the plantation unions which were regarded as the backbone of the movement were in very bad shape.[3] With respect to union organisation and the dependence of the union leaders on the government, the "new" unions were not in a position to establish the MTUC, which required considerable resources and the active support of the colonial government.

In any case, as noted by Gamba (1962b:398), there were also reservations and scepticism among the colonial officials and employers with regard to promoting a trade union movement on a pan-Malayan basis. The fear of labour militancy with its waves of strikes (of the recent past) still haunted them. They were also sceptical of the idea of the state paving the way for "active" unionism in what was considered to be an unsettled Emergency environment, fearing that a new movement, whatever its beginning, could well be a fore-runner of another round of militant unionism and that it might be susceptible to renewed activity by the communists. In the event the colonial administration was apparently sure of the need for such an apex union structure as part of their overall strategy to

counter communism. High Commissioner Henry Gurney and his other colleagues were said to be well aware that trade unions were there to stay and thought that it was better to encourage the growth of "healthy" and "responsible" unionism, and to incorporate it into the government's counter-revolutionary strategy. Ignoring the working class organisationally might possibly result in the "new" unions falling under the influence of the communists and other so-called "undesireable" elements. The TUA who enjoyed a close working relationship with a good number of leaders of the "new" unions, as seen earlier, also had every reason to be confident that he could count on these "moderate" labour leaders.

3.2. The Establishment of the MTUC

The first conference to discuss the formation of the new centre was convened on 27 and 28 February 1949 upon the initiative of the TUA and his department, and the government-appointed labour leaders in the Legislature (also referred to as the "Labour Group").[4] More than 150 delegates representing about half of the 165 registered unions at the time attended the conference which also heard speeches by the pro-British leaders of the three ethnic communities, Onn Jaafar, Tan Cheng Lock and R.Ramani. The conference set up a Working Committee whose terms of reference were to ascertain further steps for establishing closer inter-union liaison, and to consider the type of machinery and organisation "which

would allow regular consultation and discussion between Trade Union movement and the labour representatives on various Government bodies and committees". The members of this Working Committee were K.C.Chia (Chairman), V.M.N.Menon (Secretary), Pritam Singh, A.G.D.Alwis, Mohd.Nasir bin Budin, P.P.Narayanan. M.P.Rajagopal, and B.Ujagar Singh (RP, ADC 1950).

The inaugural conference took place a year later, on 25 and 26 March, 1950 in Kuala Lumpur. It was attended by 174 delegates representing 111 unions out of the 168 registered during the year.[5] The members of both the Standing Orders Committee and the Credentials Committee were appointed by the 1949 Working Committee. The delegates again heard speeches from the three community leaders above, Onn Jaafar, Tan Cheng Lock, and R.Ramani. Chaired by an appointed member of the FLC, M.P.Rajagopal of the AMRWU, the conference was asked to adopt the report and recommendations of the (1949) Working Committee. It also adopted a resolution to form the Malayan Trade Union Council, and went on to elect the members of the Central Committee. This committee consisted of the President, Vice-President, Secretary, Treasurer, two Auditors, three Trustees, and nine other members representing the following groups of unions; 1) Estate unions (two members), 2) Mining unions (two), 3) Government employees' unions (two), 4) Clerical unions (one), and 5) Miscellaneous unions (two). While the first nine members of the Central Committee were elected by all the

delegates in the conference (with each union having a maximum of two delegates), the representatives for the five groups of unions were elected by the delegates belonging to the respective groups. This election and the grouping of unions followed the recommendation of the same Working Committee just mentioned. The conference elected MTUC's first Central Committee among whom the most prominent were P.P.Narayanan (President), M.P.Rajagopal, and V.M.N.Menon, who were members of the FLC, and three members of the 1950 Labour Advisory Board, Ujagar Singh, John Emmanuel, and Tan Tuan Boon.[6]

From the very beginning of the formation of the MTUC Brazier, the TUA, played a leading role. He appeared to have been involved in most stages of the 1949 and 1950 conferences, including canvassing unions to send in delegates, the technical preparation for the conferences, and the proceedings of the conferences. Brazier and 10 other officers from his department were fully at the disposal of the conference. While Brazier served as the Adviser to the conference, the other officers served as advisers to the Standing Orders Committee and the Credentials Committee, as the Press Officer of the conference, stenographer, and interpreters. The Standing Orders of the conference were prepared by his department (Gamba, 1962b:403). Brazier also assumed the task of explaining the recommendations of the Working Committee to the conference.

In this MTUC scheme Brazier received the full support of his top superiors in the colonial government, the High Commissioner and the Commissioner General (Gamba, 1962b:397-98). The Chief Secretary to the government, in fact, indicated that the government had authorised unions of government employees to participate in the scheme (see Gamba, 1962b:416). As indicated earlier, in his task Brazier also received full cooperation from the "moderate" labour leaders especially those in the Legislature (FLC) and the Labour Advisory Board. Fully aware that it was important for the trade unionists themselves to be seen "running the show", Brazier also agreed to get their involvement from the beginning. In this Brazier provided a clear indication of his intentions when he stated:

"...How to fill the vacuum or gap left by the disappearance of the Federations was my major problem. This was a chance we had been waiting for and yet obviously, as a Government officer, I could not create an 'artificial' or 'stooge' administration myself...I got a few friends together from the trade union representatives on the Legislative Council and Advisory Board and a meeting was convened" (cited in Gamba, 1962b:397).

The approach was evident in the first circular informing the unions about the idea of the (1949) conference which was signed by V.M.N.Menon, an English-speaking unionist of the All-Malayan Estate Asiatic Staffs' Association (AMESA) who was also a nominated Labour Councillor of the FLC. In it, among others, Menon indicated that the conference was called "to examine the possibility of forming a Malayan Council of Trade Unions" and that Brazier would be in attendance to give delegates "the benefit of his advice on

policy, programme and constitution" (cited in Gamba, 1962b:396-97).

For all this, Brazier had every reason to be satisfied with the outcome of the conference, particularly the return of a good number of his close associates. For instance, Gamba notes that Brazier regarded the appointment of Narayanan, now the Secretary of the Pan-Malayan Rubber Workers Union (PMRWU) to the Presidency of MTUC as being wise because P.P.Narayanan was "acceptable to the colonial government, to the employers and to the bulk of labour" (Gamba, 1962b:406). Brazier's efforts to promote "new" unionism and to help establish the MTUC on a "strong footing" continued until his retirement from the TUA portfolio in late 1955.

To most of these "moderate" labour leaders Brazier was sincerely interested in helping to build what they termed as "bonafide" trade union movement.[7] Brazier's own trade union background, and the relatively difficult task he undertook to convince some sections of the colonial officials and employers about the "virtues" of the "responsible" brand of unionism in post-war Malaya, must have contributed substantially to this impression of sincerity.[8] It is important to remember that these developments occurred at the height of the anti-communist campaign and, as far as these labour leaders were concerned, it was not necessary to distinguish between Brazier's keen interest to help the unions and his

commitment to countering the (communist-led) militant unions.

The labour leaders were also obliged to support Brazier and the government in return for the benefits and advantages of their state sinecures. Indeed, their appointments to a number of state bodies by the government (apparently upon the recommendation of Brazier, the police Special Branch and the RTU) had boosted their image and extended their influence in the society. It gave them a sense of confidence and importance for which they must have been more than grateful. At the same time, the notion of "responsible" leadership and other such criteria used in their selection or appointment to the state bodies meant that they were vulnerable to criticism from other unionists who had been excluded. Such direct appointments by the government meant that these labour leaders did not necessarily carry the mandate of their own unions. This situation raised doubts and suspicions surrounding the actual role of these labour leaders. In this instance the formation of MTUC, and the election to office of a number of these labour leaders helped to legitimise and consolidate their leadership and labour representative role. This further reinforced their positions as petitioners and dependents of the colonial government.

MTUC Structure

Here a brief mention should be made about the structure of the MTUC. Following the recommendations of

the (1949) Working Committee, it was agreed that the MTUC would serve as an advisory and coordinating body for the unions. It would also act as a link between the unions and the labour representatives on the government bodies. The supreme authority of the MTUC lay in its Annual Delegates Conference (ADC). In this conference, affiliated unions were entitled to send their representatives (delegates) on the following basis: two delegates for 500 members or less, and one delegate for every additional 500 delegates. During voting, including the election of the Central Committee, each delegate would be entitled to a vote. At the beginning affiliate unions were requested to pay affiliation fees at the rate of 20 (Malayan) cents per member per year.

The Central Committee members who were elected at the ADC were entrusted with the task of managing the day-to-day affairs of the centre. They were to coordinate the centre's various activities and to convene the ADC. Apart from the Central Committee, there was also a proposal to set up State/Settlement Divisional Committees which would serve as liaison committees between the unions in the respective states/settlements and the Central Committee. The membership of this State/Settlement Committee would be made up of unionists representing the five groups of unions in the state/settlement concerned and elected to office as in the case of the Central Committee.

The Committee and Brazier made it clear that, as a society, and not a trade union or a trade union

federation, the MTUC would not be in a position to engage in a trade dispute or to enter into negotiation with employers. The MTUC was not permitted to affiliate or take active part in political movement. Further, the MTUC was not invested with any executive authority over the affiliates. The MTUC was later registered, in 1951, (as a society) under the Societies Ordinance, 1949.

Although there was dissatisfaction later with some of these limitations, particularly regarding the non-union and non-federation status of the MTUC, such was not the case with the delegates attending the MTUC inaugural conference. They seemed well aware that the colonial government was not prepared to allow the emergence of another powerful national labour centre which might have the resemblance of the earlier PMFTU. Josey (1958:49) also notes that under the circumstances then prevailing in Malaya it is doubtful if the government would permit a labour centre in Malaya with any other policy. While the union leaders may have been concerned about their union autonomy, vis-a-vis the national centre, at the same time they saw the advantages and benefits which such a centre could offer.

Those who were critical of these structural limitations argued that they formed an obstacle to an effective MTUC.[9] They maintained that with "its hands tied, the MTUC was just a talking box" without the force to pursue its demands. Others note that this lack of trade union rights and powers to represent workers in the

economic struggle with the employers, suggests that the significance of the MTUC in the eyes of the unions was much reduced (interview: K.George, 7.1.87). While these arguments were (and still are) valid, the fact that the MTUC was a central body for the unions did provide it with a basis to take up various labour issues, although the manner and intensity with which the issues were taken up remained limited. Indeed, such issues and questions as labour policy, trade union education, organisation of workers in new industries, union amalgamation and merger, and international labour relation, were important subjects which continued to be the prerogatives of a national centre like the MTUC, regardless of its trade union status.

3.3. Conclusion

It is the argument of this chapter that the MTUC was a creation from the top, that is by the colonial government (especially through the efforts of its TUA) with the support of the "moderate" labour leaders. The formation of the MTUC was made possible by three interlinked features of colonial Malaya. First, the establishment of the "new" unions provided Brazier with a ready source of compliant and dependent "union" leaders. These personnel were not the representatives of well-organised and confident union memberships and the opportunity to play a part in the colonial administration served to reinforce their otherwise insecure positions.

Second, the Emergency provided the control whereby certain types of unionism were not possible and not permitted. In some ways the "new" unionism was all that was permitted and the opportunity to establish a federal body, whatever its limits, was likely to be supported by many of these "responsible" leaders. Third, the proposal to establish the MTUC did not involve any reference or involvement of individual union memberships and therefore these "responsible" leaders could give the proposal their support without restriction. Thus, the MTUC was a product of a colonial-led proposal to create a compliant and dependable union structure. In their ambition the government found willing supporters who were to stamp their dependency on the future of the MTUC.

Notes

[1] See "The Report of the Working Committee to be Submitted to the Malayan Trade Union Delegates Conference on 25 and 26 March 1950", dated 21 February 1950, in RP, ADC 1950.

[2] For an account of this split see Allen (1957:289-312).

[3] Interviews with both unionists on 10.10.86 and 7.1.87 respectively. See also Gamba (1962b:352-95) concerning the poor state of the unions at the time.

[4] For accounts of this event see Gamba (1962b:396-419); Zaidi (1975:15-52).

[5] These figures are adjusted based on RP, ADC 1950.

[6] The first four leaders also made up the 1949 Working Committee. The other members of the Central Committee were Rahmah binti Mohd.Salleh, a Malay woman delegate from the Telephone Operators Union, Kuala Lumpur, X.E.Nathan from the Selangor State Press Workers' Union, Abidin Abdul Rahman, P.M.R.Kurup from Colliery Workers' Trade Union, K.L., S.R.Perumal from AMRWU, V.Ramanathan, and A.Arulnathan from Central Electrical Board Workers' Union.

8 [7] Interviews with veteran unionists. Zaidi (1975:12) goes further in suggesting that even the colonial administration (British Military Administration) at the time only thought that Brazier would "help the unions but at the same time try and control them", and did not realize his intention of starting "a bona-fide trade union movement in the country".

[8] An account on Brazier and his role as the TUA is given in Gamba (1962b:100-130). Josey (1958:21, 39) also expresses sympathetic views about Brazier.

[9] Examples, Tan Heng Fong (1985:101), and interviews with Jamaluddin Isa, 11.12.86, and A.Navakumundan, 28.1.87.

CHAPTER FOUR

EARLY DEVELOPMENT (1950-57)

Under the impact of the Emergency and tight government control, as well as the "responsible" posture of the "moderate" labour leaders, the early years of the MTUC saw the development of a weak movement which served as part of the state machinery to fight communism. This situation continued despite the heightening of the political divisions and the revival of union militancy as the country approached independence in 1957.

This account of the early development of the MTUC covers the period between its formation (1949-50) discussed in Chapter 3 and the independence of Malaya from British rule in 1957. It takes up further the question of the "moderate" leaders outlined earlier. In this chapter I shall suggest that the fear of communists entering the unions prompted the government to place trade unionists under surveillance. This tended to curtail union action including that of the MTUC. I shall suggest that the overall weakness of the MTUC-led movement was compounded by government policy of anti-political unionism, by the communal character of the movement, and by the MTUC leadership which continued to restrain affiliate unions in both the economic and especially political struggles.

The chapter is made up of four sections. The first section addresses the major features of the MTUC-led

movement during its early years. The question of Indian dominance of MTUC leadership is highlighted. The second section considers the heightening of union struggle prior to and around the time of independence from British rule. It also considers MTUC's position on some labour issues, and highlights the factors which served to discourage union militancy at the time. The third section discusses the question of MTUC and the political potential of the movement before independence. The final section concludes the discussion, pointing to the way the MTUC is an emasculated and divided union confederation which acted to further government policy rather than represented the interests and concerns of workers.

4.1. The Early Years (1950-55)

During its early years the MTUC was weak and unable to exert itself as an influential and effective leader of the country's trade union movement. The Emergency conditions certainly forced most unions to "compromise" with or to follow the rules of the game set by the state in order for them to operate legally. Reminders and warnings were constantly issued to the MTUC and the unions to fulfill their assigned role and "to be vigilant of communist infiltration". In a Central Committee meeting in 1953, for example, the High Commissioner warned the MTUC and the unions against this infiltration (Zaidi, 1975:72). So persistent was the government in this that even the avowedly anti-communist MTUC was forced to

complain about police harassment and intimidation of the unions. The MTUC, for instance, complained about police detectives being sent into union meetings, police harassment of trade unionists, police accompanying agents of employers to visit workers on strike, and requests of the MTUC to cooperate "with the Special Branch of the Police to help weed out, what the Police and Government feared were communist elements within the Trade Union Movement" (MTUC, AR 1955-56:41-46, 52-55; Zaidi, 1975:72, 75). This situation placed some unionists in a "dilemma". Having assumed the role of labour leaders, they now found themselves unable to pursue the rights of workers. As noted by Gamba (1962b:414), the MTUC leaders were reluctant even to criticize the poor wage system and conditions of work faced by the workers for fear that if their expressions were too militant they might be labelled as communists.

The Emergency conditions also facilitated the incorporation of the "moderate" labour leaders and the movement by the government. In this instance, the appointment of these leaders to the FLC, the Labour Advisory Board, and other state-sponsored advisory bodies mentioned earlier was again of particular significance. By their role in these state bodies, which by now they were allowed to nominate their own representatives, the unionists were further drawn into the government structure itself. Indeed, having participated in these proceedings

they were more inclined to identify themselves with the policies and programmes of the government. Participation in these bodies also brought about and reinforced their sense of importance as unionists. As members of the legislature, for instance, they insisted on being addressed "The Honourable" by their trade union colleagues. This gave rise to a practice whereby these labour leaders would attempt to justify their role on government bodies, arguing that they were important for the trade union movement.[1] This sense of importance, and the limited avenues available for the unionists to justify their leadership role, prompted the MTUC to demand for their further participation in the various advisory and consultative bodies which further encouraged the incorporation process. Soon after its formation the MTUC leaders, encouraged by the government gesture to allow the MTUC to nominate the four labour representatives on the Labour Advisory Board, the MTUC requested the government to allow more labour representation in such bodies as the Town Boards, State and Settlement Councils, Federal Executive Council, and the Finance Committee (Zaidi, 1975: 45-46).

Government incorporation of the movement also took the form of supporting the formation (and or the amalgamation) of certain important "responsible" unions. For example, in the case of the formation of the National

Union of Plantation Workers (NUPW) in 1954, support not only came from the colonial government, but also the representatives of the International Federation of Plantation, Agricultural and Allied Workers (IFPAAW) and ICFTU, Tom Bavin and Michael Ross respectively. Tom Bavin was a British trade unionist who served as the IFPAAW's representative in Singapore (and later made Honorary Life President of the IFPAAW). He had a close relationship with P.P.Narayanan, the key leader of the newly constituted Plantation Workers' Union Malaya (PWUM) and the MTUC, and was often invited to address the MTUC conferences. Together with Narayanan and the TUA, he played a key role in the campaign towards the amalgamation of plantation unions and in securing a loan from the ICFTU needed for the purpose.[2] In his report the RTU stated that Michael Ross, a representative of the ICFTU, visited Malaya "to give direct assistance to the plantation workers' union, Malaya in its reorganisation plan as in the opinion of the ICFTU this union was deemed to be a stabilising factor to the rubber industry in South East Asia" (Trade Unions Registry, AR 1954:10). For the government, apart from trying to control the plantation from communist influence (during the Emergency), such support to the plantation union under "moderate" leadership was also important in view of the union's large potential membership and hence its "moderating" (if not determining) role in the MTUC-led movement. Through this amalgamation in 1954 the NUPW became the largest trade

union in the country. The union initially had about 80,000 members and by late 1955, reached 100,000 (Gamba, 1962a:91-92). It was led by "moderate" Indian labour leaders such as P.P.Narayanan, H.K.Choudhury, S.P.S.Nathan, and John Emmanuel, with Indian plantation workers making up most of its membership.

As for the many small public sector workers, their relatively better and more secure jobs tended to "moderate" their position on many issues affecting labour, and this provided the government with the more educated potential "allies" who could well play important and "useful" roles in the movement. An important leader of the banned radical National Union of Factory and General Workers (NUFGW), V.David (also the current Secretary General of MTUC and a long-time Secretary General of the Transport Workers Union or TWU), strongly criticized the "moderating" role of many public sector unionists on a number of important labour issues, especially during the early years of the MTUC.[3] The situation allowed the task of winning over the unions to be successfully tackled from the top, that is from the leadership, an organizing strategy which also characterized the setting up of the MTUC.

For the "moderate" leaders the situation certainly provided them with the opportunities to expand their leadership role within the labour relations parameters set

by the government and without reference to a membership base either in the form of affiliate unions or rank-and-file members. Their positions in government councils/boards enabled them to consolidate their union positions. Indeed, a situation whereby the leadership of the MTUC was effectively controlled by more or less the same trade unionists who occupied the FLC and the Labour Advisory Board such as P.P.Narayanan, M.P.Rajagopal, V.M.N.Menon and Mohd.Yusof Mohd.Noar persisted throughout the early years. From the above account it is clear that the early MTUC-led movement was characterized by its weak and compromising leadership. Brazier himself, at the end of his nine and a half years' service in Malaya, admitted that the Malayan unions were weak and divided with many duplications among them.[4]

Of course it should be noted that their continued hold over the movement was also due to the weight of their combined voting strength in the MTUC. With a voting system whereby the much bigger unions or groups of unions such as the NUPW, the railway unions, the National Union of Teachers (NUT), and the public sector unions group could easily trade off their votes with, or exert their patronage upon whoever they preferred, the victory of their candidates (either their own leaders or those from the "brotherly" unions) was almost consistently guaranteed. When reviewing the role played by a number of big unions in the MTUC, especially in the early days,

Zainal Rampak, the President of MTUC and the long-time Deputy Secretary General of the TWU admitted that the big unions had exercised much influence over the rest of the unions (Interview: Zainal Rampak, 11.1.87).

Union Response

In general, although the membership of the MTUC continued to rise (see Appendix C), unions had a critical view of the MTUC during these early years. For example, among the affiliated unions, attendance at the ADCs, obviously the major annual event of the centre, was usually low, with the problem of outstanding affiliation fees continuing to feature regularly in the reports. Attendance at the 1951 and 1952 ADCs, for example, accounted for 35% and 38% of the registered unions respectively.[5] Attendance was still very low in 1956 even though this was already on the eve of independence, and the MTUC was calling for a bigger role for the movement in the country's new political and economic structures. Only 32 affiliated unions of the total 111 were represented at this conference (MTUC, AR 1956-57). Likewise, more than half of the 138 unions which were affiliated to the MTUC in 1952 did not pay their affiliation fees (Josey, 1958:54).

Under the Emergency rule and constant police surveillance union activities were severely constrained.

For some sections of the trade union movement the close connection between the MTUC leaders and the government was a cause for suspicion and caution. Some of them continued to regard the MTUC as a "tool" of the colonial government and were critical of the purpose for its creation and role within the context of the Emergency rule (Interviews: V.David, 19.8.87; Narendran, 10.10.86). In addition, as noted by some authors, the MTUC-led movement also appeared more as a movement of "labour bosses", lacking the close rapport with the ordinary union membership (Parmer, 1955; Gamba, 1962b:407). For instance, correspondence, meetings, most of the reports, and (later) "Suara Buroh" (the official organ of the MTUC) were conducted or written in English thereby alienating the bulk of the non-English-speaking groups and membership from the national centre. Regular complaints were made by the delegates at the ADCs about too much English being used by the MTUC leaders and officials.

Given their "distance" from an organised and active trade union membership, many of the leaders had to depend on government support for their own union positions. Hence they could not take actions which might be construed as challenging the very authority which guaranteed them their leadership positions (and the privileges that went along with them) in the first place. It was in these circumstances that their conduct of union affairs were

viewed sceptically by the union membership and which in turn contributed to the latter's lack of support for the centre.

Of course this is not to deny the sense of independence and the desire to pursue a genuine cause for labour's rights and welfare on the part of certain sections of the unionists. This was evident throughout the early years, particularly in the debates and resolutions adopted at the ADCs and Central Committee meetings. For instance, demands for the nationalization of rubber and tin industries, free education for children and adults, provision of housing for workers, establishment of basic living wage, and a proposal to sponsor the formation of a Labour Party were articulated. Likewise, there were also protests or opposition registered by the MTUC against the government's decision to raise the school fees, police intervention in trade disputes, and the "employer-favoured" labour laws, particularly in respect of the extensive powers vested in the RTU. But, often the lack of resoluteness and the limited efforts beyond the meeting walls, and at times, the softening of the position brought about by the "moderating" impact of the dominant elements and groups within the MTUC itself provided the government with the ready excuse to these demands.

Communalism and Indian Dominance

One of the major characteristic features of the MTUC-led movement was communalism which in the main took the form of Indian dominance. The question of communalism raised here also includes the problems which emanated from this predominance and which continued to affect the role of the MTUC as such. To put it another way, it is not only the predominance of any ethnic group in the movement which is of concern here, but also whether or not there were concerted efforts by the movement to face and to overcome communal tendencies which could undermine the working-class base of the movement.

For various reasons which shall be touched upon in the discussion, the dominance of Indian unionists within the MTUC was to persist for a long time and, to a certain extent, affected the overall posture and effectiveness of the centre. This feature of the movement will be examined from a number of inter-related perspectives, the incorporation strategy of the government, the interests of the "moderate" labour leaders, and the perception and response of the other unionists/unions.

As indicated in the previous chapter, Indian dominance of the Malayan trade unions started with the government's suppression of the earlier predominantly Chinese, PMFTU-led militant unionism, and the support given to the Indian-based unions, particularly those of

the plantation and the public sectors. Table 4.1 below shows this feature of union movement.

Table 4.1 TRADE UNION MEMBERSHIP BY ETHNICITY,
1949-1957

Year	Indians	Chinese	Malays	Others	Total union membership
1949	58%	24%	13%	5%	41,305
1950	58	26	12	4	54,579
1951	72	14	11	3	108,254
1952	69	15	13	3	127,846
1953	72	12	14	2	109,557
1954	65	15	18	2	113,470
1955	62	16	20	2	145,749
1956	62	16	21	1	232,174
1957	58	21	20.5	0.5	222,073

Source : Trade Unions Registry, Annual Reports,
1949-1957.

Thus, whereas the Chinese were the dominant group in the unions before the Emergency was declared, they were among the minorities throughout the period under discussion. As shown in the table, except for 1949, 1950 and 1957 their percentage of the total union membership did not exceed 20%. On the other hand, the Indians continued to constitute the single largest group of union membership throughout the period. At this stage the Malays were still a minority group in the wage-earning sectors of the

economy, although their number, as reflected in their share of the total union membership, were rising.

While the TUA and the colonial government were critical and suspicious of the Chinese unionists, they unofficially supported communal unions, among the Indian workers, which tended to exploit the nationalistic and economic (including the wages paid by the plantation employers) differences between the two. Estate paternalism imposed upon the workers by the plantation employers was reinforced through state paternalism, extended to the plantation unions and their "moderate" leaders. This was used to justify the so-called "law-abiding" nature of the Indian workers which in turn justified government support for their unions.

For the government, the Indian community as the smallest of the three broad communal groupings in the country, did not pose a threat to the colonial interests, relative to the threat perceived from the Chinese and the Malays. The Indian community's marginal role in the country's political process (again largely due to their relatively small size) also served to encourage some Indians to jealously guard their "special domain" in the union movement. The situation thus, tended to reproduce the Indian control of the movement which, in a sense, also contributed towards postponing the growth of a more unified non-communal working-class movement in the country.

As mentioned earlier, the colonial government, particularly through the TUA, had given special attention to the unions in the key sectors of the economy or those which it considered to be "independent" from communist influence such as the plantations, railways, mining, and the public sectors. In the case of the plantation sector, for example, the sheer size of the work force constituted a potential force which could play a significant role in the union movement, especially if it could be won over to the side of the establishment. The possibility of this happening was not overlooked by the TUA and the colonial government who had begun to develop an incorporationist approach towards the unions as soon as the British returned to Malaya after the war. The fact that the mass of the illiterate Indian plantation workers were already on the defensive following the various restrictions imposed on worker organisation, and the return of strict "managerial paternalism" in the plantations which accompanied the Emergency, ensured the efficacy of the scheme.

As the majority communal grouping in the MTUC, the Indian unionists understandably dominated the MTUC conferences and made up the bulk of the Central Committee. Of the 13 main elected officials in the First ADC, for example, 10 were Indians, 2 Malays and one Chinese (MTUC, RP, ADC 1950). It is interesting to note that one of the Malays elected at this conference, as Vice-President, was a woman delegate, Rahmah Bt Mohd. Salleh of the Telephone

Operators Union, Kuala Lumpur. Considering the marginal role of women unionists at the time, and the fact that the other prominent candidates, particularly M.P.Rajagopal also did contest for the same post, Rahmah's election to office was a sign that the uniformity of leadership, on sex or communal lines, could be challenged and broken. In the second and third ADCs, the Indian unionists made up 9 of the 13 elected members of the Central Committee, with 2 Chinese, and 2 Malays (Zaidi, 1975:33, 56, 61). Although the MTUC leaders repeatedly claimed that the movement was a multi-racial one, no serious effort was made to organise or encourage the many non-Indian workers, particularly the Chinese into the MTUC's fold, and to educate the workers on the importance of class solidarity, prompting some union delegates at the conferences to question the so-called representativeness and effectiveness of the centre.[6] The situation was reinforced by the focus of the Emergency on the Chinese community and the attention given to Malays in the lead up to independence. In these two respects a union movement led and dominated by Indians would appear marginal as far as the government was concerned.

With the approaching independence, there was a tendency for communal divisions among the already small and divided workforce to be reinforced. Political parties, having emerged from, or developed in response to the constitutional polemics (including that of the pre-Emergency "Malayan Union"), also took communal forms.

Since the United Malays National Organisation (UMNO), and to a certain extent, the Malayan Chinese Association (MCA), the Malay and Chinese-based parties respectively, were more vocal in expressing the "rights" and interests of their communities, and whereas the Indian-based Malayan Indian Congress (MIC) was less articulate in voicing the Indian case, it would not be surprising if the predominantly Indian unionists in the labour movement, also saw the MTUC as a possible mouth-piece for registering the non-Malay problems and sentiments. Two prominent unionists from the MTUC, P.P.Narayanan and M.P.Rajagopal who were the appointed members of the FLC resigned in October 1953 because of their alleged involvement in a communal issue (see Gamba, 1954; Parmer, 1955; Zaidi, 1975:72). The MTUC was also vocal on such issues as citizenship, language, and education (see MTUC, ARs 1955-56:20, 32-36; 1956-57:14-20). This suggests that when the Federal Constitution was being discussed and about to be drawn up, and the position of the communities considered, the less-politically organised minority Indians appeared to look up to the colonial government for a "fairer" place and share in the socio-political arrangement that was being negotiated.

Apart from above, there were a number of factors which militated against the non-Indian unionists, particularly the Chinese workers who constituted a major wage-earning group in the country at the time, joining the fold of the MTUC-led movement.[7] For example, writing

around the time when the rubber plantation unions were amalgamating into the NUPW, Parmer (1955) noted that about 100,000 Chinese rubber workers were outside the rubber unions and that most of the active Chinese in the unions were clerks. Perhaps, because of their much richer and militant union experience, the Chinese workers were more critical of the whole sequence of events which obviously dated back to the days before the Emergency rule itself, and led to the creation of the MTUC. The suspicions which the government still harboured in the Chinese workers for their past militancy under the PMFTU-led movement also tended to discourage the Chinese from joining the trade unions. In any event, the situation prevailed without the existing unions and the MTUC taking any concrete effort to alleviate it.

Of course in the broader socio-political context of the country then, the anti-communist war by the colonial government also took a communal form. Since the MCP principally consisted of Chinese, Chinese workers and peasants, and social activists were, therefore, the natural suspects of the government, especially its police Special Branch.[8] Given communal politics which was also evolving during this crucial period, the anti-communist campaign could easily be interpreted as an "anti-Chinese" campaign. The whole scenario thus further forced the Chinese workers to remain in the background, thereby denying the Malayan trade union movement of one of its most important potential components.

4.2. Stirrings of Independence and Renewed Militancy (1956-57)

The period 1956-1957 saw rising expectations among the people of Malaya about the prospect of independence. The spirit of Merdeka (independence) heightened with the election trial (for the FLC) held in 1955 which saw the rise of the Alliance Party, a coalition of three main communal parties in the country, the UMNO, the MCA and the MIC, to political supremacy. The Alliance won 51 out of the 52 seats contested in the elections and polled 81% of the total votes cast. The election and the improving political climate contributed to the increased campaigning with various groups and organisations competing for recognition and influence.

The climate of independence was accompanied by more vocal expressions by workers about their rights and aspirations. Long suppressed and restrained by the Emergency rule the workers were too anxious to pursue their long-standing demands. They were also increasingly frustrated with employers indifference to their demands for improved pay and conditions despite the rise in rubber and tin prices. Indeed, for the workers, independence was meaningless unless it addressed their basic concerns at work. The workers, as said by the trade unionists then, needed something more "tangible" than the high-sounding slogans of "self-rule" or "Merdeka".

With the approaching independence, the MTUC leaders also thought that the movement would be in a position to play a dynamic role in a new independent country. Thus in his May Day speech in 1956, K.V.Thaver, the Secretary General of MTUC declared that,

"The days of paternalism and pious patronage of employers are gone. We have a rightful place in the new Malaya and we must get there... Oft-repeated declarations by Government of its progressive labour and trade union policy are empty. We want realistic implementation" (MTUC, AR 1955-56:51-56).

The MTUC also appeared to come out more strongly on some labour issues and grievances. For example, despite the unresolved minimum wage-fixing machinery and other obstacles, the leaders of MTUC toured the country and organised mass rallies to campaign for a basic living wage of M\$8 a day for the lowest grade of workers be established. Other objects of the tour included an attempt to stimulate interest in trade unionism and to mobilise support for the movement, to study union problems at local level, and to publicise the functions and activities of MTUC (MTUC, AR 1955-56:6-7). MTUC's criticisms against some of the government's labour policies also assumed a sharper tone such that it denounced the Labour Ministry for what it considered to be the ministry's "weak-kneed labour and trade union policy and its pronounced partiality to employers and calls upon

the Government to assume a more realistic approach "to workers' problems" (MTUC, AR 1956-57: Appendix F). In another instance, Tan Chong Bee, the then President of MTUC also said that the workers were tired of hearing the statement that "Malaya enjoys the best standard of living in the whole of South East Asia" and that "the income per head is the highest in the region" (MTUC, AR 1957-58: Appendix B). He maintained that while the situation was true for the higher managerial bracket, the ordinary worker still had to content with the same living standards he had before the Second World War.

The period saw a dramatic increase in union membership and the total person-days lost due to strikes. Union membership, for instance, rose from 113,470 in 1954 to 145,749 in 1955 and to 232,174 in 1956, an increase of nearly 60% between 1955 and 1956.[9] Following this the membership of MTUC also rose from 76,000 (or 67% of trade union membership) in 1954 to 111,878 (76.8%) in 1955 and to 185,195 (79.8%) in 1956 (see Appendix C). Industrial action, particularly strikes, increased with workers on the mines, in the rubber plantations, factories, transport industry, and public services involved in a new wave of unrest. The following table shows the trend in strike actions which reached its peak in 1956.

Table 4.2 STRIKES: NUMBER OF WORKERS INVOLVED
AND PERSON-DAYS LOST, 1948-1957

Year	Workers involved	Person-days lost
1948	34,037	370,464
1949	2,292	5,390
1950	4,925	37,067
1951	7,454	41,365
1952	12,801	44,489
1953	7,524	38,957
1954	10,011	50,831
1955	15,386	79,931
1956	48,677	562,125
1957	14,067	218,962

Source : Ministry of Labour, Annual Reports,
1948-1957.

On the mines, for example, workers (of a leading British company, the Tronoh Mines) belonging to an affiliated union of MTUC, the Malayan Mining Employees Union (MMEU) went on strike in March 1956 following the dismissals of two of their colleagues and the victimization of their union leader.[10] Efforts by the MTUC (mainly through one of its Central Committee members who was a leader of the MMEU and a member of the FLC, R.A.Abdul Karim bin Abdul Rahman) and the Labour Department to help resolve the dispute failed. Later, over 400 workers were dismissed by the company which now began to recruit new workers for the mines. The strike,

however, persisted and Police riot squads were summoned in to disperse the workers. The employment of force by the police inflicted injuries upon the workers. Following this 95 workers were also arrested with 71 convicted under the Penal Code (Section 145) for "being members of an unlawful assembly". Similar action was taken against the workers in the Kepong Bus strike. 27 workers were arrested and charged for similar offence under the Penal Code (MTUC, AR 1955-56:41-46).

The increased industrial actions by the workers and their unions indicated above prompted the MTUC to be more vocal in expressing the unions' views and objectives. In the case of the Tronoh Mines strike, for example, the MTUC expressed its opposition to police intervention. While regarding police presence itself as provocative, and urging the government to caution the use of riot squads in trade dispute, the MTUC also maintained that being the instrument of the government the police should be impartial and only exercise "supervisory and preventive functions" (MTUC, AR 1955-56:41-46).

Both in the Tronoh Mines and the Kepong Bus strikes the MTUC also strongly objected to the use of the Penal Code instead of the Trade Disputes Ordinance, 1949, to prosecute the workers. The MTUC argued that whereas Section 145 of the Code not only made members of such an assembly liable to prosecution for an offence, it also exposed them to more severe penalties. The 1949 Ordinance, however, did not make an assembly of five or

more persons illegal if it was in furtherance of a trade dispute.[11] The MTUC maintained that even if the workers did "exceed the bounds of lawful picketting" (a case which had not been established in both incidents) they should be prosecuted under the Ordinance which had conferred them the right to take that action in the first place. However, the government did not consider it necessary to respond to the statement and legal argument on the matter except reiterating its own legal points and defending the police statutory duty in the incidents.[12]

At this juncture it should be noted that there were also some radical or at least more critical tendencies within the movement itself whose views and inclination tended to encourage the MTUC to adopt a relatively strong line with respect to labour issues. Examples of these were the NUFGW, and certain sections of the public sector groups, such as the teachers and clerical unions.[13]

Despite the new mood the MTUC, for the most part, seemed unable to capitalise on what appeared to be a "favourable" political and industrial climate at the time to pursue labour's rights and interests. Instead, the centre appeared to content itself with playing a "mediator" role between the unions/workers on one side, and the government/employers on the other. The reasons for this ambivalence were as follows. For one, to all intents and purposes, the new labour activism occurred against the backdrop of the Emergency rule. Indeed, despite independence, the war against communism, which

entailed a rejection of labour militancy, was not yet over. While there was evidence of a new upsurge of labour activism, the political leaders reminded the movement to be ever vigilant against "subversives" and "anti-national elements". As a result, the MTUC leadership oscillated between activist rhetoric and caution. The leadership refused to go "beyond the limit" that would jeopardize its "responsible" status, and undermine the MTUC's continued role as the country's labour centre.

While the question of MTUC's relationship with the country's dominant political group will be dealt with in another section of the chapter, suffice to mention here that the MTUC was particularly concerned about this relationship. What seemed obvious was that, with union grassroot support still in doubt, it was difficult (if not impossible) for the MTUC to continue functioning without the recognition, or even support, of the government in power. Thus, while it tried to pursue an "independent" policy from the government (like the one which characterized its 1955-56 development), the MTUC was also under a strong obligation to secure the trust and confidence of the new government.

More importantly, the MTUC was still very much under the control of the more conservative or generally termed as the "moderate" elements within the movement. The influence of the NUPW, for example, still remained intact. In fact, during the 1955-56 session two of NUPW's leaders, P.P.Narayanan and H.K.Choudhury were elected to the posts

of President and Treasurer of the MTUC respectively, while the other "veterans" from the FLC and Labour Advisory Board group like Mohd.Yusof bin Mohd.Noor, John Emmanuel, M.P.Rajagopal, R.A.Abdul Karim, and K.V.Thaver still made up the Central Committee. The picture changed slightly in the 1956-57 session when two leaders from NUT, Tan Chong Bee and K.V.Thaver, were elected as President and Secretary General respectively, while three other NUT leaders were returned as members of the Central Committee. This however, did not mean much difference in term of policy as the "veterans" and their allies still made up a large part of the (now bigger) 22-member Central Committee. Moreover even such changes would not have been possible in the first place without the consent or support of the "P.P.Narayanan group" which still controlled the votes at the ADC. Of a total 109 delegates at this conference, for example, 41 were from (Narayanan's) NUPW alone (see MTUC, AR 1956-57: Appendix E).

An example provided by Narayanan's NUPW also brings to light the kind of attitude and thinking prevailing in the main tendency within the movement at the time. When negotiations with the employers were difficult, such as in the case of the NUPW versus the Malayan Planting Industry Employers' Association in 1956, the most that union leaders were prepared to be committed to was a "go-slow". The union leadership refused to consider a strike action for fear of "political implications", despite the fact that the rubber workers had already suffered a series of

cut-backs, and that the union was supposedly the most powerful in the country.[14] These "moderate" leaders were not prepared to gamble with what they had attained to date. To abandon what seemed to be MTUC's established role as a mediator or broker (between labour and the unions on one side, and the government and employers on the other) for a "purely" industrial matter would probably risk the MTUC's position, and the leaders' relationship with the new Alliance government. A union delegate in the 1957 ADC summed up this view clearly when he reportedly said that "some labour leaders were afraid to criticize the government' and were concerned about scholarship and finding favour with the government than promoting the interests of workers".[15]

The MTUC's position on a number of other major issues of the day indicate further features of this situation. In the case of the 54-day strike by 600 workers of the Eastern Smelting Company, Penang beginning on 26 November 1957, for example, following a break-down in the negotiations, and the dismissal of workers by the management, the MTUC's position was one of extreme caution. When addressing these workers a recent (1956-57) member of the MTUC's Central Committee, Ooi Thiam Siew, who was also an important leader of the Malayan Mining Employees Union (MMEU), "counselled moderation" and warned the workers of "the dangers of going on strike" and "the hardships that strike action would occasion to themselves and their families" (see MTUC, AR 1957-58:39-41). While

its attempt to bring the two sides to the dispute together failed, the MTUC seemed to concur with the report of the Court of Inquiry that the blame for the dismissal of 248 workers by the company should rest with the union itself for resorting to strike action and undertaking a "work to rule" in the first place. In fact, the statement by the MTUC that "the union has since gone out of existence" at the end of its report seemed to confirm the MTUC's own view on the matter, a somewhat strange position to take since the union was an affiliate of the MTUC.

With reference to the compulsory recognition of trade unions by employers, the MTUC also appeared to be in a contradictory position. While the problem of union recognition had long been a major obstacle to organising workers, the MTUC, in a dispatch to the government regarded statutory compulsory recognition by employers as "not an appropriate measure for the present" (MTUC, AR 1955-56:19-20). Instead, it insisted on "voluntary agreement in the matter of recognition" between the employers and trade unions through the mediation of the Ministry of Labour. The evidence suggests that it was the weak organisational base of the union leadership that prompted this stance. There was always a danger that the workforces, long sceptical of the MTUC leadership, would organise alternative unions if they did not have to rely on the MTUC to facilitate voluntary agreements.

4.3. MTUC and Politics

Although there were opportunities for the movement to play an active part in the political process of the country prior to independence, these were not taken up by the leading "moderate" unionists who wielded considerable influence in the MTUC. They also enjoyed a near-monopoly leadership role within the existing trade union and industrial relations structures. As a result they denied industrial labour's potentiality for any meaningful contribution to the development of the country's body politic. The unionists' cautious approach to and even rejection of "politics" was much informed by their desire to portray a "responsible unionism" image for the movement and thus secure the support of the new government in reproducing their colonial role, in a post-colonial situation.

As seen in the previous chapters the MTUC-led movement was encouraged and developed against the background of the PMFTU-led militant and political unionism of the immediate post-war years. While the colonial government eventually allowed the growth of trade unionism after the war, both the government and employers would not tolerate a movement whose demands and forms of struggle were industrially militant and political. It was not, however, political unionism that the colonial government was opposed to, rather it was the "political unionism" of the PMFTU type, that is, a trade union movement led by communists, with a link to the communist

party. Indeed, the union leadership were committed to social democratic politics and had advocated the development of such political forms. In his account, for example, Vasil points out that as early as 1948 some trade union leaders had already contemplated the idea of establishing a Labour Party in Malaya.[16] This was followed in October 1950 by a statement from by P.P.Narayanan, a government-nominated member FLC, announcing the intention of the "Labour Group" in the FLC to form a Labour Party. As this did not evoke a hostile response from the colonial government it suggests that the colonial government at the time had no serious objection to union or labour involvement in politics, otherwise Narayanan and the other "moderate" labour leaders at the time would not have come out so openly on the subject. In fact, as Parmer (1955) indicates, the idea of a labour party adopting "democratic socialism" as its philosophy was considered to be "an attractive alternative" to Communism (of the MCP). However, this early enthusiasm was beset by controversy about the ideals of the MTUC, with some of the "moderate" labour leaders decided to go ahead with the idea, while the others either switched their allegiance to another party, or completely withdrew themselves from the scene. Some leaders like Osman Siru, Yeoh Cheng Kung, Ooi Thiam Siew, Lee Moke Sang, John Emmanuel, Abdul Karim, Tan Tuan Boon, V.David, Tan Chong Bee, S.J.H.Zaidi and S.S.Nayagam were involved in setting up and leading the state-based Labour Parties such as

those in Penang, Perak, Selangor, Negeri Sembilan and Melaka. These parties were first inaugurated in Penang in May 1951, followed by Selangor in December 1951, and later Negeri Sembilan, Melaka and Perak (see Vasil, 1971:93-166). Others, particularly under the leadership of Narayanan, who were much closer to the establishment decided to support the Independence of Malaya Party (IMP) which was being sponsored by some local leaders who were trusted by the British like Onn Jaafar (UMNO President), Tan Cheng Lock, R.Ramani, as well as Narayanan.[17] Still in his capacity as the President of MTUC Narayanan convened a meeting of trade union leaders in July 1951 to consider their position with respect to the Labour Party and the new IMP. The matter was again discussed at the MTUC's 1951 conference in August the same year. Opinion was divided and no definite resolution was adopted. It was then, according to Zaidi (1975:58), left to the members to pursue the matter "in their own individual capacities".

The tussle between the pro-IMP and the pro-Labour Party factions within the MTUC did not last long. The IMP, with little Malay as well as Chinese support, soon proved a failure. The debate about elected politics then shifted to the Alliance and the Labour Party, with the main tendency in the leadership wanting to maintain a close rapport with the Alliance while others, arguing the similar "aims and aspirations" of the MTUC and the Labour Party, insisted on the centre developing a closer link

with the Labour Party. The Alliance was originally founded from an election marriage between the local branches of Malay-based UMNO and the Chinese-based MCA in Kuala Lumpur in 1952 for the purpose of contesting the IMP in the Kuala Lumpur Municipal Election, by end of 1954, it had become an important political combination of the three major communal-based parties of Malaya -- the UMNO, MCA and MIC -- to contest in the 1955 General Election.

In any case, Narayanan's earlier inclination towards a Labour Party, and later the IMP, is significant. He was a prominent leader of the MTUC, and led the biggest and most influential union grouping within the movement, the rubber unions. His views must have contributed significantly to MTUC's own stance on politics. As a "moderate" labour leader who had a close relationship with the government, Narayanan must have been aware of the attitude of the colonial administration with respect to political parties. His early interest in the idea of a labour party must have owed something to the tacit support of the colonial government for such a party. However, Narayanan changed his position and supported the IMP instead, perhaps because he genuinely believed that the non-communal IMP (at least as originally advocated by its sponsors) was a more promising political force for the people as a whole and therefore worth supported by the union movement. At the same time, considering Onn Jaafar's (and his associates) close rapport with the British, Narayanan perhaps also thought that the IMP stood

a much better chance of securing government confidence and becoming an influential political party compared to a labour party. The fact that the state-based Labour Parties (already formed around the time) were led by some of his trade union colleagues did not seem to mean very much to Narayanan possibly because he knew too well the sort of influence these labour leaders had on the government, and hence the likely prospect of their political venture.

Narayanan's reasoning later that a Labour Party was divisive to the movement since most of the organised labour were non-Malays (see Vasil, 1971:97) is hardly sustainable. For one, certainly Narayanan and his fellow Labour Councillors must have thought of such a "divisive" or integrative potentials of the party when they first discussed the idea in 1948 and before tabling it for discussion in the MTUC. Also, while it is true that most of the organised labour and also the workforce at the time were non-Malays, it is certainly not necessarily true to say that a party (most of whose membership were presumably non-Malays) would not strive for worker (and national) unity as it claimed, especially if the party, as envisaged earlier, embraced some idea of democratic socialism as opposed to a clear-cut communal party.

From this it would appear that it was not the "divisive" nature of the Labour Party which Narayanan was really opposed to, as other considerations, such as the nature of relationship between the MTUC and the Alliance

(that is, the party which was moving into the centre stage of Malayan politics), and some consideration was probably given to the position of the "moderate" leaders and their movement within the country's labour relations structures in the post-colonial situation.

In the first case, even though there was a tendency within the union movement to pursue an independent line such as indicated in the previous section, this was rendered difficult by the anti-"political unionism" attitude of the Alliance, and the compromising and "responsible" conduct of the movement's leadership itself. As a force which was assuming a major political role in the country, the Alliance was especially sensitive to a possible challenge from other quarters. After its victory in the first Federal elections (to the FLC) of July 1955, the leader of the UMNO and Alliance, Tengku Abdul Rahman, a member of royal family from Kedah, was allowed to form a "transitional" government. Pending independence, the British still retained some key portfolios such as defence, economic affairs, public finance and the civil service. In this situation the Alliance could be expected to be more keen to prove to the British, and capital generally, that it was capable of managing the country and guaranteeing a "proper" climate for economic growth. The rise of labour militancy (discussed in the previous section) was thus a cause for concern to the Alliance, and the support given by some sections of the MTUC for the Labour Party (see Zaidi, 1975:78-79), the only credible

political opponent at the time, was probably seen by the Alliance as a threat to its overall political position.

Unlike the British, who appeared keen to see a "responsible" political unionism in Malaya in relation to what they considered to be a greater threat (to their economic and political interests), the MCP, the Alliance was apparently opposed to such idea. As a future government of a would-be independent Malaya, the Alliance seemed unwilling to tolerate any form of "political" unionism. The Alliance advocated a distinction between a "responsible" trade union movement whose only concern was with "industrial relations" matters as opposed to one whose concern covered both "industrial relations" and "political" matters.

With Emergency rule, the anti-political unionism stance held by the Alliance could be popularised by linking trade union "politics" to the PMFTU political unionism, and hence the idea of communist subversion. Thus in his first inaugural speech at the MTUC conference after the Alliance victory, the Alliance Minister for Labour reaffirmed the government support for "the further development of a free and independent trade union movement" and, at the same time, pledged to do all in their power "to prevent the spread of subversion" within the movement (MTUC, AR 1956-57: Appendix A). A similar view was expressed at the next conference in June 1957 although this time, the concern was not only with those elements from outside the movement, but also with those

"who masquerade under the name of trade unionists, as champions of the workers, but who really are the tools of party overlords..." (MTUC, AR 1957-58: Appendix A). For the Alliance it was important to have the duties of the movement "clear" and "well-defined", and "to gear the workers of the country to the task of greater production" and "industrial cooperation in all fields" (MTUC, AR 1957-58: Appendix A).

The MTUC, dominated by a "moderate" leadership responded by avoiding "political" involvement with any group other than the Alliance Party as government. In one case this took a semi-independent stance, as illustrated by the NUPW. The NUPW leaders who were influential on the policies of the MTUC believed that they need not support any particular political group although they should "keep the political parties on their toes and agitate for economic merdeka" (cited in Ngeow Siew Yong, 1974:18). Thus notwithstanding the persistent pressure from the pro-Labour Party elements for the MTUC to support the Labour Party, the more influential "moderate" leaders continued to reassure the Alliance of the centre's "neutral" stance on politics. That there was a "feeling of mutual distrust" between the Alliance and the MTUC-led movement and the latter's attempts to win the Alliance confidence is mentioned in Zaidi (1975:79). Those in the FLC, at times, threatened to resign if they were compelled to support the Labour Party, again emphasizing their "neutral" position with respect to the political parties.

In fact, even long before the Alliance warnings, some important "moderate" leaders in the MTUC had made clear their disapproval of union political involvement.[18]

In relation to this, the MTUC's position on politics should also be seen in the light of the intermediary role which the MTUC and particularly some of its important and influential labour leaders were playing between labour on one side, and the government and employers on the other. As indicated in the previous discussions a number of the "moderate" labour leaders, particularly those representing the large and influential unions in the movement (for example, the rubber plantation unions, railway unions, and teachers union), had already enjoyed the confidence and support of the government. They were more or less assured of some seats in the legislature and other state labour machineries which, as intended by the government, already provided them with the opportunities to express their views and those of the MTUC on any issues of national importance. For the MTUC leaders this was the best of all worlds. They could champion the cause of labour and the unions from the government positions without necessarily affecting their trade union work. More importantly perhaps, as far as these leaders were concerned, given the small size of the wage earning population and the movement's lack of support even from among the workers themselves, there was no certainty that labour could secure such a political role (through a political party). It was, therefore, better to concentrate on building upon

the confidence and support of whatever government was in power which, hopefully, would still enable them and the movement as a whole to continue having access to the state positions just mentioned. Moreover, in view of their "moderate" positions it would not be unexpected if some of these leaders were also worried that a Labour Party, however "mild" its brand of socialism was originally intended to be, might become a fertile ground for the growth and development of yet another militant movement, which they might not be in the position to control. This might in turn lead to a repeat of the pre-Emergency labour scenario and probably the end of what they have "achieved" in establishing thus far.

The cautious attitude and position of the MTUC leaders with regard to politics also underlined their desire to portray a "responsible unionism" image to the government, an image which they believed would help sustain the viability of the movement itself. It prompted them to "play safe" which explains the switch-over from the labour party idea to the IMP, and later to "political neutrality", when the Alliance appeared to dominate the political scene. Indeed, for most MTUC leaders, whose apparent concern was with the question of government recognition and the "partnership" role with government and employers, such an approach was also in line with their philosophy of "responsible unionism".

Nonetheless, as evident in the previous discussion (on the revival of union militancy), this is not to

suggest that no attempts were made to pursue a more independent policy for the movement, especially with the rising *merdeka* spirit at the time. This is evident from a number of resolutions adopted at the MTUC conferences, such as the opposition to the stringent labour laws, and also calls for a possible nationalization of tin and rubber industries. In fact, in his address at the 1957 ADC conference, although as the outgoing rather than the incoming President of MTUC, Tan Chong Bee of NUT went slightly further. Apart from urging the unions to start a strike fund he also called for the setting up of a political fund to enable the movement to put up its own candidates for the 1959 General Elections, or support the party or parties "which will work for the good of the common man" (MTUC, AR 1957-58: Appendix B). However, this turned out to be more of a rhetoric as the government was uncompromising, the MTUC divided about its approach, and labour too weak to implement the idea.

It may be thought that an indication of the MTUC attempting to establish an independent political stance is the "apparent" MTUC contribution to the 1955 legislative amendment which permitted the establishment of union political funds (Parmer, 1955; MTUC, AR 1955-56:17-18). While a resolution to that effect was passed at the 1953 MTUC conference, the amendment itself, which was introduced with a number of others most of which were by no means raised at the MTUC conferences, could hardly be attributed solely to that resolution. The other

amendments included the lowering of the minimum age for trade union membership from 18 to 16, permission for unions to expand its funds to assist another registered trade unions in the furtherance of trade disputes, and an allowance for unions to own landed property exceeding one acre in extent.[19] The colonial government's encouragement for union political involvement mainly as a means to divert the attention of workers from the banned MCP mentioned above was perhaps a more important factor which prompted the amendment. Besides, the costly and difficult war against the persistent MCP guerillas [20] served to reinforce the view that the battle against communism had to be fought on all fronts, particularly political and ideological, hence the encouragement for the "moderate" movement to go into politics. At any rate, the fact that practically no union ever set up the political fund later was possibly because of a fear that in due course they might clash with the government if they pursued an independent line, with their own political funds.

Nonetheless, it may be suggested that despite the Alliance opposition, the country's political scenario might have been different had the MTUC-led movement decided to throw its support behind a Labour Party. The tacit British support for a non-communal party with "social-democratic" orientation, and the enthusiasm already shown by a good number of trade unionists themselves in the Labour Parties which emerged at the

time, all seemed to suggest that something could be in the offing. - However, the various factors outlined above, particularly the attitude and position of the main tendency within the MTUC appeared to militate against such a possibility.

4.4. Conclusion

In its early period the MTUC was led by a weak and compromising leadership who owed their positions more to government support than worker and union organisation. This leadership, stamped with the communal divisions that had been underwritten by successive colonial administrations, was incapable of breaking from the culture of dependency, even when independence was imminent and the colonial administration was replaced with the Alliance (transitional) government. Nevertheless, the dominance of the moderate leadership was challenged from two sources. First, as independence approached a number of union groups began to stir and a period of industrial unrest ensued. The strike incidence increased as union after union challenged the prevailing economic policies. This, paradoxically, reaffirmed the MTUC role as a link between the unions and the employer-government. It acted to dampen down the unrest and define a role for itself as a mediator, often on behalf of the government. Second, as independence approached the leadership, or sections of it, looked forward to breaking the previous dependency on government patronage. For some there was the possibility

of independent unionism or the development of labour politics. In the event, the dominance of the Alliance Party stifled these stirrings and reaffirmed dependent relationship between the MTUC and the government.

The reason for the persistence of the MTUC as a dependent organisation can partly be explained by the communal divisions that marked the MTUC. It was principally led by Indian trade unionists and for a long time was unable to extend its appeal to include Chinese workers or the increasing Malay working class. This was despite the non-communal stances adopted by the MTUC. It was also, in part, because of the continued Emergency and definition of opponents as subversive and communist. This continued mode of rule made the MTUC cautious and hesitant to challenge the government. It was as a dependent and moderate union confederation that the MTUC began to work with the Alliance Government, as will be explained in the next chapter.

Notes

[1] Reports tabled at the MTUC conferences, for example, also tried to convince the delegates about the "effective" role played by these labour leaders in the FLC debates although not all delegates took such reports seriously enough. See, for instance, Report of the Proceedings of the 5th ADC, 29 Apr-1 May, 1956, in MTUC, AR 1955-56.

[2] For details see Gamba (1962a). A brief account of the estate unions and the NUPW (1946-1970) from the NUPW's perspective is given in Kumaran (1970).

[3] Interview: V.David, 18.8.87. See also David (c1984? :iv-vii).

[4] See Brazier's text of speech at the 1955 ADC in MTUC, AR 1955-56: Appendix B.

[5] Figures adjusted and adapted from Zaidi (1975:53, 60) and Gamba (1962b:403, 405).

[6] See, for instance, Report of the Proceedings of the 5th. ADC, 29 April - 1 May 1956, in MTUC, AR 1955-56.

[7] According to the population census the Chinese were the single largest group of wage earners in 1947 and 1957. There were 397,856 Chinese categorised as "employees" in 1947, followed by Indians, 268,525, and Malays, 231,415. In the 1957 census there were 510,790 Chinese under the same category, followed by Malays, 370,331, and Indians, 274,727. Department of Statistics, Population Census of Malaya (1947), and Population Census of Federation of Malaya (1957), in Jomo (1986:322-23, Appendix 2).

[8] There were of course Malay and Indian MCP members and guerillas, but the colonial authorities were careful not to highlight this lest it backfired against their strategy of trying to isolate the communists from the especially rural (peasant) Malays.

[9] This is for the paid-up membership of trade unions based on the Trade Unions Registry's annual reports for the years mentioned. Here it should be noted that, apart from the political climate, the increase must also be attributed to the reduction in the minimum age of union membership brought about by an amendment of the Trade Union Enactment in 1955.

[10] For information on the Tronoh Mines strike see MTUC, AR 1955-56:41-46, 52-55.

[11] Under Section 145 of the Penal Code, a penalty for offence of unlawful assembly was a maximum of two years' imprisonment or fine or both, while the penalty for similar offence considered to "exceed the bounds of lawful picketting" was a maximum of three months' imprisonment or fine or both.

[12] A reply letter from the Minister of Labour is published in MTUC, AR 1956-57:21-22.

[13] See for instance, the position adopted by these tendencies in the MTUC Annual Reports.

[14] For a detailed account of this dispute see Gamba (1962a:131-86).

[15] See Report of the Proceedings of the 7th ADC, 28-30 June, 1957, in MTUC, AR 1957-58.

[16] For some notes on the role of trade unionists in politics, especially in relation to Labour Parties, see Vasil (1971:93-166).

[17] See Vasil (1971:37-82). Onn Jaafar, a Malay of aristocratic background was the son of a former Menteri Besar (Chief Minister) of Johor state. He served as an officer in the Civil Service and in 1946 successfully led the Malays against the "Malayan Union" proposal by the British. Onn played an important role in the formation of the UMNO the same year and was elected as its first President. After failing to open the membership of UMNO to the non-Malays in late 1950 Onn decided to leave the party, and by mid-1951, spearheaded the formation of the IMP. For an account of the IMP see also Khong Kim Hoong (1984:156-89).

[18] For instance, as noted by Todd and Jomo (forthcoming), M.P.Rajagopal, who earlier opposed a resolution on union "political fund" which had been adopted by the MTUC conference of 1953 openly pledged to contest any attempt at legalising union political fund in the FLC!

[19] See a summary of the of the 1955 provisions in MTUC, AR 1955-56:2-14.

[20] As noted by Caldwell (1977c), the Emergency was costing the country some \$300 million a year apart from other aspects of the war which showed the lack of success of the British.

CHAPTER FIVETHE MTUC AND LABOUR DISPUTES UNDER THE ALLIANCE (1957-69)

At a time when it seemed possible for the MTUC to represent trade unions in a more forceful manner the leaders maintained their commitment to "responsible unionism", compromising itself on industrial disputes, and attempting to maintain cooperative relations with the government and the employers. This is evident in the Railway Dispute of 1962/63 and the events following it. Throughout this period the MTUC leadership emphasized the need for industrial peace, even when there was continued labour unrest involving union affiliates during the first half of the 1960s.

There was a paradoxical aspect to the role and conduct of MTUC leaders with respect to the dispute and the labour unrest following it. Instead of utilizing the organisational potential generated by the dispute and the unrest, thereby contributed to a heightened worker and trade union solidarity, the MTUC leaders emphasized the orderly conduct of industrial relations, a quick ending of the dispute, and encouraged the unions to exercise restraint. Rather than capitalize on the active strengths of affiliated unions the MTUC remained committed to the philosophy of "responsible unionism".

The government throughout this period attempted to develop strategies and mechanisms to incorporate the MTUC-led trade union movement. This involved the use of

tripartite consultative/advisory machinery to secure a union commitment to industrial peace and, when this failed, the introduction of restrictive legislation in 1965 and 1967 to secure labour compliance. The enthusiasm with which the MTUC participated in the tripartite machinery suggests that, as far as the centre was concerned, the way to defend the working-class was by working closely with the government of the day, and the way to work with the government was by discouraging or stopping union militancy. One consequence of this posture was that unions, including affiliated unions, increasingly looked at the MTUC leadership with scepticism and caution.

This chapter begins a two-part discussion on the development of the movement during the "first phase" of the post-colonial era, that is, at the time when the Alliance was under the leadership of Tengku Abdul Rahman. The focus of the chapter is on industrial policy and activity, namely the approach of the MTUC toward industrial disputes by affiliated unions. It centres on a study of a major dispute, involving the railway unions. By focussing on this dispute and the legislative events around it a window will be opened up that will allow the strands of the commitment by the MTUC leadership to "responsible unionism" to be disentangled.

With reference to Railway Dispute, the signing of the Code of Conduct for Industrial Peace between the MTUC and the Malayan Council of Employers' Organisation (MCEO), and the legislation of 1965 and 1967, I shall argue that the

resort to "responsible unionism" by the MTUC was largely due to the government policy on labour discipline and the compromising attitude of the labour leaders. I shall argue that the MTUC leadership policies were much informed by a desire to secure acceptance and recognition from the government, which in turn would guarantee their personal as well as institutional importance within the labour relations framework. On its part, the imposition of legal restrictions and other discipline measures by the government was, in the main, informed by its need to secure industrial peace in order to secure capital investment.

The chapter, first, outlines the background to the Alliance-MTUC relationship and identifies some major developments which contributed to the revival of union militancy in the first half of the 1960s. This is followed by a section on the Railway Strike, which provides the basis for my thesis on "responsible unionism". The chapter then proceeds to deal with the theme of industrial peace, and following this, the laws of 1965 and 1967, which together underscore my view of the tension between the incorporation of and the government's opposition to unions. Finally, I shall briefly summarise the argument developed so far.

5.1. The Background

Malaya achieved her Independence on 31 August 1957, with the Alliance Party in government. Tengku Abdul

Rahman, the President of UMNO who was made the Chief Minister after the 1955 elections now assumed the post of the Prime Minister. The Alliance position was further secured by its victory in the 1959 General Elections although the victory was not as impressive as compared with the previous elections.[1] The new political climate of independence gave the opposition parties an opportunity to organise and mobilize electoral support within the context of an extended franchise (now that the elections were also held for the State Legislative Assemblies in the 11 states of the Federation of Malaya). In these elections the opposition made gains at the expense of the Alliance Party.

The Alliance was keen to prove to British capital and the public at large that it was capable of guaranteeing a stable political and economic climate in the country. This position was welcomed by the British-led western capital which, at the time of Independence, controlled 70% of Malaya's rubber plantations, 60% of tin output and almost the entire tin-smelting industry, and between 60% and 70% of the important import-export trade. European interests played a leading role in manufacturing, shipping, insurance and banking (cited in Caldwell, 1977c).

With the military offensive against the communist guerillas apparently won, the Alliance government decided to lift the 12-year state of Emergency in July 1960, thereby bringing about a temporary sense of relief and

political liberalism in the country. It should be noted, however, that this did not hide the Alliance's anxiety over what it considered to be the potential threats posed by Communism and other militant Left tendencies to the country. In place of the Emergency rule, a new piece of restrictive legislation, the Internal Security Act (ISA), 1960 was introduced which provided wide powers for the government to detain anyone suspected of being involved in "subversive activities" for as long as it deemed necessary.

Much of the Alliance's attitude towards labour and trade unionism was informed by its concern with overseas and particularly British investment. A series of measures were taken to encourage union cooperation as well as to discipline and to control any militant tendencies within unions. For example, to encourage union cooperation, a tripartite National Joint Labour Advisory Council (NJLAC) was set up in 1957 which, unlike its predecessor, the colonial Federal Labour Advisory Board, provided for a much wider representation of unions. The membership of the NJLAC was drawn from employers and trade unions representing 12 industrial sectors/services namely, Plantation, Mining, Docks, Railways, Government and Municipalities, Electricity, Transport, Petroleum, Finance and Commerce, Engineering, Timber and the civilian section of the Military, with the Minister of Labour as the Chairman (MTUC, AR 1956-57:30-31). For the public sector unions the government allowed the formation of an

important trade union federation, the Congress of Unions in the Public and Civil Services or CUEPACS in 1957 whose representatives sat with the government's representatives in the National Whitley Council to negotiate wages, terms of service, and conditions of work. Further, as part of an understanding between the government and the "moderate" leaders of the MTUC one seat was granted to a representative of the movement in the Senate, while the MTUC agreed to abstain from political involvement, such as by not supporting the Socialist Front in the 1959 elections.[2]

At the same time, to maintain the distinction between the type of unions which the government tolerated, and that which it did not, as well as to ensure that trade unionism did not slip out of its control, the Alliance government introduced a number punitive and disciplinary measures aimed at trade unionists and their unions. Between 1958 and 1960, for example, trade unionists who were suspected of involvement in "subversive activities" were arrested and detained by the authorities. For example, in October 1957 four top-level officials of the radical NUFGW were arrested and detained under the Emergency regulations (MTUC, AR 1957-58:35-36). In May and October 1958 over 100 persons connected with trade union work were detained by the authorities under similar regulations, including V. David, the General Secretary of the NUFGW (see MTUC, AR 1958-59:72-75). In 1960 further arrests were made, including Chan Chee and Soo Peng Choon

who were the Treasurer of the TWU and Secretary of the Pineapple Industry Workers Union respectively (Zaidi, 1975:112, 136-37). The government also deregistered the NUFGW (in 1959) which had been involved in a number of strikes since its emergence in 1955. The ostensible reason for deregistration was that the union's constitution was considered unlawful and that the union was said to have been used "for purposes inconsistent with its objects and rules" (Trade Unions Registry, AR 1958; David, c1984?:vii). Also of importance, was the introduction of new legislation, the Trade Unions Ordinance, 1959 which restricted trade union membership to persons of similar trade, occupation or industry; empowered the Registrar of Trade Unions to summon and examine any person regarding the existence or operation of any trade union, and also empowered him to refuse registration of a union if such union failed to comply with the full requirements of the ordinance or if he suspected that the union would be used for unlawful purposes. It also only permitted Federal citizens to serve as officers and employees of a trade union. Following this legislation all unions were required to reregister themselves.

It is against the background of this set of legislation and government decrees that the MTUC attempted to forge a post-colonial role for itself. For the MTUC Independence brought new hopes and confidence that things were ready for change. Long subjected to the state

restrictions and surveillance the MTUC looked to the future with "full of hopes". In particular, as the leader of the Malayan labour movement, the MTUC was eager to influence the shape of industrial relations which in turn would help to further legitimise and reinforce its own leadership role. In addition to that the MTUC as a "responsible" body repeatedly called for the government to attract more capital into the country (Zaidi, 1975:113, 116-17). Further, it urged employers (including the government) to set up joint councils/committees in various establishments to enable labour grievances to be resolved peacefully. These proposals were in harmony with the Alliance's emphasis on industrial peace and efforts to woo foreign investments into Malaya.

Although "with certain reservations" the MTUC, in a gesture to secure the trust and confidence of the new government, supported the government when the latter introduced laws which either aimed at restricting the potential growth and strengthening of the unions. This was highlighted in the centre's endorsement of the Trade Union Ordinance, 1959 on the ground that the restrictions were necessary "to ensure the protection of the workers' interests" (David, c1984?:105). According to the RTU, the "smooth passage through the Legislative Council was in no small measure due to the support it received from vigilant trade union interests" (Trade Unions Registry, AR 1958). Thus despite later opposition of the MTUC to the ordinance, the initial response was positive. Likewise,

so confident was the MTUC in the assurances given by the Alliance leaders that the Internal Security Act would not be used against the trade unionists to the extent that no serious objection to it was raised by the MTUC.

This reflects the kind of relationship then developing between the MTUC and the Alliance government. It underlines the extent of which the dominant MTUC group was prepared to go along with the government in order to win the latter's confidence, and in turn, it indicates the MTUC's confidence in the government. According to V. David the unionists who were anticipating reform of the labour laws were "bitterly disappointed" when the Alliance government introduced the 1959 Ordinance, implying the confidence shared by the unionists in the "goodwill" of the Alliance government towards labour at the time (David, c1984? :viii-ix).

In any case, the cooperative posture of the MTUC could not check the changes that were already taking place in the unions at the time. As indicated above, the lifting of the Emergency rule which appeared to promise a liberal political climate in the country contributed to a revival of union militancy in the 1960s. Signs of liberality were indicated by the formation of CUEPACS which served to strengthen the public sector unions, the workers' expectation for improved living conditions in the now independent Malaya, the possible resolution of workers' long-standing grievances about wage cuts, especially in the plantation sector. When the government

imposed a wage freeze on the public sector (following a recession in 1958), this was seen as an opportunity to organise and protest.

These developments prompted the MTUC to show some support to union activity and initiatives, albeit cautious. Indeed, as the formal leader of the trade union movement, and aware that its viability as a central organisation also depended on its willingness to respond to important moods and tempos within its own ranks, the MTUC apparently could not remain indifferent to labour activity during this period. However, in view of government policy and determination to secure a disciplined labour force as a condition for its economic and political programmes, the MTUC was unwilling to jeopardise its role in labour relations structures, as will become evident in the examination of the railway disputes.

5.2. The Railway Dispute

One of the major events which reflected the mood of the union movement in the early 1960s was the Railway Dispute of 1962/63 involving the Railwaymen's Union of Malaya (RUM), an affiliate of the MTUC, on one side, and the Malayan Railway Administration and the government on the other. The dispute was especially important for the MTUC as it challenged the official position of the leadership. Throughout the dispute the MTUC emphasised the industrial relations machinery for labour grievances,

and sought a quick settlement of the dispute. It ignored the educational and organisational potential of the dispute, and thereby passed up an opportunity to transform its role as the organisational centre of Malayan unions.

Officially registered on 30 June 1961, RUM was the result of merger and amalgamation of six railway unions, the National Union of Railwaymen, the Locomotive Enginemen's Union, the Malayan Railway Junior Officers Union, the Signalmen's Union, the Malayan Railway Engineering and Health Workers' Union, and the Malayan Railway Employees Trade Union (RUM, 1972). The main concern of the railway workers was their status as government servants and the benefits that should go along with it.[3] This was a concern that had its roots in government policy towards the separate unions that made up the RUM. It also reflected a more general concern with the government's approach to public sector employment.

The dispute dated back to 1959 when RUM was not yet constituted and the railway workers were organised under a number of separate unions. On 19 November 1959 the members of the Locomotive Enginemen's Union brought the Railway to a standstill following the administration's unilateral imposition of longer working hours, but this was called off when the Prime Minister intervened (Rudner, 1973). The matter was then referred to a Royal Commission which criticized the Railway Administration for refusing to negotiate with the unions, and also suggested the setting up of a Joint Industrial Council in the Malayan

Railway.[4] Despite the Commission's warning that negotiation through a Joint Council was "a matter of urgency", there was a long delay (about 16 months) before the Joint Council was finally established on 28 July 1962, but not before a "work-to-rule" was staged by the Shunters' section of RUM between 18 and 24 July 1962.

On 14 September 1962 the Staff Side (employees) of the Joint Council submitted a memorandum setting out claims for improvements in wages and benefits for the monthly-rated employees, the abolition of the daily-rated and casual employment, and the government recognition of all Malayan Railways employees as government employees (Federation of Malaya, 1963:7). It should be noted that on the question of "government status", the government was clearly reluctant to concede the issue, despite the fact that the Federal Constitution of 1957 (Article 132[1]) had acknowledged the railway service as a public service. In what appeared to be an attempt to delay negotiation on the union's claims the Administration requested the union to provide detailed accounts for every claim made. When this failed the Administration made a fresh offer but was rejected by the union. The Administration also refused to entertain the revised reduced claims by the union. With no more avenues available to pursue its case RUM then decided to call a strike to back its demands.

The strike by the 14,000 workers of the Malayan Railway commenced on 23 December 1962 bringing the entire railway service to a standstill. This was despite

attempts by the Administration to prevent it, by issuing a lengthy press statement to all the workers explaining the Administration's willingness "to continue discussions and negotiations" while suggesting a reluctance to negotiate on the part of the union. The General Manager of the Malayan Railway also appealed to the Railway workers "to show their loyalty and patriotism" by abstaining from any strike or other such actions. With reference to a statement from the Railway Administration it also noted that "the government, in the case of an Emergency, can use special powers" to avert the strike.[5]

The strike which went on for 23 days ended on 15 January 1963 after a settlement was reached between the disputing parties, through the mediation of Ungku Abdul Aziz, an economist from Universiti Malaya. The settlement enabled RUM to gain some improvements in its wages claims, as well as the abolition of the daily-rated system. The latter item set the precedent for the abolition of the daily-rated system in the government sector. The other major claim, the status of the Railway workers, however, met with a setback because the government decided to transform the Railway into a corporation as from January 1964, thus temporarily denying the Railway workers their claim to government employee status. RUM pursued the government status case in the High Court and finally won it in August 1964. The legal trial was won by RUM on 19 August 1964 when Abdul Kadir Yusof, the Attorney General

finally conceded that workers of the Malayan Railway were government servants and therefore entitled to all the benefits normally accorded to the same (MTUC, GCR 1963-64:21). In any case, the government's delay in implementing the court's award and the Administration's persistent refusal to honour certain clauses of the Industrial Agreement reached between the two parties in 1963 meant further frustration for the workers, forcing RUM, on a number of occasions, to threaten further industrial actions (MTUC, GCRs 1964-65: 29-32; 1965-66:23-25).

A number of unions, trade union centres, and confederations of trade unions, both locally and internationally, expressed their support for RUM.[6] Veteran trade unionists interviewed also spoke of the high spirit of solidarity with the railway workers shared by many trade unionists at the time both in the public and private sectors.[7] For them RUM was successful and enjoyed the full support of the trade union movement because 1) the monthly-rated issue concerned many public sector workers at the time, 2) where workers found it difficult to strike, although affected by the same problem, gave their support to RUM, and 3) RUM had an effective leadership capable of gaining broadly-based support. A few of the local unions either launched sympathy strikes or were preparing to organise such strikes (interview: V.David, 18.8.87; Todd and Jomo, 1988).

It is important to note that RUM was an affiliate union of both the MTUC and CUEPACS, the latter (as indicated earlier) established soon after Independence as a federation of the country's public service unions. CUEPACS was an offshoot of the Government Services Staff Council, a coordinating body which represented the interests of the monthly paid public employees (Staff side) on the National Whitley Council.[8] At its inauguration in September 1958 CUEPACS had 28 affiliates, and by 1963 this had increased to 66, with a total membership of 38,969 (Trade Unions Registry, ARs 1959; 1963). Although CUEPACS was a trade union federation in its own right, most of its affiliated unions, particularly the bigger ones like the National Union of Telecoms Employees (NUTE), National Union of Teachers (NUT), and Malayan Technical Services Union (MTSU) were also affiliated to the MTUC. In fact, a good number of trade unionists from the public service unions, such as V.E.Jesudoss (MTSU), K.Duraiappah (NUTE), T.Narendran (Inland Revenue Officers Union or IROU), and K.V.Thaver (NUT) had served either as the leaders of the MTUC, or as the leaders of both the MTUC and CUEPACS at the same time. This, and as one of their major affiliates, RUM naturally received the official backing of both the labour centres. The leaders of both the MTUC and CUEPACS, P.P.Narayanan and T.Narendran respectively played a key role in the negotiations.

For the MTUC this dispute involved one of its biggest affiliates. In 1962 RUM had 7,499 members, making it the fourth biggest affiliated union of the MTUC after the NUPW (124,061 members), National Mining Workers Union (8,503), and National Union of Commercial Workers (7801) (Trade Unions Registry, AR 1962). At the outset of the dispute, the MTUC expressed its support for RUM. This followed an emergency resolution to that effect which was tabled and adopted at the MTUC's 1962 ADC held a week before the strike began (MTUC, RP, ADC 1962). In line with the resolution, an Action Committee was formed by the MTUC to render assistance to RUM and with the unions' support, a sum of about M\$31,000 was raised for RUM (Zaidi, 1975: 175). As indicated above, the MTUC was also involved in the negotiations with the Railway Administration and the government.

An examination of the MTUC (or rather MTUC leaders) during the Railway Dispute/Strike allows some of the basic tenets of "responsible unionism" to be identified. It also points to the very contradictory position that the MTUC found itself in during the strike. For the MTUC leadership the dilemma was how to support the strike and at the same time serve the government.

During the course of the dispute it became apparent that the MTUC was more concerned with a "proper" framework of industrial relations rather than the successful

prosecution of the dispute. The centre's disappointment at the way the negotiations between RUM and the Railway Administration clearly points to this sentiment (see Zaidi, 1975:165, 167). There was a belief that strikes or any other forms of industrial action and militancy should not happen if the negotiating machinery or other channels for dealing with labour grievances (as provided for by the industrial relations machinery) was "properly" utilized by the parties concerned. In fact, as shall be seen in the following section, the MTUC saw success of its policy of encouraging "voluntary industrial relations" in the increasing number of unions participating in joint councils and in the downward trend in strike figures (Zaidi, 1975: 3). From this perspective, strike action by the workers was not seen as a healthy sign for industrial relations. To support a striking union, if such support was at all crucial for the national centre, therefore, must also entail an obligation on the part of the union to rely on negotiations, not strike action, and to compromise with the management.

The preoccupation with industrial relations and the lack of commitment to an active and militant unionism is also evident from the MTUC's unwillingness to exploit the educational and or organisational potential of the dispute. Despite the praise and tribute from some local unionists as well as the "admiration and respect" which

the MTUC claimed to have been accorded it by some international organisations (such as the ILO and the ICFTU) for "the good work done" (MTUC, GCR 1963-64:54; Zaidi, 1975:168) there was no effort on the part of the MTUC to see and to utilize the dispute as an occasion to raise the level of working-class or trade union consciousness among the workers. The dispute/strike seems to have been viewed by the MTUC as an industrial relations matter, devoid of any educational and organisational significance. Indeed, even though the dispute was described by Zaidi (1975:175) as symbolising "a great deal of workers solidarity in the country" whose spirit, he maintains, the MTUC helped foster, there was no attempt by the centre to sanction any action, other than moral support.

As indicated above the part played by the MTUC in the dispute appeared to be restricted to facilitating negotiations and financial assistance to RUM. In practice, negotiations meant actions towards a speedy settlement of the dispute. Indeed, one veteran unionist and former long-time leader of the MTUC revealed that while "in the open we showed our support for RUM, inwardly we tried to resolve the dispute quickly" (interview: the unionist, 1988). The same unionist also said that those who were involved in the negotiations, including Narayanan from the MTUC, tried hard to persuade RUM's leaders, particularly RUM President, Donald U'ren to agree to a

settlement, as U'ren wanted the strike to go on in order to secure all the demands made by the union. He went on to say that "U'ren obviously did not have much choice" when one of the negotiators suggested to him that the Malays and other sections of the workforce might return to work if insisted on continuing with the strike. As a national centre which had thus far enjoyed the confidence of the government the MTUC was not prepared to see a prolonged strike or the unions' support for RUM assumed an "unmanageable" magnitude which would affect its position as a "responsible" labour centre. It, therefore, sought a quick negotiated end of the dispute. In this context, the claim by Zaidi (1975:175) that the MTUC had mobilised "its entire resources" in support of the strikers was an empty claim apart from the token donation mentioned above.

The Railway Dispute thus underlined the "responsible" posture of the "moderate" MTUC leaders. They were apparently worried about the strike and the militant tendency of the railway workers. Their desire to secure a good relationship with, and hence the recognition and confidence of the government, meant that they had to maintain the support of the unions, but, at the same time, avoid antagonizing the government. According to V.David (by 1960 as Secretary General of the TWU) who moved the above-mentioned emergency resolution in support of RUM, the "moderate" MTUC leaders "did not want to be isolated from among their own ranks" despite their reluctance to

support the strike (interview: V.David, 18.8.87). When the circumstances forced them to show support to the unions, they did so within the "acceptable" parameters available to them.

Apart from the consideration of the MTUC, the manner in which the strike was conducted and terminated by RUM also raises question regarding the approach and orientation of RUM, particularly the leadership. Apart from canvassing support (both moral and material) from the other unions and organisations, and despite the overwhelming pro-RUM spirit among the unions indicated earlier, no serious attempts appeared to have been made by RUM to get other unions and workers to "down their tools" which would at least have given some meaning to the notion of "worker solidarity". The relatively quick termination of the strike when some unions were preparing to launch sympathy actions in support of RUM, irrespective of the concessions made by the Railway Administration to railway workers, also suggests that the RUM leadership was particularly concerned with the economic aspects of union struggle, specifically as it affected the railway industry and not the public and private sectors more generally. At the same time, the RUM's apparent reluctance to call for other forms of support (other than those mentioned above) may be explained, in part, by the fear of the government resorting to the emergency laws and proscribing the union.

Notwithstanding the attitude and conduct of the MTUC leaders, the dispute was significant to the MTUC-led movement as a whole in a number of ways. For instance, as indicated above, it contributed to forging a morally-based worker solidarity, which had long been absent from the country's industrial scene.[9] In fact, to a certain extent, this moral and rhetorical solidarity, or pro-RUM sentiment, was also registered in the election of RUM's President, Donald U'ren as the new President of MTUC at the 1963 ADC.[10] This further indicated the way the MTUC was caught in an unresolvable dilemma by the dispute.

As a major dispute/strike in one of the state sectors, the action by the railway workers also contributed to heightening the combativeness of the public sector unions, a development which, as shall be seen in the following sections, prompted the government to tighten its control over the movement. Here, with the wages freeze imposed by the government, and the negotiating councils suspended following the 1958/59 recession, the public sector employees were first forced to withhold their demands. They were still unable to make any satisfactory gain when the suspension was lifted in mid-1959 (that is, just before the General Election) as the Alliance government decided to tighten control over public service wages in part to serve its "national economic strategy". The Railway Strike, and the concessions secured by RUM from the Railway Administration and the government served

to radicalise these public sector unions. The various forms of industrial action taken by a number of them, such as the Union of Clerical and Allied Workers, the Laboratory Assistants' Union, the Union of Post Office Workers, the Federation of X-Ray Staff Union, the National Union of Hospital Assistants, the Municipal Fire Services Union, and the Malay Forest Employees' Union [10] after the Railway Strike point to this development, as indicated below.

5.3. A Campaign for Industrial Peace

The continued labour militancy after the Railway Dispute worried the MTUC, prompting it to call for union restraint as well as to campaign for industrial peace both of which further underlined its "responsible" leadership. This situation is highlighted by the events after the Railway Dispute which saw the MTUC calling for union restraint when faced with continued labour unrest, and shortly afterwards, through a joint committee with the employers and the government, issuing a code of conduct for industrial peace.

As shown in the table below, labour unrest began in 1962 continued through 1964 with a record number of workers involved in strike action and, when compared with Table 4.2 of the previous chapter, also recorded the

highest total person-days lost due to strikes since 1948.

Table 5.3 STRIKES: NUMBER OF WORKERS INVOLVED AND
PERSON-DAYS LOST, 1958-69

Year	Workers involved	Person-days lost
1958	9,467	59,211
1961	9,045	59,730
1962	232,912	449,856
1963	17,232	305,168
1964	226,427	508,439
1965	14,684	152,666
1967	9,452	157,984
1968	31,062	280,417
1969	8,740	76,779

Source : Ministry of Labour, Annual
Reports (selected years).

Apart from the background factors outlined in Section 1, and the growing resentment of workers, especially in the public sector, the Railway Strike served as an example for this new union militancy. The strike pattern in these years also reflected the workers' increased concern for non-economic issues such as protests against the sacking of workers and sympathy actions (see Kamaruddin Said, 1978:162-74)). This situation, especially in early 1964, alarmed the MTUC General Council (MTUC, GCR 1963-64:16). Much the same way as in the earlier Railway Strike, the MTUC seemed worried that an "unmanageable" situation might

result in government retaliation which could undermine the centre's "responsible" role (and image) itself. Appeals were thus made to the affiliated unions to exhaust all avenues before deciding on strike action and to consult the centre before resorting to strike action.

In September 1963, the Federation of Malaysia, consisting of Malaya, Singapore (in 1965 ceased to be part of the federation), and the former British colonies of Sabah and Sarawak of North Borneo, was formed amidst strong opposition from neighbouring Indonesia which viewed the new federation as another British ploy to control the territories and suppress anti-colonialist forces. Indonesia's President Sukarno also launched a policy of "Confrontation" against the new federation prompting the Alliance government to first place the country on "a state of preparedness", and later, in September 1964, a state of Emergency. For the government, labour unrest was a cause for serious concern and, in the context of regional politics and economic policies, development that had to be suppressed.

Although expressing a "shock" over the new state of Emergency the MTUC was also quick to declare that it "unanimously endorsed" the government's decision which it considered necessary in the "national interest" (MTUC, GCR 1963-64:41-42, . In the same statement the MTUC urged its affiliates to refrain from taking strike action and to settle disputes through negotiation to ensure that "during the Emergency period the government services and other

employers are not prevented in any way and certainly not on account of the labour problems, from doing their utmost in the National interests". The MTUC also proposed an audience with the Prime Minister to demonstrate its loyalty to the government and to seek the assurance of the Prime Minister that its "voluntary and self-imposed restrictions on the traditional rights of the workers" would not be abused by employers.

For the government such "responsible" posture of the national cent. could not have come at a better time. Steps were taken to reactivate the tripartite advisory bodies such as the National Joint Labour Advisory Council (NJLAC), and other joint committees. Working under this tripartite framework, a Joint Committee made up of the MTUC and the Malayan Council of Employers' Organisation (MCEO) representatives and chaired by the Minister of Labour was immediately set up to try to come up with some proposals for promoting industrial peace. In this Committee the MTUC was represented by its Acting President, V.E.Jesudoss (from the MTSU), Secretary General, S.J.H.Zaidi (War Department Civilian Staff Association or WDCSA), P.P.Narayanan (NUPW), M.Arokiasamy (National Mining Workers' Union, NMWU), A.B.Gomez (National Union of Commercial Workers, NUCW), T.P.D.Nair (All-Malayan Estates Staff Union, AMESU), and Ibrahim Musa (Amalgamated National Union of Local Authorities Employees, ANULAE). It is interesting to note that, in the meeting called by the Minister of Labour to form the

Joint Committee it was maintained that the many difficulties which arose in relation to recognition of unions and delays in dealing with their claims, were due to "the fact that a substantial number of employers still remain unorganised" (MTUC, GCR 1963-64:73-75). As envisaged by the government, after a series of meetings the Joint Committee finally came up with a "Code of Conduct for Industrial Peace During the Period of Emergency" that would serve as a guideline for all employers and workers to work towards industrial peace, discipline, and maximum levels of production during the period of Emergency (MTUC, GCR 1963-64:225).

In the code issued on 23 November 1964, the MTUC and the MCEO agreed to do their best to avoid industrial actions, to settle disputes and grievances through peaceful means, to encourage mutually agreed bases of grievance and dismissal procedures, to maintain communal harmony, to treat each other with courtesy, to give ample notice before resorting to industrial action, and to impress upon their members and officials the need to comply with the spirit of the Code (MTUC, GCR 1963-64:226-29). While the employers also agreed to take prompt action to settle labour grievances, to implement agreements without delay, to notify the workers as early as possible of circumstances of likely redundancy, and not to engage in any form of unfair labour practices, the MTUC agreed to maintain discipline in the workplace, and to prevent the use of violence or coercion in connection with

industrial disputes. While the pledges and ethics of employer-employee relations in the code seem to suggest a certain degree of equilibrium (or balance) of interest between the two sides of the industry, the very premiss or objective of the code itself -- industrial peace, worker discipline, and maximum levels of production -- clearly favoured the employers, including the government. At the moment when labour was more active and was beginning to push for reforms through industrial action, a joint agreement aimed at diffusing these actions could not be in the interests of labour. Likewise, an understanding or agreement with the MTUC was in itself a measure of (at least) the moral success of both government and the employers over labour.

Despite the apparent success of the joint machinery in bringing about cooperation between the signatories of the code, the aims were by no means readily attainable. Indeed, it was soon obvious that the pledges and assurances of the bureaucrats and professionals of both sides of industry could not contain the long-standing discontent of the unions. Labour unrest in both the public and private sectors persisted, prompting the government, as shall be discussed in the next section, to introduce new restrictive legislation to force labour compliance. Nonetheless, the fall in strike figures in 1965 should be attributed to the government's articulation of the "Confrontation" issue, rather than to that generated by the Code of Conduct. Indeed, with a campaign

against the "Confrontation" being launched by the government to rally the people to its policies and linking loyalty and patriotism to support for the government, it became increasingly difficult for the unions to make much progress in their demands, although the grounds for grievance remained evident.

The events also demonstrate the dominance of the "responsible unionism" wing of the MTUC leadership. Its unilateral and "voluntary" call for union restraint before and upon the government's declaration of a state of Emergency not only served as a manifestation of its support for the government, but also as a show of its disapproval with or even opposition to active and militant union action. However, as the leader of a trade union movement over which it could not exercise much influence, the MTUC also realized that it had to be more cautious in orchestrating the "industrial peace" theme. If it exhibited too strong a managerial or even a "broker" role (between labour on one side, and the government and employers on the other) it ran the risk of losing whatever formal confidence it had from workers and unions. After all, there was already much dissatisfaction within the movement over the role the MTUC had played, with some unionists accusing the centre of being a "stooge" of the government and criticizing some of the MTUC leaders (Zaidi, 1975:168). In this context, the idea of a code of conduct during the Emergency was a welcome relief to these MTUC leaders. The state of Emergency served to legitimize

any call for industrial and political restraint as well as the MTUC's ready response to the government-sponsored joint-committee scheme. As a major party to the mechanics of the code the MTUC might be able to boost its leadership role in the eyes of the unions and the general public.

The events which highlight the role of the bipartite and tripartite machinery also served to confirm the MTUC's notion of "responsible unionism". Even without the code of conduct mentioned above, it was common knowledge that the basic purpose of the consultative/advisory bodies formed by the authorities was to encourage cooperation between trade unions, employers and the government. Cooperation entailed compromise or a give-and-take attitude between the various parties to the agreement, without which the very idea of bipartism and tripartism itself would not have been articulated and put into operation. In that sense, the enthusiasm with which the MTUC participated in and also pursued for the expansion of the consultative/advisory machinery, especially at a time of continuing labour unrest, reflected the centre's ever-preparedness to work for industrial peace and cooperation with the government, hence underlining its compromising and "responsible" posture.

According to Zaidi, "The NJLAC which is supposed to give advice to the Minister of Labour on all matters affecting the workers in this country has been by-passed almost in all cases. ... The NJLAC's sole purpose seems to provide the Government and its labour minister with an

easy reference for convenient and liberal use at various national and international forums" (Zaidi, 1975:200). Despite this, the MTUC and the "moderate" labour leaders were keen to be part of this consultative machinery because it appeared to provide them with the opportunity to reinforce and reproduce their labour leadership position and status. Even so, this was not without debate, and union delegates at the ADCs regularly expressed their views and criticisms concerning the appointment of labour representatives to the various boards/committees and also called for increased labour participation in other boards/committees (MTUC, GCRs 1963-64:34-35; 1964-65:54). For the government, the consultative/advisory machinery served to facilitate the incorporation of the MTUC leadership for government policies. The whole exercise by the government was made easier by the Emergency situation which served as a powerful legitimating force to gain compliance with the demands of "national interest".

This is not to suggest that the MTUC was unaware of the government's instrumentalist view of its role within the tripartite (NJLAC) framework. As noted above, the MTUC was particularly unhappy with the poor functioning of the NJLAC, and the fact that the NJLAC was ignored on a number of important matters which deserved its attention. Criticism that the government was using the Indonesian Confrontation issue as an excuse to set aside labour's demands was noted by the MTUC (Zaidi, 1975:185, 187).

Participation in the tripartite machinery was seen by the unionists as one of the few means to pursue labour interests, although this still proved to be a difficult task. This, to a certain extent, prompted the MTUC leaders to be critical of the government although, as shall be seen this was a limited critique.

5.4. The Laws of 1965 and 1967.

When the joint machinery and the Code of Conduct for Industrial Peace failed to contain labour unrest in the years after the Railway Strike the government was willing to discipline and force union compliance through the use of restrictive legislation. This resulted in dissatisfaction and resentment among the unions, thus prompting the MTUC to launch protest campaigns against the legislation. However, the lack of a positive government response to these campaigns reflected both the weakness of the MTUC-led movement, and the increasingly tough policy of the government towards labour and the unions.

As indicated in Table 5.3 above, the labour unrest persisted despite the code of conduct and the appeals for restraint by the MTUC. Upon the advice of the MTUC, the Union of Post Office Workers which had called a nationwide strike in May 1964 over its long-standing claim for improved wages for the postal clerks, agreed to call off the strike and to refer the matter to arbitration. However, when the government later refused to honour the award of its own Arbitration Tribunal, a "work-to-rule"

was later called by the union. Most of the other unions, however, went ahead with their various forms of industrial action although the country was already placed on "full alert" by the government following the "Confrontation" (Todd and Jomo, 1988). The unrest continued into 1965. In the public sector, the Union of Post Office Workers (UPOW) resorted to a "work-to-rule" in January 1965, whilst the National Union of Hospital Assistants, the Municipal Fire Services Union, the Federation X-Ray Staff Union, the CUEPACS, and the Union of Fire Brigade Workers, all either resorted to "work-to-rule" or threatened strike actions in pursuit of their long-standing demands. Likewise, in the private sector, the NUPW branches in various parts of the country, the Transport Workers Union (TWU), and the National Mining Workers Union (NMWU), for example, also resorted to strike actions to pursue their claims.

The situation proved unacceptable to the government when the Union of Fire Brigade Workers served a strike notice in May 1965, whilst at the same time there was speculation that a general strike by the public sector unions was imminent. According to MTUC's source the dissatisfaction and resentment, particularly in the public sector reached "such a state that the possibility for general strike by the government unions became imminent" (MTUC, GCR 19.4-65:35-36). Todd and Jomo (1988) however, note that such a general strike seemed unlikely because of a lack of consensus within CUEPACS as regard the action.

In the event on 14 May 1965, with the Emergency powers at its disposal, the government decreed the Essential (Prohibition of Strikes and Proscribed Industrial Actions) Regulations, and the Essential (Arbitration in the Essential Services) Regulations aimed at containing the unrest and bringing the unions under control.

The first regulations prohibited strikes and related activities in the "public service".[12] The term "public service" here followed the definition as provided for by the Malaysian Constitution section 132(1), covering the public services of the Federation and the states under the Federation, the armed services, the judicial and legal service, the police force and the railway service.

The aim of the second regulations was to restrict strike actions and lock-outs in "essential services". It should be noted here that the "essential services" under the regulations were widely defined, with the Minister of Labour was also empowered to amend or add accordingly to the original list of these services. The original list of "essential services" were : printing presses and newspapers; generation and supply of electricity and gas; municipal undertakings; local authorities; ferry service; passenger and goods transport; storage, transport, supply, and refining of petroleum products; banks; port services and undertaking; mining and smelting; rubber; coconut and palm oil industry; timber; pineapple; rice mills and rice depots. The regulations also constituted an Industrial Arbitration Tribunal for the compulsory arbitration of

trade disputes in these services. The members of the Tribunal -- a chairperson and four other members -- were all appointed by the Minister of Labour. The Minister was also invested with powers to refer any dispute in an essential service to the Tribunal for an award to be made and this award to be binding on the parties involved. In making its awards the Tribunal was to take into consideration "the public interest, the financial implications and the effects of its decisions or award on the economy of the country, and on the industry concerned, and also on the probable repercussions in related or similar industries".

Apparently, in response to the resentment among especially the public sector unions, whose increasing militancy seemed to be the main immediate target of the regulations, and following protest from leading trade unions, the MTUC expressed its strong disapproval of the regulations. Perhaps, equally important, the MTUC had not been consulted on the regulations by the government. The MTUC Executive Committee denounced the government's decree which it said had brought disgrace to the concept of democracy to which the government claimed a commitment (see MTUC, GCR 1964-65:38-40). The MTUC also protested the ban on strikes which it maintained deprived the unions of "their last constitutional weapon which they could have raised in defence of their legitimate rights and privileges". Asserting its commitment to the concept of "voluntary industrial relations" the MTUC also criticized

the government for introducing compulsory arbitration through the regulations.

Forced by the government action to justify their role as national union leaders, the "moderate" leadership via the Executive Committee called upon all unions to set aside their differences and rally around the national centre. Apart from statements of protest, an international campaign was also mounted to bear pressure on the government. The delegates at the MTUC's Special Delegates Conference on 23 May expressed their strong opposition to the regulations (MTUC, GCR 1966-67:428-30). Their proposed counter-measures, included the withdrawal of the MTUC as a signatory to the Code of Conduct, a boycott of the NJLAC, a request to all workers' nominees to withdraw from the various boards/committees, a campaign for national and international support for the struggle against the regulations, and an acceptance, in principle, of the suggestion that the MTUC go into "politics" and for the General Council to conduct a feasibility study, to see whether this would be possible.

The protest gained some response from the government. Realizing that there was popular opposition to the regulations, the Minister of Labour indicated that the government was prepared to examine the "no strike" clause and that they were ready to consider suggestions on the other clauses (MTUC, GCR 1964-65:44). For this purpose another joint (referred to as) Working Party to study the Essential Regulations promulgated in May 1965 "with a view

to making suggestions for such amendments as were necessary and feasible" was set up by the government (MTUC, GCR 1964-65:49-51). It comprised officials of the Ministry, the Treasury, the Federal Establishment Office, and representatives of both the MTUC and MCEO. The fact that only a limited concession was needed to secure MTUC's approval for the regulations suggests that the "moderate" leadership was looking for face-saving concessions. At the same time it underlined the government's commitment to implement its new policy and marginalise the unions even further.

The two sets of regulations were repealed and replaced by a single set of regulations, the Essential (Trade Disputes in the Essential Services) Regulations 1965. In the new regulations introduced in September 1965 a few amendments as proposed by the MTUC were accepted (MTUC, GCR 1964-65:45-47). The MTUC's suggestions regarding penalties for continuing offences, and the composition of the Tribunal were accepted. The new regulations reconstituted the Industrial Arbitration Tribunal (IAT) to be made up of a Chairman, an independent member, and two other members each representing the workers and the employers, all of whom appointed by the Minister. The jurisdiction of the IAT was extended to employees of the Federal and State governments. Its awards were to be final and conclusive. In the case of disputes involving public employees, the consent of the Agung (King), the State Ruler or Governor was needed

before referral could be made to the Tribunal. The new regulations, in effect, reenacted earlier ones, although with some minor amendments, for example, the workers in "essential services" were allowed to take industrial action but only in cases where the disputes had not been reported to the Minister, or in which the Minister had not intervened or not referred them to the IAT for settlement. The list of "essential services" was revised to comprise : passenger and goods transport, including railway, ferry and air services; banking; port, dock and harbour services; rubber planting and processing; mining and smelting; timber, logging and sawmilling; rice mills and rice depots; postal, telegraph and telephone services; generation of supply of gas, electricity or water; medical and health services; fire services; refining, storage, transport and supply of petroleum products; Departments of Information, Broadcasting and Television, and Civil Defence.

Notwithstanding the above restrictive clauses the MTUC leadership viewed the revised regulations favourably. According to the MTUC Secretary General the new regulations met the "fundamental principles" of the MTUC position, namely, the regulations restored the "workers right of strikes, without discrimination and at the same time provide opportunity for the settlement of unions claims through mediation" (MTUC, GCR 1964-65:47-51). Encouraging the movement to accept the new set of regulations in "a spirit of goodwill and understanding"

the Secretary General also disclosed that the MTUC had all along accepted "the right of intervention" of the government in the interest of the country, the right which he maintained was also provided for by the regulations. He also said that the regulations compared favourably with "those introduced elsewhere under similar circumstances" in which case they even became "the permanent feature of such countries" (MTUC, GCR 1964-65:47-51). Following the assurance by the government that the regulations were temporary in nature, and which had validity only during the Emergency, the MTUC was confident that the regulations "would be withdrawn with the ending of the Emergency" (MTUC, GCR 1965-66:68-69; Zaidi, 1975:245, 248).

In his account Zaidi (1975:213) also regards the new regulations as winning the movement "some major concessions from the government", and maintains that "though they were not the best that could be done, they were nevertheless favourable in view of the continuing Emergency". In this regard Raza (1969) also suggests that the movement agreed to live temporarily with the law in view of the Indonesian Confrontation at the time. Both these commentaries underwrite a view that the MTUC had no choice but to agree to the regulations. Opposition would have threatened the continued existence of the MTUC. Nevertheless, to claim, as Zaidi does that major concessions were won by the MTUC is to lose sight of the weak and dependent character of the MTUC leadership. They had no independent base outside the government and

continued opposition would have exposed this in a wholly public way.

It should be noted that according to MTUC's report, the General Council never willingly accepted the regulations and that "it agreed to do so with greatest of reluctance" and on the understanding that they were a temporary measure (MTUC, GCR 1965-66:68-69). From the limited amendments which emerged in the form of the new set of regulations, for instance, it is questionable whether or not the movement achieved any "major concessions" from the government as claimed by Zaidi. The major features of the earlier (May) regulations remained intact, namely, the restrictions on the right to take industrial action in "essential services", a system of compulsory arbitration, and the wide powers invested in the Minister (for example, to form an Industrial Arbitration Tribunal, and to refer a dispute to the Tribunal, except in the public service in which case the consent of the Agung, the State Ruler or Governor was needed before referral could be made). The MTUC leaders might have found some satisfaction in the amendment which now permitted the employees in the "essential services" in the public sector to take industrial action. At any rate, the changes to the regulations did not alter the original aims or intention of the government in introducing the regulations.

The rationale given by the MTUC for its acceptance of the September regulations appears to have contradicted its

position with respect to the restrictive features of the earlier regulations. With most of the major features of the earlier regulations practically unchanged, the government's reference to the consultative framework of labour relations seemed to have cast a spell on the MTUC leaders to the extent that minor concessions were seen as as a major breakthrough for the movement. It was as if the "wisdom" of the labour statesmen had eventually triumphed over a brief, "premature" outburst, or, to put it another way, this was the centre's accomodation and "responsible" response to an impervious government.

Even if the MTUC believed the government statement regarding the "temporary nature of the law" the illusion was soon dispelled. On 22 June 1967, a year after the Emergency was lifted, and amidst protest from the MTUC-led movement, the Industrial Relations Act, 1967 (IRA) was gazetted by the Alliance government. The IRA in turn repealed and replaced the 1965 regulations. The act in fact consolidated all previous laws governing industrial disputes, namely, the Industrial Court Ordinance, 1948, and the Trade Disputes Ordinance, 1949. It further restricted the workers from taking strike action with the definition of "strike" extended to cover "go slow" and refusal to work overtime. Wide powers were accorded to the Minister of Labour such as referring a dispute to arbitration if the opinion was that the dispute affected the economy of the country or the public interest. The Minister was also permitted to appoint workers'

representatives to the new Industrial Court although there might be consultation with such organisations if it was thought to be appropriate. Further, the Minister was in a position to add to, vary or alter the schedule of "essential services". An amendment was made shortly afterwards to place all statutory bodies under the same "government service" category, to the effect that no referral to the Industrial Court could be made of trade disputes in this sector, except with the consent of the Agung.

The MTUC's position was one of frustration and bitterness. Even when the proposed bill was first introduced at the NJLAC meeting on 15 May 1967 the MTUC Secretary General strongly criticized the government for not keeping their promises and by making the "temporary" (1965) regulations into a "permanent bill".[13] The MTUC was marginalised and deemed irrelevant when the bill was incorporated in the new law, despite the Minister's promise that comments and counter proposals from the MTUC would be seriously considered. The MTUC's opposition to the Act centred around the broad definition of "strike", the provisions which denied certain workers in confidential employment the right to organise, the enormous powers invested in the Minister, the ban on strikes over union recognition claims, the heavy penalties imposed on illegal strikes, and the system of compulsory arbitration. In its campaign against the 1967 Act the MTUC resorted to such measures including a series of

meetings with the Minister of Labour and the Ministry's officials, informing the Members of Parliament about its position on the law, writing to the ICFTU and a number of International Trade Secretariats (ITSs) for their views and support, and urging the unions to press the government to withdraw or to amend the Act (MTUC, GCR 1966-67:131). The idea of trade unions participating in the electoral process also resurfaced. At the 17th ADC in December 1967 the President of MTUC, Yeoh Teck Chye (of the National Union of Bank Employees or NUBE) said that the MTUC wanted to keep its options open on the question of participating in electoral politics. A Political Committee was also formed by the conference to review the situation and to make recommendations to the next conference (Zaidi, 1975:256, 262). The MTUC also considered issuing a three-month notice to the government to amend the act failing which it would "whip up support for a general strike" (MTUC, GCR 1967-68:55).

The campaign by the MTUC came to little. The government gave no concessions and none seemed forthcoming. The most the Minister of Labour was willing to say was that "the Government is always ready to consider any proposal to amend any section of the act if it is found necessary after the act was given a trial for a certain period" (MTUC, GCR 1967-68:106-107). In the face of the intransigence the public opposition of the MTUC withered away. The government position on the events and developments surrounding the 1965 regulations and the

IRA 1967 demonstrate the readiness of the Alliance government to discipline and control the unions when the latter's demands and actions were considered to be militating against the "national interest". They also show that in trying to secure labour and union compliance, the government had resorted to the two methods which had proved useful during the colonial days, the tripartite NJLAC and other similar consultative/advisory machinery, underwritten by coercive and restrictive legislation.

On the question of tripartite or consultative/advisory machinery, it should also be noted that this machinery was only summoned into operation when it appeared necessary for the government to gain some support as well as compliance from the MTUC. This suggests that apart from the need to incorporate the movement (discussed in the previous section) the importance of this tripartite and consultative/advisory machinery to the government was only for instrumental purposes, to secure the smooth implementation of government labour policy. On the question of legislation, while the substantive details were clearly intended to bring the unions into line, the very act of resorting to legislation itself suggests the tougher line with which the government now intended to deal with industrial relations and labour matters. In this situation legislative intervention, the method which proved handy during the colonial days, and which would help convince capital of the government's determination to

safeguard its interest was, therefore, considered necessary.

The above attitude of the government was clearly in contrast with that of the MTUC which, as seen in the previous section, was almost obsessed with the tripartite or consultative/advisory framework. Indeed, as indicated above, despite its earlier frustration and strong opposition to what it termed as the unilateral action of the government in decreeing the first two sets of essential regulations (in May 1965), the MTUC, after being consulted was soon supportive of the government. This shift in position underlines the MTUC's quest for a partnership role within the framework of the consultative/advisory machinery if only to reinforce its sense of importance in relations to unions and the government.

For the MTUC, the campaigns against the 1965 and 1967 laws also reflected its preoccupation with tripartism. As the leader of the unions the MTUC tended to regard this policy issue as its special prerogative. While not denying that there were some educational, ideological, and organisational gains that could be derived from active struggle against the legislation, the fact that the MTUC appeared to focus on the legislative question reinforced the "moderate" and "responsible" leadership of the national centre. Such an emphasis served to reinforce the notion that change and salvation for labour could only come from the top, that is, through legislative reform.

The extent and vigour with which the legislation matter was pursued by the MTUC, while neglecting the question of the causes of labour unrest which gave rise to the legislation itself in the first place showed how such a "view from the top" had the effect of undermining the labour question and struggle at the base.

The campaigns against the legislation also underlined the incapacity of the MTUC-led movement to influence government labour policy. As shall be considered in the following chapter the movement was still plagued by internal problems such as frictions between the unions and communalism which tended to make such campaigns problematic if not merely rhetorical. Of course, the lack of government response to the campaigns made the unions more disillusioned and divided. There was some in the MTUC who began to press for a more active organisation. These sections began to look to the institutional aspects of the movement, to enhance its organisational and bargaining capacity. Towards this end the "MTUC's Three Years' Plan" was adopted at the 17th ADC in 1967. The Plan outlined a series of projects to be undertaken by the MTUC such as reorganising the divisions, establishing departments of Research and Industrial Relations, expanding trade union educational facilities, stepping up publication work, trying to secure greater union participation in social, economic and political activities, and establishing a better international trade

union network (MTUC, GCR 1967-68:52-54). But this was still a minority position and "moderation" continued to prevail.

5.5. Conclusion

From the above discussion it is clear that the MTUC was tied to a notion of "responsible unionism" at all important moments in its history to date. This was evidenced in its reluctant support for the railway union, its anxiety over the continued labour unrest in the mid-1960s and calls for union restraint, and its celebration of the theme of industrial peace. It was most clearly evident in its commitment to the use of consultative/advisory machinery. It was also apparent that this posture was due to the compromising attitude of the leaders, as well as to the impact of the government's coercive measures against labour and the unions.

While suggesting that this posture served to demobilise the movement, the discussion also pointed out how it also served the Alliance's strategy of incorporating the movement. In any case, as during the colonial times when incorporation needed to be accompanied by some forms of labour disciplinary measures, these measures were maintained in the post-colonial period under the Alliance. The lack of effectiveness of the consultative/advisory machinery to check labour militancy saw the government resorting to a series of new labour legislation as its major instrument to further control and

discipline labour and the unions. Despite its campaigns against this legislation, the lack of government response to the campaigns underlined the overall weakness of the MTUC-led movement.

Notes

[1] Whereas the Alliance won 51 of the total 52 seats in Parliament in 1955, it won 74 out of a total 104 seats in 1959 (Vasil, 1972:85).

[2] For a brief account of the Alliance-MTUC relationship which points to this tacit understanding see Rudner (1973).

[3] Interview with Yahaya Mohd.Ali (12.12.86). See also Persatuan Pegawai Kanan Keretapi Tanah Melayu (1964).

[4] A Royal Commission under the chairmanship of Justice R.D.R.Hill was established on 6 February 1960 whose report on the causes and circumstances of the dispute was tabled in Parliament a year later. See Federation of Malaya (1963).

[5] See the General Manager's personal letter in Ahmad Perang (1962). See also MTUC, RP, ADC 1962; and Zaidi (1975:165).

[6] See for example, a circular issued by the General Secretary of RUM entitled "Extracts of Statements Made by Organisations in Support of Claims by the Railwaymen's Union of Malaya" (undated). International organisations like the International Transport Workers' Federation and the ICFTU also supported the action by RUM. See RUM, Biennial Report, 1962-64: Appendix B.

[7] Interviews with K.George (18.12.88), K.Duraiappah, G.Perumal (16.12.88), V.E.Jesudoss, V.David (18.8.87), and Yahaya Mohd.Ali.

[8] CUEPACS (c1977?). A brief account of the functioning of the Whitley Councils and other related Joint Councils is found in Gamba (1957).

[9] Todd and Jomo (1988), for instance, note that "the union movement displayed a degree of solidarity not seen since the forties".

[10] Donald U'ren served as MTUC President for about 14 months. U'ren tendered his resignation, with effect from 1 July 1964, to take up a new post as Asian Representative of the International Transport Workers' Federation (ITF) (MTUC, GCR 1963-64:85-86).

[11] See CUEPACS, Annual Reports, 1963-64:54-55; 1964-65:62-63.

[12] A brief note of the major sections of the 1965 regulations can be found in Mills (1971:39-47).

[13] For details of MTUC's position regarding the bill and the 1967 Act, and various forms of response to the Act see MTUC, GCRs 1966-67:126-33, 355-65; 1967-68:54-55; Zaidi (1975:245, 248-49). MTUC's more comprehensive comments and proposed amendments to the act are outlined in MTUC, GCR 1967-68:133-46.

CHAPTER SIXTHE MTUC AND POLITICS UNDER THE ALLIANCE (1957-69).

Attempts by some sections of the MTUC to pursue a more independent line failed because of the dominant influence of the "responsible unionism" tendency within the movement. This situation was evident in the controversy surrounding MTUC's stance on "politics". By "politics" I refer to those issues pertaining to parliamentary political process, campaigning for electoral support, standing for elections and acting as a representative in the Parliament and related assemblies. Accompanying this and related to the narrow definition of "politics" was the "moderate" leaders' persistent opposition to any potentially radical tendencies. Other features will be pointed to as the argument is developed.

It should be noted that by looking at the MTUC during the Alliance era from two perspectives, namely "labour disputes" (Chapter 5) and "politics" (the present chapter), there may appear to be a danger of introducing an artificial distinction. In developing this distinction I am looking at the way the MTUC defined "responsible unionism" to cover both industrial action and political engagement. These views were developed over a long period of time and came to characterize the MTUC.

In this chapter I shall suggest that the "moderate" leaders in the MTUC were critical of union involvement in "politics" because they feared that this might antagonize the government which was generally opposed to such union venture. The attitude of these leaders who for the most part still exercised strong influence on the MTUC served to confirm the predominance of the "responsible unionism" tendency within the MTUC-led movement. For the Alliance, its strong opposition to union involvement in "politics" was informed by its fear of a possible strengthening of class politics which might pose a threat to its communal, elitist and pro-capitalist policies. It was also this same fear which underlined the government's sensitivity towards labour militancy (discussed in the previous chapter), hence its restrictive legislation and other disciplinary measures against the unions.

With reference to communalism I shall argue that the MTUC constituted a major obstacle to worker mobilization along specifically labour or social democratic electoral lines. I shall also suggest that the MTUC-led movement, being *Indian dominated*, and operating in an ethnically conscious socio-political environment, could hardly exert much influence on the labour policies of the Malay-dominated government, unless it developed a visibly non-communal commitment to social democratic politics.

The chapter first addresses some of the political issues and controversies within the movement and which led

to the issuing of the "Workers' Charter" by the MTUC as the movement's political manifesto in the 1969 General Election. This section also considers the significance and implications of the charter for the movement as a whole. The next section deals with the communal factor within the MTUC and shows how this affected the role of the MTUC. It also briefly considers the third state of Emergency declared by the government following the post-election racial riots of (May) 1969, and the introduction of new legislation which further stifled the MTUC and its affiliated unions. Finally, I shall conclude the discussion on the MTUC during the Alliance era pointing to the way a rejection of "political" involvement affirmed the stance of "responsible unionism".

6.1. Politics and the Workers' Charter

As seen in Chapters 3 and 4, the "moderate" labour leaders and their unions who continued to wield a dominant influence over the MTUC, were opposed to union involvement in electoral "politics". Apparently this opposition was on the grounds that the communal character of Malaya's political structure created divisions, or splits along communal/ethnic lines, within the trade union movement which meant that a unified programme was unlikely to be agreed. With the "moderate" leaders and or their unions still exerting decisive influence over the MTUC-led movement after the Independence, this "no politics" stance persisted, despite calls from some sections of the unions

for the MTUC to play an active part in the country's political process.

With independence which meant a break between the MTUC and its patron, the colonial government, there was a view among some sections that the MTUC should assume an independent and more active role in the country's body politic. This role was envisaged both in terms of the MTUC aligning itself with the existing pro-labour political parties, as well as preparing to put up its own candidates for the 1959 General Election. A resolution was adopted at the MTUC conference in June 1957 (two months before the declaration of Independence), urging for the consolidation of trade unions and asking the workers "to support political parties which have pronounced socialist platforms" (RP 1957, in MTUC, AR 1957-58). The outgoing President, Tan Chong Bee (from the National Union of Teachers) also called upon the unions to set up political funds so that they could put up their "own candidates for the 1959 General Election, or support the Party or Parties which will work for the good of the common man" (MTUC, AR 1957/58: Appendix B).

Such a position, however, was difficult to sustain. The more influential "moderate" leaders, and the strong voting power of their unions would usually ensure that the "no politics" stance of the movement prevailed. Thus, at the next conference, in late 1958 just prior to the 1959 General Election, another "pro-politics" resolution was

rejected by the delegates. As in the early years, the delegates from the powerful NUPW and some important unions from the public sector reasserted the view that "politics" would divide the movement along communal lines (RP, ADC 1958, in MTUC, 1958-58). When the resolution was put to the vote only 3 delegates supported the MTUC's participation in electoral politics while 74 opposed and 9 abstained. Bearing in mind that votes were normally cast on a block basis, the NUPW alone made up about 40 percent of the total votes at the conference. Apart from this there were also suggestions that an involvement in electoral politics would destroy government's confidence in the MTUC and may cause unions to disaffiliate from the centre.

As I had mentioned in Chapter 4 the communal question was not the main reason for the rejection of electoral "politics". The union leaders were aware that the Socialist Front, a coalition of Labour Party and Partai Raayat (People's Party), was not only a non-communal party, but one which advocated a united multi-racial Malaya as well, which meant that participating in politics along such lines would be in the interest of labour as a whole. At this time, apart from the Malay-based Pan Malayan Islamic Party (PMIP) or PAS which was another communal party, the Socialist Front was the only major political organisation which was in contention with the ruling Alliance Party. This suggests that the labour

leaders were either uneasy with the radical tendency of the Socialist Front or did not want to be seen associating with the Front in opposition to the Alliance Party. The "moderate" labour leaders were aware of the Alliance's disapproval of union participation in politics. The active engagement within non-Alliance parties may have adversely affected the tenuous and dependent links that "moderate" leaders had with the Alliance. Further, they were worried that such action would provoke the Alliance government into taking repressive measures against the unions, as members of the political opposition.

The question of union participation in electoral politics became increasingly important to the Alliance government, particularly as the country approached its first post-independence General Election in 1959. Having assumed the role of government of independent Malaya, and with the question of political and economic stability very high on its agenda, the Alliance was sensitive to any political challenge to its position. While it had to contend with the opposition from political parties in order to give an air of political stability which also implied its own political dominance, the Alliance certainly could not allow the trade union movement which may have been in a position to mobilise popular support against the government. The fact that the views of certain trade unionists and their unions were similar to that of the Socialist Front was thus a cause for concern to the Alliance (see Rudner, 1973). There is also

evidence to suggest that with the banning of the radical NUFGW in April 1958, some of the former members of this union were joining the Socialist Front parties (Vasil, 1971:175), a situation which also worried the Alliance. This tended to confirm the view that any lessening of the opposition to union involvement in politics may strengthen the opposition parties.

In the same context, various measures were adopted by the Alliance to discourage the MTUC from resorting to such political ventures. Apart from warnings and threats, described above, appeals and promises to persuade the MTUC leadership away from that course of action were also made. For example, at the above 1958 conference the Minister of Labour and Social Welfare again reaffirmed that "one of the fundamental policies of this Government is to foster and encourage the growth and development of a strong, free, democratic and responsible trade union movement" (MTUC, AR 1958-59: Appendix A). The Minister also announced the government's intention to send trade unionists abroad (example, United Kingdom, Australia, Canada, United States, Philippines and Japan) for a series of educational programmes and tours, through funds made available by such sources as the Colombo Plan, United Nations Economic and Social Commission (UNESCO) and the Asia Foundation. In this way the government furthered the impression that there was much to gain by avoiding and indeed rejecting a link between trade unionism and electoral politics.

The message was apparently well taken by the MTUC "moderate" leaders. The weak position of the movement in relation to the government and capital, as well as the belief shared by the "moderate" and reformist unionists, that the movement would have its proper place in the new era prompted them to go along with the Alliance. Indeed, as pointed out by Rudner (1973), such readiness to support the Alliance was reflected in the MTUC leaders adopting a "no politics" or "neutral" stand, denouncing the political posture of certain of its affiliated unions, and refusing to associate itself with the Socialist Front. By attaching this "no politics" view to the idea of "free, independent and democratic" trade union movement, S.P.S.Nathan, the President of MTUC (1958-59) from the NUPW was able to note:

"We the workers have taken a definite stand. We will not be involved in politics, nor will we tolerate interference from political parties and politicians. The Malayan Trade Union Movement is a free, independent and democratic movement and we the workers intend to keep it this way" (MTUC, AR 1958-59: Appendix II, Part II).

This "no politics" posture persisted after the elections and also through the 1960s, although calls for union participation in politics continued to resurface from time to time. As a token of appreciation, the Alliance granted a seat in the Senate to the MTUC President, S.P.S.Nathan in 1959, apparently the last seat reserved for the MTUC in the legislature. The fact that even during the colonial time there were at least four

seats usually reserved for unions did not seem to bother the MTUC.

Likewise, as indicated in the previous chapter, so dependent was the MTUC on the Alliance that it did not seriously object to some of the restrictive clauses of the Trade Union Ordinance introduced in 1959. Rhetorically, MTUC leaders proclaimed that they were necessary in the interests of the workers. Similarly, no objection was registered by the MTUC when the Alliance later (in 1960) decided to scrap the whole of Section 52 of the Ordinance pertaining to union political funds.

However, in the 1960s, with the "liberalizing" political atmosphere following the lifting of the Emergency Rule there was a renewed interest in some sections of the MTUC with electoral politics. This sentiment was furthered with the rise in labour militancy which saw the public sector unions increasingly coming into open confrontation with the state. At the same time, the government's repeated use of legislation to discipline and curb labour and the unions, and the failure of the movement to secure any satisfactory redress to these laws made through the consultative/advisory machinery underwrote for some the importance of a "political" presence. In particular, the introduction of the new labour laws in 1965 and 1967 was significant in reviving this interest in electoral politics. With these laws, the overall perception of government by a number of MTUC leaders underwent an important change. The government now

was seen less and less as a "fair" mediator between capital and labour, and a government which was increasingly anti-labour. Thus, for instance, although in early 1964, prior to the 1964 General Election, the MTUC reiterated its long-standing "no politics" stance, its Special Delegates Conference held in May 1965 after the pronouncement of the Essential Regulations, 1965 reversed this position, and "accepted in principle the suggestion that MTUC adopt a "pro-politics" stance. The conference also directed the General Council "to appoint a high level Committee to study and report to the next Conference of the MTUC the feasibility, scope and prospects of political action by the centre consistent with and to further promote its aims and objectives" (MTUC, GCR 1966-67:430).

The introduction of the IRA 1967 which consolidated most of the regulations of 1965 as well as the other previous related laws, despite the promises by the government to take into account of the complaints and proposals made by the MTUC left many unionists feeling ignored and betrayed by the government. This indicated the marginality of the MTUC, that for all their restraint, and the MTUC's "responsible" posture, which also meant keeping the movement out of electoral politics, they were ignored by the Alliance government. This situation prompted MTUC President, Yeoh Tech Chye to request the unions to seriously consider the movement's position with respect to politics (MTUC, RP, ADC 1967: Appendix B), and

following that, to serve notice of the movement's "determined offensive within constitutional means" in 1969 (MTUC, RP, ADC 1968: Appendix B).

As far as the MTUC leadership was concerned, a change in policy of such importance, especially with the ever presence and influence of advocates of "no politics" line in the movement, was by no means easy. As seen in the previous chapter, the dominant leadership grouping was committed to the idea of "voluntary" industrial relations and tripartite cooperation, and hence was cautious of any political inclination on the part of the movement. The "moderate" leaders in the MTUC continued their campaign for the rights of workers and trade unionism through memoranda and verbal protests. Despite the growing tendency towards an engagement in electoral politics, the leadership was reluctant to abandon their long-standing "no politics" position. In fact, in a paper entitled "What Ails the Workers in the States of Malaysia" distributed in May 1965, Zaidi, the Secretary General of MTUC maintained that, by and large, the movement still wanted to keep itself "aloof from party politics" (MTUC, GCR 1964-65:159). In what amounts to an appeal to the government to support this "no politics" position of the MTUC, the Secretary General also said that the government "can still save the trade union movement from falling into the fold of political parties by its imaginative and prompt action". He also cited the absence of any political fund by the unions, despite their leaders being

active in political parties, as a proof of this overall commitment to "no politics" position.

The leadership's reluctance to come up with any "political action" is also evident from their long delay in tabling the report on the matter as requested by the 1965 conference. Indeed, it was only two years later, that is, after the introduction of the IRA 1967, and following renewed pressure from some elements within the movement, that a conference paper on the subject was tabled for discussion and adopted by the delegates. However, even in this case the General Council only requested the conference to adopt the paper, and "did not call for any clear-cut mandate" (MTUC, GCR 1969-70:96). Indeed, even at this stage, the MTUC leadership was still considering what it termed as "the political immaturities" of the masses at large. From this, and statements and memoranda, it would appear that the mandate "to take political action to restore labour rights" was used more as a bargaining tool by the MTUC leaders in their many attempts to negotiate with, or to try to secure some concession from the government. All the same, developments after 1965, particularly the continued ineffectiveness of the NJLAC, the lack of government response to MTUC's campaign against the (May) 1965 regulations, and the promulgation of the IRA 1967, finally forced them to consider the idea of "political action".

Meanwhile, the report submitted to the 1967 conference recommended the setting up of a Political Education Committee to educate the workers about their democratic rights; the establishment of a Political Lobbying Committee; the development of a non-alignment policy with respect to existing political parties; the need to evolve MTUC's own political manifesto and to cooperate with those politicians who were willing to support the cause of workers or to adopt the manifesto; and active consideration of the question of fielding MTUC's own candidates in the General Election (MTUC, GCR 1967-68:72-73). In addition the delegates also called for the setting up of political funds by unions (MTUC, RP, ADC 1967). They also requested the MTUC to organise campaign to register workers as voters. Finally, and significantly, in view of communal divisions within the society, there was agreement that the MTUC ensure that all the candidates it supported conduct their political agitation and activities "in a strictly multi-racial, non-communal approach" (MTUC, RP, ADC 1967).

These recommendations were approved by a large majority of delegates. In the following conference, even those delegates from the otherwise "responsible" and "anti-politics" NUPW also spoke in favour of some "political" action by the movement, indicating the strong "pro-politics" mood of the unions at the time (MTUC, RP, ADC 1968). Their adoption, to a certain extent, signified the protest by the MTUC-led movement against the recent

advice made by the Deputy Prime Minister that preoccupation with politics would not only blunt the unionists' ability "to deal with matters directly affecting the welfare of labour", but more importantly, would "contribute to economic and political instability" (cited in Ngeow Siew Yonq, 1974:19-20).

As mentioned in the early part of this chapter, apart from the growing dissatisfaction within the movement with the labour policy and uncompromising attitude of the government, the possibility of such a policy shift in the MTUC must also be seen in the context of the various political developments taking place in the country. Of particular importance were the crucial changes taking place in the Labour Party and their implications for trade unions, as well as the heightening of the country's political temperature with the approaching 1969 General Election.

The inclination of some unionists to support the Socialist Front parties has already been noted. By late 1965 the Front collapsed following some policy disagreements between the leaders of the two parties. By then the Labour Party which had been under the control of more moderate English-educated leaders came under the dominance of a hard-line Chinese-educated group. It has been suggested that the party's more radical orientation "eroded the moderate trade union movement's support for the party" (Todd and Jomo, 1988). This development and the detention of a number of the Labour Party's leaders,

the resignation of other prominent figures from the party, and later, the decision to boycott the (1969) elections, not only deprived the MTUC and its affiliates of the service of their long-standing and credible allies, but also placed them in a much weaker position with regard to the employers and the government.

Against such background, the formation of a social-democratic and multi-racial Gerakan Party (Malaysian People's Movement Party) by a combined elements of the former moderate leaders of the Labour Party, academicians, trade unionists, professionals and other politicians in early 1968, served to boost the morale of some section of the union movement. The involvement of three prominent leaders of MTUC, Yeoh Tech Chye (President), K.George (one of the MTUC Vice-Presidents from the Federation of Armed Forces Civilian Staff Union), and V.David (Secretary General of the Transport Workers Union and a member of MTUC's General Council) in this party also increased the interest in politics among some sections within the MTUC at the time.

The political scenario preceding the 1969 elections was another important factor influencing the MTUC's inclination towards "politics". With electoral campaigning in the earlier (1964) General Election constrained by the "state of preparedness" in the face of Indonesian "Confrontation", the pre-1969 electoral preparation saw the political parties vigorously campaigning for support. This political activism also

coincided with the growing competition between the elites of the major ethnic groups for greater shares of the country's economic resources (in the case of the Malays) and electoral power (in the case of the Chinese) which took the form of communal campaigning.

Against the backdrop of this development, the MTUC could not remain unconcerned and above "politics", with the government increasingly showing no sign of compromise. If anything, the failure of the tripartite consultative/advisory machinery to deal with some of the movement's main grievances, and the further legal restrictions imposed on the unions, served to encourage support for the idea of "political action". Although still conscious of the earlier warnings by the government of the "minus side" of politics for the movement, the mood within the MTUC-led movement at the time was clearly and increasingly for some form of political engagement. For the "moderate" tendency within the MTUC, such a policy shift did not contradict with the "no politics" and "neutral" stance which they had previously defended. The "non-alignment policy" and the idea of cooperating with any politician who was willing to support the cause of labour or to adopt the MTUC's manifesto, underlined the movement's cautious approach. If anything, the MTUC's present concern with the stance of the individual candidates/politicians rather than with the contending parties was acceptable to the "moderates". In this respect it could be questioned whether the interests

of labour and the movement was better served by the individual candidate/politician or by the party which he/she represented. Would the (MTUC-) supported candidate/politician who won the elections, for instance, take a pro-labour stance in the legislature without the consent of his/her party or when this stance contravened his/her party's line? The fact that this question was not considered important by the MTUC reflects both its lack of an ideological perspective in favour of labour or social democratic politics and the cautious manner with which the MTUC pursued its "political" option.

In the event the MTUC decided not to field its own official candidates, despite the participation of its two leaders in the elections, Yeoh Tech Chye (President) and V. David (General Council member). Further, it did not make any concerted effort to register voters among the workers as recommended by the earlier conference. Most of the unionists of the 1960s interviewed by this writer indicated that "nothing much" was really undertaken by the MTUC and the unions to register the voters from among the workers and their families. If anything, this reflected the continued lack of consensus among the leaders of MTUC and/or their cautious approach to this whole exercise.

The Workers' Charter

The "pro-politics" sentiment within the MTUC culminated in the Workers' Charter, drawn up and adopted by the MTUC General Council a few months before the 1969

elections.[1] Issued as the MTUC's political manifesto in conjunction with the General Election of 1969, the charter was also the first of its kind in the history of the MTUC. It expressed what appeared to be a combination of the MTUC's goals and objectives over the independent years.[2] The four-page charter set out MTUC's aims and aspirations relating to the following:

1. "living wage"
2. security of employment
3. workers' rights to organise and to participate in the
4. control and management of public services and industries
5. workers' representation on all relevant boards and authorities
6. social security
7. minimum free education as well as adequate opportunities for higher education
8. emancipation of women
9. nationalization of vital industries
10. "rational" industrialization programme
11. agricultural reform
12. equality of opportunities to all citizens based on merit, need, and economic conditions
13. non-alignment foreign policy and international relations.

It declared MTUC's support for political candidates who, in its opinion, were committed to the attainment of the outlined aims and aspirations of the movement. It also

spelt out the MTUC's commitment as a "responsible organisation of workers", which would maintain economic stability, and promote better relationships between labour and capital, and between labour and the state.

The charter was obviously a testament of the movement's hopes and aspiration and, upon endorsement by candidates served as the basis for the MTUC's support for these candidates. While the charter expressed clearly the position of the movement with respect to the various social, political and economic issues facing the nation, it also reasserted the MTUC's commitment to "responsible unionism". Although it mentioned the MTUC's determination to "press the government to accept and recognise the workers' unhindered rights to organise, to meet, to discuss and to propagate their views without fear of victimization and reprisals", it was conspicuously silent on the question of restrictive labour laws which was certainly of special significance to the movement's political interest in the first place.[3] It would seem that the charter was represented in such a way that the ruling Alliance Party did not seriously object to it, although it should be noted that in its report the MTUC mentions an attack against the charter by the ruling party's paper, "Alliance" (MTUC, GCR 1969-70:100-101). The fact that there were six candidates from the ruling Alliance Party who endorsed the charter, the single largest political group to have done this (even compared

to the Gerakan Party with only five candidates including Yeoh Tech Chye and V. David of the MTUC) only goes to suggest that the Alliance did not find the charter objectionable. Altogether, 13 candidates were endorsed by the MTUC, both at the Federal and state levels. Apart from the six and five candidates from the Alliance and Gerakan respectively, there were two other candidates who endorsed the charter; one each from the Democratic Action Party and the left-wing Partai Raayat (MTUC, GCR 1969-70:101-102).

Even the return of 9 of these 13 candidates could not be said to have been due to the support rendered by the MTUC or a success of MTUC's "politics" policy although the support of the urban-based workers for some of these successful candidates is not to be discounted. Of these nine, five were from the Gerakan Party, 3 from the Alliance, and one from the DAP. What was obvious at the time was that most of the successful candidates, would have been returned anyway, even without the endorsement of the MTUC. The Malay candidates of the Alliance whom the MTUC supported, for example, because of the UMNO's ideological and structural dominance in their respective rural-based Malay constituencies, were expected to win, while the non-Malay candidates of the Gerakan Party and the DAP were in a better position to benefit from the growing dissatisfaction of the urban and other rural non-Malay voters towards the Malay-dominated government.

In any case, the move towards "politics", and certainly the charter itself were certainly a manifestation of the unions' increasing interest in the "political" process of the country. It was, despite the apparent reluctance and opposition from within the MTUC to these developments, an indication of a growing feeling that political participation, however limited, was necessary. Although, as evident in the following section, any further commitment to politics had to wait until another state of Emergency was declared by the Alliance Government, with the Parliament suspended and a new restrictive labour law decreed. This followed the post-election racial riots on 13 May 1969.

6.2. Communalism and the Third Emergency.

Although the threats of communalism to the country's multi-racial society and to workers solidarity (hence workers mobilization) had long been recognised by the MTUC, there was no serious attempt on the part of the centre to address the problem. This state of affairs was in part due to the leadership's lack of working-class ideological commitment, and in part because the communal character of the movement seemed to provide the ground for certain unionists to maintain control over the MTUC.

As outlined in Chapters 2 and 3, communalism had, by the 1960s become an acute social and political problem in Malaysia. It had its root in the earlier colonial economy, particularly through the earlier import of

foreign labour by the mining and plantation interests, the segregation of the people along employment and racial lines, and the immigration and labour policy of the British during the later part of last century and the earlier part of this century. For different reasons, these divisions were maintained and reaffirmed by the Japanese when they occupied the country during the Second World War. The return of the British after the war saw the institutionalisation of communal politics, particularly via the formation and conduct of communal parties such as the UMNO, MCA, and MIC whose leaders, mainly the elites of their respective communities, enjoyed a close rapport with and support of the British colonial administration.

After independence, communal politics became a feature of the polity and in the 1960s took a dramatic turn. During the 1960s the intra-class rivalry between the Malay elite who dominated the state political apparatus and the mainly Chinese elite who constituted the single largest and most powerful local economic force in the country became sharper as each side began to demand an increased share of the other's sphere of domination.[4] These demands were expressed through the existing communal parties. With the rise of a number of opposition parties prior to the 1969 elections whose basis of support was the largely ethnic-based electorates, communal politics became

more vigorous and intense. This culminated in the racial riots of 13 May 1969 mainly between the Malays and the Chinese in the capital city of Kuala Lumpur.[5] In short, party leaders had ready access to communal politics, and that communal politics was the channel through which they continued to secure and consolidate their positions.[5]

The MTUC and Communalism

As part of the larger society the trade union movement was also stamped with communalism. At the very least, some of the communal tensions and under-currents in the larger society found their way into the union movement and indeed was institutionalised in a variety of ways. The problem for the MTUC and its affiliate unions was that communalism tended to undermine the position of the MTUC in relation to capital and government. The achievement of unity and solidarity across different economic sectors become difficult when the MTUC was divided along communal lines and the leadership was stamped by communalism.

As seen in Chapter 4, one of the major features of the MTUC was the predominance of Indian unionists. As the following table shows, this feature of the movement persisted throughout the period under discussion, although a steady change in the (ethnic) composition of trade union membership (to the effect that the Indian dominance had progressively reduced) was also noticeable.

Table 6.2 TRADE UNION MEMBERSHIP BY ETHNICITY,
1958-64

Year	Indians	Chinese	Malays	Others	Total union membership
1958	60.1%	16.7%	22.4%	0.8%	211,628
1960	61.38	16.34	21.34	0.94	169,180
1962	55.03	18.07	25.79	1.11	214,287
1964	47.84	20.64	30.64	1.00	275,812

Source : Trade Unions Registry, Annual Reports (selected years). After 1964 the ethnic background of trade union membership was discontinued.

Although there was a steady fall in the percentage of Indian membership in the unions, this was not reflected in the composition of the MTUC leadership. Throughout most of the 1960s, for instance, Indian unionists made up about 72% of the General Council members and about 80% of the Executive Committee.[6] This suggests two possibilities, either the increasing number of non-Indian (especially Malay) union members were not part of the MTUC-led movement, or that if they did join, the MTUC's voting system failed to reflect the corresponding increase in the MTUC. It should be noted that Zaidi (1975:178) attempts to "rationalise" the under-representation of the Chinese workers in the movement by attributing it to the "individualistic", "economically-minded", and "unwillingness to be led by other races" on the part of the Chinese.

Whatever the reasons, such a situation had obvious implications for the movement. For one, in the context of the polarised socio-political context of Malaysia, the question of multi-racial image of the MTUC was also the question of MTUC's credibility as the leader and representative of the country's unions. This question of credibility of the movement was implied in the debates and comments within the MTUC. A multi-racial image which implied cohesiveness and strength of the movement would complement the leadership role the MTUC was playing with reference to the government and the employers. In this sense, the under-representation of the Malay and Chinese components in the MTUC leadership had the tendency to undermine the credibility of the "moderate" leadership of the MTUC, suggesting that it did not speak on behalf of the trade union movement as a whole.

In the same context, and given the communal character of Malaysian politics, it was unavoidable for an Indian-dominated MTUC to appear, in the eyes of some sections of the Malay-dominated government, as another Indian or non-Malay political front. This had the effect of the government viewing the MTUC with "natural" suspicion or taking the centre's views lightly, besides making it more difficult for the MTUC itself to exert much influence over the government. Indeed, if anything, the lack of government response to or even its utter disregard for the statements and memoranda submitted by the MTUC could be the unrepresentativeness of the MTUC. The same government

was likely to realize the political potential of a truly multi-racial force, however "moderate" and "responsible" that body might be.

The persistent "no politics" stance of the MTUC, particularly in its attempts to convince the government of its "responsible" inclination by dissociating from and denouncing the Socialist Front, could also be seen as a failure of the MTUC to forge a united and broader working-class movement. Such a movement, which drew support and strength from the workers and the broad population irrespective of their ethnic backgrounds, and premised upon class politics could provide an important challenge to the mainstream communal politics of the country. The fact that the Alliance government was highly critical of some views shared by some trade unionists and the Socialist Front suggests that such a working-class movement could pose a threat to a power structure which appeared to thrive on communalism.

The communal character of Malaysian politics also tended to encourage the Indian unionists to "perpetuate" the communal character of the movement. In this case, the marginal role of Indians in the country's mainstream politics, acted to encourage the Indian dominance of the MTUC. Within the Alliance, the Indian MIC was small and subordinate to the UMNO and, to a certain extent, the MCA. Indian unionists in the movement could be expected to regard their role in the movement as an important leverage in the broader context of the socio-political bargaining

of the country's minority Indians with government and the other political communal/ethnic groups.

Over the years, the MTUC addressed a number of communal issues or was confronted by communal problems. This was evident, for example, when an Internal Security Act (Amendment) Bill was introduced by the government in 1964 requiring students to get a certificate of suitability from the State Chief Education Officers to gain admission to the institutions of higher learning. This bill was seen by many as a measure to control the entry of non-Malay students into the institutions. The MTUC denounced the bill as "ill-conceived, obnoxious and sinister in its motives and implications" (see MTUC, GCR 1963-64:28-29). In a protest meeting organised by the MTUC to oppose the bill on 11 July 1964, P.P.Narayanan even referred to the bill as "a fascist piece of legislation" (MTUC, GCR 1963-64:29). Clearly the language used by the MTUC to oppose the bill contrasted markedly with the complacent way the centre responded to government introduction of the ISA, 1960 (mentioned in the previous chapter). Likewise, the MTUC was vigorous in its opposition to the government requirement for work permits for non-citizens (see MTUC, GCR 1969-70:68-78; 224-29) which largely affected the Indian workers. The MTUC's posture in these two instances contrasted with its relatively mild position with respect to, or even lack of interest in other non-communal problems, such as poverty, unemployment, and lack of educational facilities.

The MTUC's position with respect to communal composition both within the union movement and the MTUC was not regarded as a major problem. Despite the potential threats of communalism the MTUC did not appear to see the problem with any sense of urgency. Apart from routine official statements and responses to the criticisms by some union delegates concerning the under-representation of non-Indians both at the membership and leadership levels in the MTUC, there was practically no serious, systematic attempt on the part of the centre to address the problem. As far as the unionists were concerned, communalism and the communal wranglings seemed to have been perceived more as a social and political norm outside the realm of the MTUC.

A number of MTUC leaders (who were active in the 1960s) interviewed by this writer suggested that the lack of complaints or criticisms from the few Malay and Chinese unionists about this question of under-representation of non-Indians in the movement proved that the matter was not regarded as a problem for the MTUC then. They in fact took pride in claiming that the trade union movement was the only major movement in the country which was "above communal bickering". For these veteran unionists, the communal feature of the movement itself was not a problem as such. It only became a problem when there were deliberate attempts by some people to exploit the feature for their own interests. This "unproblematic" view of the communal feature of the movement among the unionists

arguably had the effect of justifying the status quo in the MTUC and which in turn might result in the unionists not taking any concrete action to challenge communalism. In this case, what these unionists failed to realize is the fact that communal problems as such are not necessarily expressed through open complaints, criticisms, "communal bickering" and the like. While the few Malay or Chinese unionists who shared the leadership role with and were "well-treated" by their Indian colleagues might not be inclined to argue, at least publicly, for more Malay or Chinese leaders among their ranks. In these circumstances, the recruitment of unionists from their ethnic groups may threaten their otherwise secure positions. This did not mean that there was no necessity for a serious and concerted programme to deal with the issue. In fact, in the context of a polarised society where the dangers posed by communalism were being increasingly felt by the people, including the workers, to be contented with the existing state of the MTUC did not appear to be very different from tacitly encouraging communalism.

Nonetheless, it should be noted that a number of trade unionists were also actively involved in the various political parties, including the communal ones or, who by their campaigning for electoral support, appealed to communal sentiments. These trade unionists themselves were well aware of the limited capability of the MTUC to defend even the limited interests of the workers, and hence the need to make their skills, and whatever

influence they had, accessible to the parties which they believed would work in their interest as well as the members of their ethnic groups. Such courses of action also tended to perpetuate communal politics. In this sense these unionists were neither above "communal bickering" nor altogether "free" from the communal build-up which culminated in the 13 May racial riots.

As mentioned above, the riots which broke out after the 1969 elections prompted the government to declare another state of Emergency throughout the country, apparently to defuse the tensions and "to restore law and order". As in the previous cases the Emergency brought about new constraints on union activities. However, a more crucial aspect of the Emergency, as far as the MTUC and the unions were concerned, was the introduction of another series of restrictive amendments to the existing labour laws by the Alliance government.

The Third Emergency and Another Labour Legislation

As with the previous Emergencies, the third Emergency (following the post-election racial riots of May 1969) was also an occasion to decree new laws to control and discipline labour and the unions to create the necessary climate to secure and expand capital investment. This not only further weakened the movement, but, at first, effectively denied the MTUC its role as the national centre of the unions.

After the intense communal campaigning, and the riots both the Emergency and the legislation were crucial, as far as the government was concerned, to enable it to restore the confidence of capital. As stated by Abdul Razak bin Hussein, the Director of the National Operations Council (which had assumed the role of government during the Emergency) before the introduction of the legislation,

"Investors will not want to invest in this country unless there is a healthy investment climate. If the country is beset with labour troubles or if no assurance that factories will not be affected by unnecessary work stoppages, then I can say that our aim of bringing about rapid industrialization will not be realised" (cited in MTUC, GCR 1969-70: 72-75).

Thus, in accordance with the Emergency (Essential Powers) Ordinance No.1 of 1969 the NOC Director later signed a decree amending the country's three major labour laws, the Employment Ordinance, 1955, the Trade Union Ordinance, 1959, and the Industrial Relations Act, 1967.[8] These major amendments were considered necessary to "maintain a manageable labour force, attract new investments, create employment opportunities and to make possible a more rapid pace of industrialization".[9]

The new laws which came into force on 9 October 1969, prohibited unions of the public or quasi-public sector from affiliating themselves with an organisation whose membership embraced workers of non-public sector; required that a person who wanted to hold office in a union to have served for a period of at least three years in the trade, occupation, or industry with which the union was concerned

(except with the exemption of the Minister in charge); barred officials of political parties from holding office in trade unions; and also prevented the unions from negotiating with the employers matters relating to employment, transfer, termination of service due to redundancy or reorganization, assignment of duties, job specification, and promotion. The amendments also further increased the powers of the RTU allowing the suspension of any branch of a union (if such an action was deemed necessary) and to freeze union fund (if the registrar was satisfied that the fund may be used for political parties).[10]

Clearly here, not only was the unions' ability to engage in collective bargaining, and their potential for collective action further restricted, but even the elementary right to defend and pursue collective interests through one national trade union centre was denied them. This latest legislative exercise in effect imprinted upon the movement the readiness of the government to nullify many years of cooperation by the MTUC and many unions with the government with a stroke of the pen.

These new amendments in the laws pushed the MTUC further onto the defensive against the government. At the same time, the forced withdrawal of 56 public sector unions (or about 30% of the total membership) from its ranks (together with the loss of substantial income from their affiliation fees) by virtue of the amendment in the law, meant that even its very status as a national labour

centre was now in jeopardy. The centre was now (in 1969) left with only 132,328 or 38.8% of the total union membership as compared to 219,097 and 61.4% respectively in 1968 (MTUC, 1979:Table 2) (see Appendix C). The 56 unions had a combined membership of about 60,000. With this forced split of the movement, the MTUC was left with 44 affiliates of the private sector unions.

The MTUC did try to fight back by resorting to the usual verbal protest and the dispatch of memoranda and statements, as well as meetings with government leaders and officials. It also made attempts to secure some international support which could bring pressure on the government. For the most part, this action showed the inability of the MTUC to affect the government's labour policy in any decisive way. Under the force of the Emergency rule, and the threats of other coercive measures by the government the movement seemed powerless.

Conscious of their own incapacity to effect any change in the laws, and at the same time wanting to emphasize that they were essentially "responsible" unionists whom the government could always count on, the MTUC leaders appeared to have continued in their usual way to try and win the confidence of the government. Thus, while criticizing the legislation and its implications, the MTUC seldom failed to reassert its readiness to contribute to the success of the economy. The MTUC promised to organise seminars and classes to teach the workers how they could cooperate with management "to

increase efficiency, safety, productivity as well as to improve standard and quality of goods".[11] It also called upon the government to include trade unionists in the trade delegations overseas which it believed would "create a sense of confidence among overseas investors and enhance the image of Malaysia in their eyes" now that tripartism was at work and the investors, as envisaged by the MTUC, "are assured of industrial peace" in the country (MTUC, GCR 1969-70:203).

This stance of the MTUC was highlighted with its strong support for the candidacy of Malaysia's Minister of Labour, V.Manickavasagam, to the post of ILO President for 1970/71 session even though at the time the centre was still engaged in what its leaders described as the "most intensive" struggle against government anti-labour legislation in which case which the Minister was their nearest target. In his speech at the ILO after the election of V.Manickavasagam as the new ILO President, Zaidi, the Secretary General of MTUC, tried to justify the centre's strong support for the Minister by saying that "in matters which concern Malaysia as a whole, we are all together, to work in her interests despite the unhappiness which we feel over her labour policies" (MTUC, GCR 1969-70:258-62).

The arguments put forward by the MTUC, and the manner with which it campaigned against the legislation also served to underline its "responsible unionism" tendency. The restrictive legislation was not only opposed by the

centre because it was seen as an infringement on the democratic rights of labour and the unions, but also because such legislation was seen as creating the ground for a possible revival of the "militant unionism" tendency among some sections of the MTUC. This, the "responsible" section of the MTUC considered a threat both to its leadership and the "national interest". In criticizing the amendment which restricted the scope of union bargaining, for instance, the MTUC maintained that such restrictions would weaken the unions' position and would in turn result in the loss of confidence of the membership in the unions. This it claimed would also open the doors to "subversive activities by underground elements and only a strong, independent and resourceful trade union movement can successfully defeat such menace" (MTUC, GCR 1969-70:48). Similarly, the MTUC's opposition to the initial three-year ban on union in new industries appeared to have been more informed by its concern to keep the new industries free from what it termed as the "other elements who do not have to bother about the law", rather than by the principle to defend and protect the rights and interests of labour and the unions (MTUC, GCR 1969-70:191). According to the MTUC, it was necessary for the government to allow what it termed as "a responsible and democratically organised trade union" to organise the workers in these new industries because only this sort of union could produce "a healthy atmosphere which may be of

profit and benefit for both the capitalist and labour" (MTUC, GCR 1969-70:191).

Likewise, the campaign against the legislation also reinforced the "moderate" and "responsible unionism" inclination of the MTUC leaders. Worried that such a legislative onslaught upon labour would continue and thus would further weaken the movement the MTUC leaders were also forced to "moderate" their views and position even further. In his letter seeking an appointment with the Prime Minister to discuss the issue, the President of MTUC said that

"We are of course prepared to be very open-minded and flexible on any reasonable safeguards which you may consider essential to protect capital interests and it is our hope that during our discussions on the new labour laws with you, a just and suitable compromise would be found" (MTUC, GCR 1969-70:29).

They were also apparently worried that a continued disillusionment of the workers (with the legislation) might lead them to resort to actions which would in turn provoke the government into taking tougher measures against the union movement. For example, in his statement released at the ICFTU Executive Board meeting held on 11 March 1970, the Secretary General of MTUC expressed the fear that the "no progress" state of the campaign against the legislation might force the unions to press for "action and suggest steps which perhaps can only create further difficulties and provoke the government into adopting more severe measures" (MTUC, GCR 1969-70:207). The fear of government action and reprisal (also seen in

the case of the Railway Strike earlier) seemed to have become part of the psyche of the MTUC leaders to the extent that it tended to limit the range of options which they could consider in pursuing their campaign against the legislation. It also essentially meant that any action by the MTUC and its affiliates would have to be within an "acceptable" boundry which must therefore implied a limited "achievement".

As indicated, the events also showed that despite its opposition to the new laws, the MTUC was fully in support of the government's economic and development programmes which had provided the occasion for the laws in the first place. Far from being a threat to the status quo, the MTUC had consistently showed that despite all its misgivings towards the government for the latter's increasingly tough labour policy, it was always keen to be a partner of capital and the government. Indeed, its strong rhetoric, however unpleasant to the government at times, was mainly for the purpose of securing union confidence in its leadership role and in turn government recognition of this role. When the Emergency was lifted in early 1971 the clause which banned the public sector unions from joining the MTUC was also removed from the statute book, thereby restoring the MTUC's earlier status as the country's primary national labour centre, although the other major restrictions of the 1969 legislation remained. In this it could be argued that the government was not that keen to split the movement into public and

private sector union groups. The fact that the clause was withdrawn, despite its more serious implications to the movement, relative to the other clauses, seems to suggest that the government might have used it only as a bargaining tool so that its withdrawal resulted in a considerable "relief" for the MTUC, to the extent that the MTUC was prepared to tolerate the other clauses without much complaint.

6.3. Conclusion

This chapter indicates that during the post-independence Alliance era there were serious suggestions from some sections of the movement for the MTUC to consider assuming a "political" role in the country's political process. This idea proved difficult as the main tendency within the movement, which wanted to continue its collaborative relationship with the government, was not in favour of the MTUC becoming involved in "politics". However, despite the persistent reluctance on the part of this main tendency, the government's successive legislative onslaughts on labour and the unions in the 1960s, and the obvious failure of the consultative/advisory machinery to deal with the movement's grievances prompted the unions, and hence the MTUC, to reconsider some kind of "political action" as a possible means to pursue the cause of labour and the unions. The "political action" later emerged in the forms of the issuing of a

Workers' Charter and the centre's support for multi-party candidates for the 1969 General Election.

The chapter also shows that one of the major problems faced by the MTUC-led movement, which also served to undermine its position (as a multi-racial force) in relation to the government and capital, was its incapacity and unwillingness to address communalism. The MTUC leaders' generally sanguine view of communalism within their organisation tended to perpetuate a problem which had the effect of further weakening the movement. The discussion suggests that the third state of Emergency imposed by the government following the outbreak of the post-election racial riots in (May) 1969 not only brought into focus the limited attempts by the MTUC to confront communalism, but also marked another government legislative offensive against labour in which the MTUC again proved incapable of securing redress.

As for the Alliance, the chapter reasserts the view that its disapproval and even opposition to union involvement in politics was in part due to its concern to maintain its position as the government of an independent Malaya, and in part due to its perceived need to attract foreign capital into the country for "economic development". For these reasons it was concerned to discipline and to control labour and the unions. Apart from the legislation already dealt with in the previous chapter, the period also saw the Alliance using the Emergency conditions (beginning in May 1969) to further

tighten its labour policy through yet another series of restrictive labour legislation. The limited response by the MTUC to these developments further continued its dependent and client status with regard to the Alliance.

Notes

[1] See the full text of the Charter in MTUC, GCR 1969-1970:246-49. For a background information about MTUC's involvement in politics prior to and around the 1969 elections, including a brief note on the Charter, see a report entitled "MTUC's Involvement in Politics" in the same report just cited, pp.90-103.

[2] Here, it should be noted that the Gerakan Party which enjoyed the support of some unionists at the time had earlier issued its own Workers' Charter in late November 1968 for the purpose of the election. The full text of the Gerakan's charter is reproduced in Vasil (1972:64-65).

[3] It should be noted that this legislative issue features prominently in the Gerakan Party's Workers' Charter noted above.

[4] For an extended discussions on this see for instance, Lim M.H. and Canak (1981); Brennan (1982); Cham (1975).

[5] For detailed accounts but different perspectives of the riots see, for instance, National Operations Council

(1969); Tunku Abdul Rahman (1969); Comber 1983); and Goh Cheng Teik (1971).

[6] For an elaborate account of "politics of communalism" in Malaysia see Hua W.Y.(1983).

[7] These are the annual average figures for most of the 1960s based on the General Council's Reports (1962-63 to 1967-68, 1969-70) and Zaidi (1975).

[8] The new legislation were the Essential (Trade Unions) Regulations, the Essential (Modifications of the Trade Unions (Exemption of Public Officer) Order 1967) Regulations, the Essential (Employment) Regulations, and the Essential (Industrial Relations) Regulations.

[9] Straits Times, 10.10.69, cited in Todd and Jomo (1988).

[10] For details of MTUC's comments and views regarding the amendment see "Memorandum on Trade Union Rights" in MTUC, GCR 1969-70:185-205, Appendix B.

[11] "Memorandum on Trade Union Rights" cited above. For details of the areas and mode of cooperation recommended by the MTUC see "Co-operation between Government, Employers and Trade Unions", in MTUC, GCR 1969-70:240-45.

CHAPTER SEVENTHE IDEOLOGY OF COMPROMISE UNDER BARISAN NASIONAL(1970-81)

The impact of the third Emergency (following the racial riots of 13 May 1969), and the government's New Economic Policy (NEP), which aimed at securing national unity through economic parity between the country's ethnic groups, encouraged the main tendency within the MTUC-led movement to adopt a compromising and collaborative posture towards the government and capital in general. This was evident from the various economic or business ventures undertaken by the MTUC and the unions in the 1970s, as well as from MTUC's enthusiastic efforts to boost tripartism and to maintain industrial peace.

Having dealt with the development of the MTUC under the Alliance in the previous two chapters, the present and the following chapters will consider further developments of the MTUC in the era of Barisan Nasional or the National Front government. As the discussion continues it should become clear that, while the Alliance era proved to be a period of political "turmoil" characterized by the Emergencies and the racial riots of May 1969, the Barisan era was dominated by the issue of the NEP.

In this chapter I shall suggest that a resort to economic or business ventures and "industrial peace" by

the main tendency within the MTUC-led movement at the time underlined the compromising attitude of the MTUC leadership. I shall also suggest that this new compromising posture of the MTUC continued to undermine labour's position in relation to government and capital, particularly when the question of organising of workers and struggling for the restoration of labour and trade union rights was still on the agenda of issues for the MTUC to consider.

The chapter, first, discusses the "New Frontiers of Trade Unionism" policy of the MTUC-led movement in conjunction with the government's recently launched NEP. While outlining the backgrounds and rationale of the policy (as suggested and implied by its leading proponents) the section also considers some of the general implications of the policy for the movement. The next section deals with the notion of tripartite cooperation and industrial peace between the three parties concerned, the MTUC, the government, and the employers group. This section includes a brief consideration of the MTUC's "Blueprint for Industrial Peace" and also the new tripartite "Code of Conduct for Industrial Harmony". The final section concludes the discussion on the MTUC under the *Barisan*, pointing to the continued weakness of MTUC leadership politics.

7.1. New Economic Policy and MTUC's "New Frontiers of Trade Unionism"

Low morale and the weakened position of the MTUC in relation to government and capital, and the desire of the "moderate" unionists to benefit from various opportunities created by the government's New Economic Policy, prompted the MTUC to campaign for active union involvement in economic ventures. While this campaign helped to boost the position of the MTUC, particularly in relation to the government, it also brought about new dilemmas and raised serious questions as regard the role and overall aspiration of the centre.

The 13 May racial riots (1969), mentioned in the previous chapter, had a major impact on the course of social and political development of the country. The solution to communalism adopted by the government was the NEP. Announced in 1971, the NEP aimed at 1) eradicating poverty irrespective of race, and 2) restructuring society in order to remove the identification of economic functions with race within a 20-year period ending in 1990 (Malaysia, 1971:1). To secure the long-term goal of ethnic harmony, the NEP, in particular, sought to boost the position of the Malays who were the single largest economically-backward ethnic group in the country. Such a strategy was considered necessary by the especially Alliance leaders so as to strike a socio-economic "balance" considered crucial for guaranteeing a lasting peace. To achieve these objectives the NEP represents an

attempt to boost the Malay ownership and control of share capital (from 1.9% of the share capital of limited companies in 1970 to 30% by 1990), produce a relatively large pool of Malay managers and other professionals (also with 30% target), and to create employment opportunities for the growing population, such that employment in the various sectors of the economy as well as by occupational levels will reflect the racial composition of the population (Malaysia, 1973:62, 81-88). Under the plan the same shares of the local non-Malays were to be increased from 24.4% (of which 22.5% belonged to the Chinese) to 40% within the same period. Needless to say, active participation of Malays in various economic ventures was also to be encouraged by the government.

Two important points should be noted with reference to the NEP. Firstly, the NEP was a communal strategy. Such a strategy was understandable since communalism proved to be an effective mechanism whereby the elites could continue to reproduce their relative hegemony over the rest of society. Secondly, due to the limited capacity of local capital to enable a rapid expansion of the economy to take place, heavy reliance was again placed on the role of foreign capital. This would place the government in an ever more dependent relationship with foreign capital. As a condition for the success of the NEP the government proposed restrictive union action. When Parliament reconvened in 1971, most of the amendments to the labour laws (1969) (decreed under the Emergency

powers) were incorporated into a new comprehensive legislation, sending a clear signal to labour and the unions of the government's determination to see its economic plans succeed.

The other strategy adopted by the government which also appeared to complement the NEP concerned the post-1969 political arrangements. In the 1969 elections the opposition parties won a substantial number of seats in both the State Legislative Assemblies and Parliament at the expense of the Alliance candidates. The DAP which for the first time participated in the elections secured 13 parliamentary seats or 13.73% of the total votes and 31 state seats or 11.76% of the total votes. The Gerakan Party in fact managed to take over the state government of Penang winning 16 out of the total 24 seats there. The Gerakan also won 8 parliamentary seats and a total of 26 state seats. The PMIP also managed to retain its overall control of the Kelantan state and secured 12 parliamentary seats compared with the previous (1964 elections) 9 seats. Altogether the opposition parties in peninsular Malaysia had increased their seats in Parliament from 15 in 1964 to 37 in 1969, while the Alliance had its share reduced from 89 parliamentary seats or 58.37% of the total votes in 1964 to 66 and 48.41% respectively in 1969.[1]

Faced with this result, the Alliance began by rebuilding its powerful base. This was undertaken, first, by imposing a state of Emergency and using the Emergency powers to suspend Parliament and to suppress the

opposition (for example, by banning all political activities) during the 21-month Emergency rule beginning in May 1969. Secondly, the government embarked upon the task of winning over the "moderate" and essentially right-wing opposition parties to its side. The second task was accomplished with the entry of the Sarawak United People's Party (1970), Gerakan Party (1972), the People's Progressive Party (1972), and the PMIP (1973) into the broader Alliance-led coalition, the *Barisan Nasional*. It should be noted that the left-wing Partai Raayat and the right-wing DAP were the only two important opposition parties which were outside the *Barisan*. The early 1970s thus saw the Alliance government, now under the leadership of Abdul Razak Hussein, regaining its political dominance and set to implement the NEP.

MTUC and the NEP

For the MTUC, the failure to secure any substantial concessions from the government with respect to the especially 1967 and 1969 laws (except of course its own right to continue serving as a national labour centre), there appeared to be an urgent need to reevaluate its role and policy orientation and to find ways and means to check the progressive erosion of its public image and credibility as the country's major labour centre. As part of this the MTUC faced the problem of attempting to regain the confidence of the unions in its role as mediator with the government.

This situation prompted the MTUC to consider a new set of policies which might allow it to reconstitute itself as an effective spokesperson for the union movement. The option was "discovered" through the idea of the government's NEP. The NEP's objective of "eradicating poverty" (irrespective of race) was seen to be in line with the MTUC's own campaign to improve the socio-economic position of the workers, while the idea of job creation through rapid industrialisation programme embodied in the policy was seen as boosting labour's own position in the economy, and was especially appealing to the "moderate" reformist wing of the MTUC. At the MTUC's 20th ADC in April 1971 the delegates passed a resolution endorsing the NEP (MTUC, RP, ADC 1971). This resolution called upon the MTUC General Council to establish "an industrial and trade training centre for unemployed persons" and to form a multi-purpose cooperative society to uplift the economic position of workers. Following the above resolution, and in an effort to convince the government of its keen support for the country's development plan, mainly through the NEP, the MTUC also submitted "A Blueprint for Industrial Peace" to the Deputy Prime Minister which outlined the centre's proposals to the government and the employers, as well as its own undertakings to secure industrial peace and the success of the government's plan.[2]

In line with the spirit of the NEP, the MTUC leaders, who were also the leaders of their own unions, began to

articulate the idea of active union involvement in economic or business ventures, also known as the "New Frontiers of Trade Unionism". The underlying themes of the New Frontiers policy appeared to be the idea of employment creation, and the overall strengthening of the movement through union economic ventures.[3] The MTUC leaders believed that by engaging in various economic or business ventures, as well as providing educational and vocational training facilities to the youth, there would be "greater financial resources to help finance the expansion and improvement of programmes of the movement as a whole", and to help complement the government's plans to provide employment to the population.

Background of the New Frontiers Policy

At this juncture it is important to place in perspective some major developments prior to, and following the 13 May tragedy and the Emergency, which help to explain the movement's inclination towards the NEP, and its embrace of the New Frontiers policy. First, an awareness of various union economic activities of other countries, such as workers cooperatives, travel bureaus, and workers banks, especially in Europe (and to a certain extent Singapore) had proved increasingly attractive to some leading Malaysian unionists.[4] Some suggestions pointing in this direction could be found in some speeches, as well as the MTUC's earlier resolutions. The notion that trade union economic strength could serve as a

leverage in the bargaining process with the employers and even the state, seemed plausible. In addition, there was a belief that involvement in such enterprises would earn unions respect and recognition from the government. After all, in an inaugural speech at the MTUC's ADC as early as 1965 Abdul Razak Hussein (then the Deputy Prime Minister) had already redefined "responsible unionism" in terms of increased development and trade, "increased productivity", training programmes, organising cooperatives, and workers' discipline.[5]

Second, there is evidence to suggest that the MTUC's interest in these economic programmes was inspired by the activities of its biggest affiliate, the NUPW, which had started its own economic activities in the late 1960s. The union's early economic activities were mainly concerned with purchasing a few rubber estates to save jobs for a tiny fraction of its members who had fallen victim to the fragmentation of estates. The buying of rubber estates and other economic activities to be cited shortly were carried out through the union's business arm, the Great Alonioners Trading Corporation Berhad (GATCO) and the Multi-Purpose Cooperative Society formed in 1967 and 1968 respectively.[6] Although these estate projects were of limited economic significance, they were held in high esteem by the NUPW leaders.

In view of the influence of the NUPW in the MTUC, particularly through its long-serving Secretary General, P.P.Narayanan, who was also one of the most important and

longest-serving leaders of the MTUC, it is not surprising if similar ideas about union economic activities also seemed "reasonable" to the other MTUC leaders (see *Suara Buroh*, January 1969). The important role of the NUPW and P.P.Narayanan in the movement for most of the 1950s and 1960s has already been pointed out earlier. This situation still persisted in the late 1960s and early 1970s when the New Frontiers idea was evolving. P.P.Narayanan who had earlier served as the first and fourth President of MTUC was reelected to the same post in 1973 at the time when the MTUC was about to commemorate its 25th year anniversary. His reelection to presidency which was to be repeated through the rest of the 1970s indicated the influence he commanded in his union and the MTUC. Narayanan, in fact, was regarded to be the main architect of the New Frontiers policy although the role of Zaidi, Yeoh Tech Chye, and T.Narendran who were the Secretary General, President (until 1973) and Vice-President of MTUC respectively at the time should not be under-estimated. In this P.P.Narayanan was also said to have wanted to emulate Singapore's Devan Nair's "The New Horizon" which saw the docile, pro-government (or rather government-controlled) National Trades Union Congress in that neighbouring country undertaking a number of business projects.[7] Of course, under the new climate of NEP, such activities were not only "safe" (compared with the "crusading" type of activities), but may also be favoured by the government.

Third, the government's determination to push through the NEP also influenced the mood of the unions, forcing many to refrain from taking actions that might be construed as undermining the policy. The 1971 legislation further convinced the MTUC that the government was in no mood for any compromise other than on its own terms. In fact, the Emergency situation following the May tragedy served to strengthen the government's position and further legitimized its policies on labour discipline to the extent that any hope of the MTUC gaining legislative concession seemed increasingly unlikely. Thus it was also claimed that the MTUC supported the NEP out of fear that an indifferent attitude towards such a highly celebrated national policy might result in the government's unfavourable attitude towards the MTUC and implementing policies accordingly (interview: A.V.Kathaiah, 5.4.86).

Finally, the MTUC's "political option", signified by its active endorsement of candidates in the 1969 elections, also proved ineffective when the government suspended Parliament upon the declaration of the Emergency in 1969. Even after the suspension was lifted in February 1971, it was obvious to the centre that the "pro-labour" politicians could hardly be effective in a Parliament still dominated by the MPs of the ruling party. According to MTUC Secretary General, some of the politicians whom the MTUC supported in the 1969 elections "not only have done nothing to help workers' cause but in some cases they

have even supported Government's anti-labour measures" (MTUC, GCR 1971-72:7).

Together, the above events and developments suggest that the New Frontiers policy was an important turning point in the development of the MTUC-led movement. While the "moderate", "responsible", and collaborative attitude of the MTUC (in relation to the government and capital) was already too clear by now, the New Frontiers policy saw the movement further committing itself to being the active and "pragmatic" partner to capital and the state.

The period between 1971 and 1976, for the most part, corresponded with the government's Second Malaysia Plan (which also constituted the first phase of the NEP). During this period a number of major unions and their centres took up various economic ventures. The NUPW, for example, apart from the estate projects cited earlier, was also involved in a multi-million dollar textile manufacturing project through a joint-venture (originally with the Lakshmi Textiles of India, and the Negeri Sembilan State Development Corporation) with a firm from India. Through its companies, the union invested in shares, containers, edible oils, truck assembly, bank, insurance company, and in a number of other enterprises.[8] CUEPACS, the national centre for the public sector unions (under the leadership of T.Narendran, Yahaya Mohd.Ali, and Jamaluddin Isa), had undertaken housing projects through its multi-purpose cooperative society in Kuala Lumpur, Johor Baharu, and Seremban. The

National Union of Teaching Profession (NUTP) introduced loan schemes to its members for purposes of purchasing consumer goods. The Transport Workers Union (TWU) under V. David had a housing cooperative, retail shops, a travel agency, a charter service, and investment services, while Zaidi's base union, the Commonwealth Services Employees Union or CSEU (until 1971 known as WDCSA), was involved in projects like housing, buildings, palm oil mill, and investments in granite quarries and a cattle farm (Rao, 1976; David, 1984:161-63; Morais, c1985?:158-69). The MTUC itself, mainly through the efforts of its affiliate, the National Union of Bank Employees (NUBE) under Yeoh Tech Chye, also launched the highly celebrated Workers Bank (Bank Buruh) in 1975, with P.P. Narayanan as the Chairman.

The Implications of the New Frontiers on the Movement

The New Frontiers policy raised a number of questions for trade unionists. For one, a focus on business or economic ventures would certainly consume much time and energy of the unionists, thus possibly resulting in a neglect of such traditionally and fundamentally important spheres of trade union work as the education and organisation of workers. This is not to mention that the task of keeping a business enterprise viable in a competitive market is certainly more than a demand of the unionists' attention. In any case, even if the New Frontiers jobs were delegated to the trained business

executives hired by the unions, there was still a problem of accountability. For, as union leaders who had to be accountable to the general membership, the unionists concerned were still responsible for the overall administration and output of the enterprises.

The New Frontiers policy also raised a question about the conflict of interests. By committing themselves to business activities, and in the process, subjecting themselves to the dictate of the market forces, the unionists and the MTUC were aligning themselves ever more closely with capital, while at the same time undermining their own proclaimed role as the champions of the cause of labour. The emergence of a new breed of company directors and managers from among the unionists, including those who had been the main advocates of the policy, brought into focus this question of a conflict of interests. The positions they occupied, and the functions they had to perform for their respective union business concerns were certainly not much different from those of the corporate functionaries and directors, particularly in respect of assessing and making decisions about investments, the performance of the enterprise, and the generation of profits. Needless to say, operating in a competitive market (which they had yet to establish their foothold in) these business unionists had to resort to various cost-cutting measures, including those which militated against the very workers in whose interests the business projects were (supposedly) undertaken in the first place.

The position of these business unionists certainly became more contradictory when faced with a dispute with their own workers. To illustrate, an important leader of the MTUC was said to be sitting on the board of directors of an insurance company when the company was having a dispute with its workers (interview: A.V.Kathaiah, 5.4.86). Likewise, it was difficult for a business-owning union to even rationalise its position with respect to the struggle by the workers (including its own) to organise when such activities could affect its own business interests. An interesting example in this case was the NUPW itself which, through its joint-venture textile mill mentioned earlier, had assumed the role of employer of textile workers at a time when there were attempts by the country's textile workers (with the apparent assistance of the MTUC) to form their own national industry-based union, although this had been refused registration by the RTU. In this situation, despite MTUC's own protracted campaign for the amalgamation or merger of unions in line with its belief that "big means strong and effective" (apparently inspired by the NUPW and other similar unions), it is certainly doubtful whether the NUPW leaders were keen to lend their support to the struggle of the textile workers.

As far as the advocates of the New Frontiers policy were concerned, such "worker capitalism" was not perceived as being in conflict with labour's overall interest. While viewing the policy as an extension of the movement's long-standing cooperative relationship with the government

and the employers, the advocates of the New Frontiers also seemed convinced that the rationale of employment creation justified the policies. To what extent the unions' economic ventures could really help to alleviate the unemployment problem did not seem to matter much. Around 1976 only about 1,500 to 2,000 jobs were estimated to have been created by trade union business and commercial establishments (Rao, 1976). Further, there was little concern with the implications of the policy (particularly the unions' business ventures) for the principles and aspirations of trade union struggle. As Yahaya Mohd. Ali, MTUC's Acting Secretary General (1975-76) put it, although some doubt the necessity of this policy and "question the principle of the actions", "many applaud the power labour could marshal in a field which has been the traditional monopoly of capitalists" (MTUC, GCR 1974-76:2). In the same report he also maintained that the policy was an attempt to find a break-through in the "traditional concepts of labour", in fact, "an attempt to find another direction in improving the quality of life of the workers".

Lest the New Frontiers appeared too devoid of social content, some of these unionists also maintained that the policy encompassed activities which emphasised service rather than profit.[9] Examples often cited in this case were such projects as cooperatives and training centres operated by a number of unions. This included the Trade Union Training Centre by NUBE, the Workers Institute of

Technology by the TWU, and the scholarship, loan, and hostel schemes for high school and university students as well as the Agro-Industrial Training Complex by the NUPW. The Workers Institute of Technology was established with the support of the MTUC, ICFTU, ILO and Asian-American Free Labour Institute (AAFLI), whilst the Agro-Industrial Training Complex was run in conjunction with the Swedish Lutheran Church and the Negeri Sembilan Development Corporation (David, 1984:161-63). While the Workers' Bank was originally intended to be a cooperative bank. But, because of what appeared to be certain technical and "feasibility" problems, particularly in the eyes of the authorities concerned, the bank was later registered as a commercial bank. Although the social purpose and emphasis of cooperatives was on "service", it was the case that cooperatives usually operated on the basis of their tax exemption status as well as along business lines, both of which tend to point to considerations other than "social".

Notwithstanding the people's need for more educational and training facilities, it was also questionable how many students really benefitted from such union schemes. It is possible that the channelling of the already limited union resources into these projects was only to prove to the government that the unions were prepared to assume some responsibility for education and training. The objective of these schemes was to produce skilled manpower that might well fit the need of industry or capital, while the question of providing systematic

educational programmes to unionists which would help raise their socio-political consciousness or enhance labour's ideological and organisational potential was less evident. Despite the need for trade unionists to undergo various workers' or trade union education courses, the unions and the MTUC were unable, to any great extent, to provide such educational opportunities in union-run training centres. At any rate, even the courses conducted by these few unions and the MTUC tended to be more "contingent" in nature, with very few unionists gaining access to them (see MTUC and FES, Publication No.4). It should also be noted, in spite of their apparent concern for the education of the workers' children, it was an irony that the poor state of Tamil education in most rubber and oil-palm estates throughout the country seemed unproblematic to the NUPW leaders. In the words of Stenson (1980:205), the higher education scholarship and hostel schemes by the NUPW illustrated the "empty formalism" of a union "that continued to ignore the initial closing of opportunities caused by the estate Tamil school system. It also reveals the orientation of a union leadership intent upon liberating a few talented students from the estate proletariat while in no way attempting to emancipate the working class as a whole".

Closely related to above, the New Frontiers policy which placed the MTUC in closer collaborative role with capital and government had the effect of undermining the MTUC's overall position in relation to the government. As

mentioned above, it was difficult for the MTUC to argue against the restrictions imposed on labour and the unions when those restrictions were the essential prerequisites for the success of business ventures now actively encouraged by the MTUC. The MTUC, CUEPACS, and a number of major unions were embroiled in a pursuit of profitable ventures to justify their New Frontiers policy. On the one hand, they raised the expectations of members as they popularised these activities. On the other hand, they had to submit themselves to the "free" market. Indeed, in promoting these policies, the advocates of the New Frontiers also denied themselves the opportunity of arguing against the very logic of the market system which necessitated the exploitation and repression of labour in the first place.

All these developments point to the New Frontiers' subordinate role to the NEP and to a situation which placed a further obligation on the MTUC leadership to abide by a government inspired code of industrial conduct. An amendment to the Trade Unions Ordinance to allow unions to invest in business (with the written approval of the government and subject to such conditions as it may impose) was made by the government in 1973, apparently in response to a request from the MTUC. The government also agreed to declare Labour Day as a public holiday beginning in 1973 (indeed, another timely achievement for the MTUC), and raised a token sum of M\$10,000 from the employers as a support for the MTUC's new building. Perhaps, as a

further sign of government encouragement for these activities, details of unions' total assets were now regularly published in the Ministry of Labour's annual reports.[10]

In any case, although the New Frontiers policy was adopted by the MTUC and a number of relatively large unions, most other unions did not venture into any business activity of their own. In 1976, at the height of the New Frontiers activities, only about 15 unions with a total investments of about M\$25 to M\$35 million were estimated to have been engaged in some form of business activity (Rao, 1976). Some unionists were critical of and even opposed to the policy. While some were of the opinion that mixing trade unionism with business would subject the movement to various forms of abuses, particularly favouritism and corruption, while others suggested that certain union incumbents were using the business and other economic projects to silence critics and to direct attention away from the "real issues" faced by the unions.[11] Nevertheless, the New Frontiers policy continued to prevail throughout the decade under consideration.

7.2. Cooperation for Industrial Harmony

The post-1969 situation not only prompted the MTUC leadership, and major affiliate unions to subscribe to the idea of the NEP, but also, as a complement prompted it to initiate as well as to support industrial peace-keeping

measures. As with the earlier New Frontiers policy, these initiatives and the attitude of the MTUC again underlined its compromising tendency and, in the process, tended to further undermine labour's position with respect to government and capital. Two events which confirmed this were the promulgation of "A Blueprint for Industrial Peace" by the MTUC in June 1972, and its full support for the government-initiated "Code of Conduct for Industrial Harmony" in 1975.

Submitted to the Deputy Prime Minister on 6 June 1972, the blueprint, which in Zaidi's word "was by far one of the most innovative pieces of work that the MTUC had issued during its 25-year history" (Zaidi, 1975:370) charted out the various undertakings and measures which the MTUC believed should be taken by itself, the government, and the employers to secure industrial peace and guarantee the success of government development plan. Under this plan the MTUC pledged itself to promote a full understanding and appreciation of the government's economic policy; to assist in the growth and development of democratic trade unions (that is "free of subversion and anti-national elements"); to promote racial harmony; to impress upon unions the importance of exercising restraint and showing tolerance in their relations with employers; to encourage unions to refrain from taking industrial action unless all other means are exhausted and have proved futile; to provide courses and training programmes on such matters as greater productivity and

higher levels of efficiency in the industry; to encourage direct union involvement in industrial, economic, social and cultural activities, to popularise family planning among the workers, and to project the image of Malaysia.[12]

To enable the MTUC and the unions to play their "proper role" the blueprint called upon the government to intensify cooperation with the MTUC, to improve its industrial relations machinery, and to amend some clauses in the labour legislation. This was in reference to the provisions in the Trade Unions Ordinance, 1959 which prevented the organisation of workers in rural areas and the fishing sector, and which also restricted the establishment of unions only along similar trade, occupation and industry, "similar" being the opinion of the Registrar of Trade Unions. It also called for the removal of restrictions on the use of union funds so as to allow unions to invest in industrial and economic projects, and cooperative societies; the setting up of a tripartite Price and Income Statutory Board, and the declaration of the first day of May as a national holiday. Appeals were also made to all employers to cooperate with the MTUC and the unions to preserve "durable peace and harmony in the industry". The employers were asked not to abuse what the MTUC termed as their privileges (such as "dismissing their workers without valid reasons and just cause", and practising discrimination in promotions and transfers); to take workers into their confidence, and to

involve the workers in all aspects of company undertakings; to help facilitate the workers to attend trade union education programmes, and to cooperate with the unions to improve minimum wage levels (MTUC, GCR 1971-72:306-11).

The blueprint clearly highlighted the MTUC's support for the government's NEP programme, and further underlined the centre's own undertakings with respect to the New Frontiers policy. It also reaffirmed MTUC's commitment to tripartism and to ensuring industrial peace. This initiative by the MTUC was well received by the government. As indicated in the previous section, the government responded by a series of goodwill gestures of its own such as an amendment to the trade union law (such that it allowed the unions to invest in economic projects) as requested by the MTUC, by agreeing to declare the Labour Day as a national holiday, and by contributing M\$10,000 to the MTUC's Building Fund. Later, as a further show of appreciation, a cabinet minister also commented that the MTUC's support for the government's NEP has contributed towards the favourable industrial climate in the country; attracting foreign investments which made it possible for an industrialization programme to move forward (*Straits Times*, 27.7.74).

Meanwhile, the tripartite NJLAC, which had been suspended with the declaration of the Emergency, was revived in 1971, indicating that the government was keen to secure labour's cooperation for the implementation of the NEP. The MTUC participated in these deliberations with renewed enthusiasm. Although the tightening of the laws had made it difficult for the unions to take industrial action, the period from 1971 to 1974 saw a steady increase in the number of strikes, including an increase in the total number of workers involved in strikes, and total person-days lost due to strikes.[13] The steady increase in strikes during the first half of the 1970s, in part, prompted the government to encourage the MTUC's overt commitment to industrial harmony. This took the form of the "Code of Conduct for Industrial Harmony" signed by the MTUC and the Malayan Council of Employers' Organisation (MCEO) in February 1975, through the mediation of the Ministry of Labour.

The 1975 code, as the name implies, aimed at establishing "principles and guidelines to employers and workers on the practice of industrial relations for achieving greater industrial harmony" (Ministry of Labour, 1975). The code (as with the 1964 code discussed in Chapter 5) had no force of law, but urged both employers and workers "to refrain from taking unilateral action with regard to any industrial dispute"; to resolve all grievances and disputes in accordance with the agreed

grievance procedures or by negotiation, conciliation and arbitration; to ensure that all matters in dispute were dealt with by the proper machinery established for the purpose; to promote cooperation at all levels in industry; to establish a procedure which would ensure a prompt investigation of grievances leading to a joint settlement; "to refrain from resorting to coercion, intimidation, victimization and to avoid go-slow, sit-down and stay-in-strikes"; and "to educate managements and workers in their obligations to each other". The code also spelt out in detail the guidelines and procedures which should be followed by employers and workers for establishing "good industrial relations practices"; an employment policy; the procedures for the conduct of collective bargaining and disputes resolution, as well as the procedures for improved communication and consultation between employers and workers (Ministry of Labour, 1975).

As was the case of the New Frontiers policy, there were a number of questions pertaining to the blueprint and the code, as well as their implications for the role and orientation of the MTUC-led movement, which should be considered. For one, the blueprint and the code clearly placed a further obligation on the MTUC to work closely with the employers and the government to achieve or to maintain order and peace in the industry. A Standing Committee with representatives from both the MTUC and the MCEO sides under the chair of the Minister of Labour was formed to examine, evaluate, and monitor the

implementation of the code as well as to undertake "appropriate measures to secure greater compliance" of same.[14] However, while this kind of pro-capital, policing role would certainly please the government and employers, it could also result in the MTUC losing the confidence and support of labour and the unions.

For the MTUC, the New Frontiers policy which entailed a subscription to the logic of capital accumulation and profit, tended to make the whole idea of tripartism more appealing. After all, cordial employer-employee relations and, as the Minister of Labour put it, the containment of "the destructive expression of industrial conflict", which constituted the hallmark of tripartism, were now as important to the MTUC and the business-owning unions as they were to the employers. Unlike the past, when participation in tripartite arrangement was informed more by the need to secure the support and confidence of the government and employers for the labour leadership role of the MTUC, participation by the MTUC and the business-owning unions was more due to the stake they had in the tripartite arrangement itself. In that sense, tripartism was more in the interest of worker capitalism, rather than for "purely" trade union interest, and hence raised the question of the role and orientation of the MTUC as a leader of the union movement.

It should be noted that in the drive to project its new "pragmatic" image, and despite the many outstanding statutory restrictions against the unions which had been the subject of its bitter contest against the government,

the MTUC was particularly cautious or even evasive about the blueprint. Apart from its new call for the removal of statutory restrictions on the use of union funds for investments in economic projects (which later earned it a satisfactory response from the government), few issues were raised by the MTUC. This included the provisions which prevented "the organisation of workers in rural areas and fishing sector" and which restricted "the establishment of unions on the basis of trade, occupation and industry" which highlighted the plight of the predominantly non-unionised, rural Malay workers.

One of the major themes of the blueprint and the code was the need to improve the industrial relations machinery. The idea seemed to be that labour grievances and industrial conflicts were largely due to the poor working of the industrial relations machinery (both at establishment and government levels), rather than because of the capital-labour relation. The MTUC's acceptance of this "industrial relations" logic has already been pointed out in the case of the Railway Dispute in Chapter 5. The present recommendation and endorsement for a more elaborate industrial relations machinery and procedures showed the extent and persistence of the MTUC's notion of "responsible unionism". More importantly, a preoccupation with the mechanics of industrial relations might ignore the concrete problems and situation faced by the workers. In this context it is certainly difficult to see how the position adopted by the MTUC (with respect to the

blueprint and the code) could be regarded as a service to or in the interest of the workers and the unions.

Apart from that the code which called for labour restraint, encouraged the workers to settle their grievances through compromise, and to avoid resorting to unilateral action in the pursuit of their cause also again served to undermine labour's bargaining position in relation to employers. In a situation where the workers and their unions were increasingly being disciplined through new restrictions by the government, then industrial harmony, could not have been other than *harmony for capital and the government*. Indeed, the impact of the compromises by the MTUC and affiliate unions was evident throughout the 1970s with their relatively low levels of strikes and the public declarations of cooperation between the MTUC and the government.

7.3. Conclusion

For the MTUC-led movement which was further weakened by a series of government legislative onslaughts, the 1970s which brought the NEP into focus saw an increasing interest among some important sections of the unions, as well as the MTUC for economic ventures. The situation, as seen through the MTUC's New Frontiers policy, encouraged the centre's more compromising posture in its relationship with the government and employers. This compromising posture of the MTUC was also seen in the Blueprint for Industrial Peace which was unilaterally issued by the

centre and reinforced by the Code of Conduct for Industrial Harmony, signed with the MCEO and the government. As in the case of the New Frontiers policy, both the blueprint and the code of conduct placed further obligations on the MTUC to ensure order and peace in the industry which essentially served the interest of capital and undermined labour.

It was as if the MTUC had at last found a role which was reciprocated and supported by the government. The MTUC and key unions embraced "employer" unionism and undertook commitment to the pursuit of industrial harmony and peace. While this had major implications for its role as a representative of the organised working class, it also reinforced and underwrote the dependent relationship with the government. What was different from the earlier periods was that its role as a facilitator of industrial peace and order was publicly acknowledged by the government.

Notes

[1] For detailed results of the 1969 elections see Vasil (1972), especially Chapter IV.

[2] The full text of the blueprint is reproduced in MTUC, GCR 1971-72:306-11, Appendix I.

[3] Perhaps, the unionists' inclination towards this line of thinking was also boosted by talks/papers presented by

K.S.Nijhar and P.Arulsothy, two economic lecturers at Universiti Malaya in 1971. A summary of Nijhar's talk to the MTUC Executive Committee in 1971 can be found in A.Ragunathan (1975?), Who's Who in the Labour Movement 1974-75, pp.168-69, while Nijhar's paper, "Employment Opportunities in the Second Malaysia Plan and the Role of the MTUC" is published in MTUC and FES, Publication No.1, pp.39-54. Arulsothy's statement on "The Second Malaysia Plan and Labour" is also found in the latter publication, pp.67-71.

[4] This is mostly based on the interviews with the trade unionists. According to Suara Buroh (August 1969) the idea of trade union economic/business ventures started in New Delhi, India in the first Asian Trade Union Economic Conference organised by the ICFTU which the MTUC took part.

[5] See an extract of the speech by the Deputy Prime Minister in CUEPACS' monograph entitled "Relations Between the Government and the Trade Union Movement in Malaysia" (undated), pp.45-49.

[6] See NUPW, NUPW and Its Industrial Projects, (a pamphlet by NUPW) (undated), 17 pp.

[7] Interview with the unionists.

[8] See NUPW's pamphlet just cited. By 1975 Narayanan

was claiming that "the members of NUPW today are not only owners of rubber estates, but partners of a textile mill, a confectionary, a training institute, an agro industry, and also a bank" (NUPW, General Report 1972-75:3).

[9] Interviews with P.P.Narayanan, Yahaya Mohd.Ali, and Jamaluddin Isa. See also an extract of speech by Narayanan in Moraes (c1985?:154).

[10] For a summary of unions' assets during part of the period under review see, for example, Ministry of Labour, Labour and Manpower Report 1980:146-47.

[11] Interviews with K.George, A.Bosco, A.V.Kathalah, A.H.Ponniah, N.Krishnan, and S.Shahril. Such scepticism and opposition to the policy, also formed part of the challenge against the incumbents in the MTUC to be taken up in the next chapter.

[12] For the full text of the blueprint see MTUC, GCR 1971-72:306-11, Appendix I.

[13] See Ministry of Labour (1977). A brief discussion on the major industrial disputes in the 1970s is taken up in the following chapter.

[14] See "Forward" to the "Code of Conduct for Industrial Harmony", in Ministry of Labour (1975).

CHAPTER EIGHTINTERNAL DISSENTS AND SPLIT UNDER BARISAN NASIONAL(1970-81)

As stated in the introduction of Chapter 7, the present chapter continues the two-part discussion of the MTUC in the era of Barisan Nasional government. While in the previous chapter the focus has been on the compromising ideology of the movement, the present focusses the conflicts and divisions within the movement.

Apart from the compromising and increasingly opportunistic tendency of the MTUC leaders, two other major factors which tended to undermine and to weaken the MTUC were the internal divisions within the movement, and the government's increasingly anti-labour and anti-union policy. During the 1970-81 period these internal divisions were especially evident in the mounting criticisms and challenge against the MTUC leadership and the withdrawal of the CUEPACS-led public sector unions from the national centre. Further, the government's anti-labour and anti-union policies also became more and evident thus weakening the gains that the "responsible unionism" wing thought they had made in the first part of the 1970s.

In this chapter I shall point out that the criticisms and challenge against the MTUC leadership underlined a growing disillusionment within the movement with the

centre's overall compromising posture and general lack of commitment to the cause of labour. I shall suggest that the agitation against the leadership eventually bore some results, including a reassessment in the MTUC which culminated in the Cameron Highlands Declaration. Even so, those committed to "responsible unionism" were still much in control of the movement. This, together with the government's increasingly tough line in dealing with labour had the effect of undermining what had been achieved through this process of internal arrangement and debate. I shall also suggest that the internal divisions and split in the MTUC were also brought about by the cautious approach and compromising attitude on the part of these unionists in their dealing with the government. In the context of the government's New Economic Policy mentioned in the previous chapter, and in the light of some major labour issues and disputes at the time, particularly the MAS-AEU dispute, I shall also suggest that the policy pursued by the government was essentially and increasingly anti-labour and anti-union. I shall argue that with the internal problems still persisting, this government posture created new constraints in the way of the MTUC-led movement.

This chapter draws on personal accounts of the protagonists in the movement, reports and documents of the MTUC, and comments made by other students of Malaysian labour and trade unionism. In the first section I shall

deal with the frictions within the MTUC and trace out the challenge mounted against the established leaders of the MTUC. The second section considers the major labour issues and disputes and, in relation to that, the policy of the *Barisan Nasional* government towards labour and trade unionism. In the third section I examine the history which culminated in a split between the public and private sector unions in the MTUC. Finally, in the fourth section I draw the analysis to a close by pointing to the key features of this phase of MTUC history.

8.1. The Leadership Challenged

The growing dissatisfaction and disillusionment with the compromising attitude of the MTUC leaders, and with what increasingly appeared to be their lack of commitment to the cause of labour prompted some section of the unionists to criticize and later to mount a challenge against this leadership. This had an impact on the organisation, particularly in forcing the MTUC to review its policy orientation and role. However, the continued influence of the established and long-serving leadership coupled with organisational weakness of the dissenters, meant that there was little change in the overall posture of the MTUC.

As suggested in the previous chapters, the leadership factor was crucial in a central, coordinating organisation like the MTUC. With the leaders of affiliated unions too preoccupied with the affairs of their own unions, most of the actual work of decision-making in the MTUC were

undertaken or determined by a handful of the centre's Principal Officials. For most of the 1970s, for instance, the key positions in the MTUC were held by men like P.P.Narayanan (NUPW), Yeoh Tech Chye (NUBE), T.Narendran (President of CUEPACS), S.J.H.Zaidi (Commonwealth Services Employees Union, CSEU), and Yahaya Mohd.Ali (RUM). Although Zaidi left his post as Secretary General of MTUC in 1975, he was replaced by Yahaya Mohd.Ali of RUM who was a close associate of Narendran in CUEPACS. Their long tenure in office and, in relation to that, the rapport and links which they managed to establish with various individuals, groups and organisations both within and beyond the union movement, enabled them to exercise crucial and important influence on the overall policy and conduct of the MTUC.

The positions which these leaders continued to occupy in the tripartite and other consultative/advisory bodies, and their relatively easy access to the various international trade union programmes, also allowed them to acquire a considerable understanding and sophistication of the mechanics and politics of trade union work. Their experience and proficiency in trade union matters (locally and internationally) tended to make them seem indispensable to the movement, which in turn, enabled them to further consolidate their leadership position, both in their own base unions and the MTUC.

As in the previous decades there was also a correlation between the senior leaders of the MTUC and the relative size of their unions or the group of unions from

which they derived their support. For example, Yeoh Tech Chye (NUBE) and Narayanan (NUPW) who between them served as President of MTUC, Narendran (CUEPACS group) as Deputy President, Zaidi (CSEU and some large unions), Yahaya Mohd.Ali (RUM) and David (TWU) as Secretary General, and G.Perumal (NUPW) as Financial Secretary were either from relatively large unions or groups of unions thus mentioned. This and the fact that the number of delegates sent by a union to the MTUC's annual (and beginning early 1970s, biennial) conference was determined by the union's membership strength suggest that the relatively large unions like the NUPW, RUM, NUCW, NUBE, ANULAE, NUT, CUEPACS group, and TWU were in a preeminent position to have their leaders elected as Principal Officials of MTUC.

In relation to this there was also the critical question of union membership fees. As mentioned above the MTUC continued to be preoccupied with a lack of finance for its upkeep, and the failure of some unions to pay their subscription fees. This reinforced the importance of the large unions, who were the major financial supporters of the MTUC. They did not hesitate to exercise the influence that this implied. The situation in turn tended to place an obligation on the MTUC to keep these unions contented, mainly by way of returning or retaining their leaders in positions which appeared commensurate with their unions' financial role in the movement. It was these people who had the opportunities to travel abroad to seminars, conferences, courses, workshops or study tours.[1] In this way they were able to build up networks

of international importance and thus play their part with governments who saw this as an important aspect of a newly independent country. Similarly, in order to justify the union leadership and representative role of the MTUC it was important that these unions (with their large memberships) were kept secured within the movement, thus further obliging the national centre to further the specific interests of these unions with the government or employers. While the situation suggests that most of the general posture of the MTUC tended to reflect the views of these large unions, it also explains the growing dissatisfaction and disillusionment among some sections with the conduct of the MTUC leaders and MTUC policies.

Before outlining some of the major examples of this dissatisfaction and disillusionment it should be noted that following the developments in the 1960s, the 1970s also saw a good number of "younger" unionists beginning to play an important role in their respective unions and through this, the MTUC General Council. Among the most prominent of these unionists were G.Rajasekaran and Harun Nawawi of Metal Industry Employees Union (MIEU), A.V.Kathaiah of All Malayan Estate Staff Union (AMESU), A.H.Ponniah of Amalgamated Union of Employees in Government Clerical and Allied Services (AUEGCAS), and A.Bosco of Electrical Industry Workers Union (EIWU). Although himself a veteran unionist, K.George of the Union of Employees of Trade Unions (UETU) was not only regarded by the younger unionists as one of the foremost critics of the "moderate" leaders of the MTUC, but also an inspiring

figure in his own right. As these "younger" leaders became better informed and critical of the compromising attitude of the dominant MTUC leadership, they became increasingly critical of the traditional role of the MTUC.

The dissatisfaction with the incumbents in the MTUC was evident in a number of cases, ranging from questions of policy to that of the attitude and conduct of the incumbents. For example, in the case of the New Frontiers policy discussed earlier, there was concern among some section of unionists, including the "younger" unionists about the whole rationale of the policy and, in particular, the nature of involvement of certain leaders in the business ventures. Although some of these unionists admitted that they did not properly understand the situation at the time, they somehow thought that it was not proper for the movement to go into business because of a conflict of interests involved. There were also complaints about the alleged abuses by certain business unionists. The top leaders of the MTUC were also said to be particularly busy with the Workers Bank, spending too much time in seeing government officials, preparing papers and writing letters regarding the project, and thus ignoring traditional trade union matters, such as issues of union recognition, dismissal of workers, and other labour grievances.[2]

These doubts, and the ensuing debates surrounding union business ventures, prompted some unionists to move two important resolutions: first, they requested all members of the General Council to declare their assets,

and second, the proposed ban on direct involvement in business. The earlier resolution was first adopted by the General Council in 1974, and later at the Special Delegates Conference, 26-28 March 1978. The second resolution was adopted at a seminar on "The Past, Present and Future of the Trade Union Movement in Malaysia", 30 January - 1 February 1978.[3] However, as with many resolutions adopted by the MTUC, no concrete follow-up occurred thus further disillusioning the critics. According to one MTUC official interviewed by this writer, the earlier resolution was not fully implemented because it stated that non-compliance would subject the members concerned to expulsion from the Council and thus was opposed by certain members who regarded it as ultra vires the MTUC's constitution.

There were also doubts surrounding the seriousness and the level of commitment of certain leaders to the cause of labour. The real interest of the MTUC leaders was questioned as there was no concrete effort on their part to promote or encourage a second-echelon leadership in the MTUC among the younger unionists despite the fact that certain important incumbents had been in the leadership position for decades. (Indeed, the post of MTUC President which since 1965/66 session was held by Yeoh Tech Chye was now (beginning in 1974) taken over by P.P.Narayanan, the foremost incumbent of all. Narayanan was to hold on to this position throughout the period under review in this chapter). Some were said to be "trade union politicians" who always skillfully danced to

the tune of the unions on one side, and that of the employers' and the government's on the other (interview: K.George, 7.1.87). Likewise, by not implementing a number of important resolutions adopted at the delegates' conference, a critic of the incumbents also maintained that "the leadership did not respect the wishes of the ordinary members" (interview: A.V.Kathaiah, 5.4.86).

One of the most common complaints levelled against the MTUC leaders concerned the overseas programmes. Some trade unionists on the General Council were said to have been too much preoccupied with these overseas programmes which accordingly appeared as the major attraction of the General Council meetings (interviews: A.Bosco, 9.10.86; Mohamad Abas, 4.12.86; K.George, 7.1.87). Trade union leaders were also criticized for stepping on each other's foot in order to secure selection for overseas trips with the MTUC being regarded as a kind of "travel agency" for the unionists. Some top leaders were also alleged to have used the travelling facilities (opportunities) in the MTUC to "buy over" some of the critics to their side. In fact, in his own criticism against his former colleagues in the MTUC leadership after resigning from the MTUC in 1980, T.Narendran, a long-time Deputy and Vice-President of MTUC also said that "these trips were the main attraction, and they take precedence over labour problems. It was a perk to keep certain people quiet and contented" (Straits Times, 4.1.81). So popular were these overseas programmes among the union leaders that a number of those interviewed

cynically suggested that "Join the Unions and See the World" seemed to be an appropriate motto to describe the role and image of the MTUC at the time!

Along with the overseas programmes there arose the question of certain top leaders of the MTUC as being too entrenched in international trade union affairs at the expense of a number of more urgent matters at home (MTUC, RP, BDC 1976).[4] The President of MTUC, Narayanan, who had long served as President of ICFTU-Asian Regional Office and, since 1975, as President of ICFTU, was said to have spent too much time overseas, and had little time for labour matters at home. If attendance at the MTUC meetings suggests something about a unionist's attitude towards the matters being considered it may be worthwhile to note that for the General Council's meetings, for example, Narayanan attended 1 out of 4 meetings in 1971-72, 3 out of 7 in 1973-74, and 3 out of 5 in 1974-76, while for the more regularly-held Executive Committee meetings he only made 4 out of a total 26, 4 out of a total 36, and 13 out of a total 27 in the same years respectively.[5] At the same time, his regular absence from the meetings was said to have placed his colleagues from the public sector unions in untenable positions (for example, the Vice-President Narendran and the Acting Secretary General and then Secretary General Yahaya Mohd.Ali). This resulted in what the critics regarded as the MTUC's further neglect of the problems faced by the workers because these individuals lacked the understanding

of the especially industrial, private sector workers' problems (like worker victimization, retrenchment, and the like).

The MTUC leadership was said to be a failure on other matters such as the restrictive labour laws, problems of organising the unorganised workers, and the question of worker and trade union solidarity. Critics within the movement, particularly the "younger" unionists complained about the lack of effort on the part of the dominant leadership to pursue these matters effectively. They suggested that certain top leaders appeared to assume a "statesmanship" role rather than that of trade unionist (interviews: A.H.Ponniah, 4.12.86; A.V.Kathaiah, 4.10.86; S.Shahril Mohamad, 15.8.87). Some critics were increasingly impatient with what they regarded as some leaders' "over-compromising" posture in relation to government which they maintained not only did not contribute towards improving the situation faced by the movement, but also tended to undermine the movement's bargaining position.[6] There were also misgivings as to how the Minister of Labour "had been kept informed" about what was happening in the MTUC and hence tended to ignore the centre's resolution and pressure (MTUC, RP, BDC 1976).

The education programme, a major programme of the MTUC, was also a subject of internal discontent. Critics pointed out that it lacked social and political content. Instead, it emphasised industrial relations and mechanistic labour law matters. The programme was considered by some unionists to be "imbalanced" at best,

and a diversion from other issues of importance at worst. A review of the programme also suggests that despite the more regular and better organised courses and seminars, there was a general lack of "labour" content and creativity in the whole approach (Azizan Bahari, 1986). The continued heavy reliance on external fundings for this programme, particularly from the German-based Friedrich-Ebert-Stiftung (FES) and, after 1977, from the alleged CIA-backed Asian-American Free Labour Institute (AAFLI) also raised doubts surrounding the independence, integrity, and seriousness of the MTUC in designing and implementing its own educational policy and programme. While a notable critic called for caution against the danger of certain foreign institutions (see MTUC, RP, BDC 1976), others called for a stop to the external aid. Following some criticisms against MTUC's collaboration with foreign agencies on grounds of possible infiltration, a resolution, for instance, was moved in the General Council meeting calling for a stop to the continued external aid for the programme. Most of the Council members, however, voted for aid "without strings attached" (Minutes of General Council Meeting, 25.4.76). The MTUC leaders apparently were satisfied with being able to offer a more regular programme to the affiliates which, in some ways, served to highlight the significance of the centre. The question of trade union education becoming the movement's important vehicle in the struggle against government anti-labour policy and the dominance of capital, for instance, never featured in the Council's

meetings.

Some relatively small affiliated unions were increasingly dissatisfied with the overall *modus operandi* of the MTUC, particularly in what they regarded as the "unfair representation" of the affiliated unions in the MTUC which allowed it to be continually dominated by a few relatively large unions. As one of their leaders remarked, these big unions had more representatives in the General Council and could also send a lot more delegates to the MTUC conference thereby enabling them to exert a strong influence on the policy and activities of the MTUC although, as a coordinating body, the centre should listen to and speak fairly for all (interview: S.Shahril Mohamad, 20.9.86). There were also those who claimed that the MTUC was too much under the influence of the public sector unions (cited above) and other "affluent" private sector unions, and too preoccupied with "big", image-building issues to the extent that it had little time for, and even insensitive to the daily and immediate struggle of the workers at the workplace.

The increasing dissatisfaction and disillusionment with the MTUC leadership brought some of the critical unionists together. The question of "what's wrong with the MTUC" began to be forcefully articulated although by no means systematically (interview: A.H.Ponniah, 4.12.86). At the MTUC Special Delegates Conference held in June 1976, some of the "younger" unionists argued for accountability, and for change in the *modus operandi* and policy orientation of the centre. They also called for an

immediate improvement in the leadership (including a clean and accountable leadership), for more services from the MTUC, and for a democratization of the centre. Their comments and criticisms continued at the Biennial Delegates Conference held in December 1976, and culminated in their combined bid for office. A.V.Kathalah contested for the post of MTUC President against P.P.Narayanan and Zamri Abdul Ghani, Harun Nawawi contested for Deputy President against T.Narendran, A.H.Ponniah contested for a Vice-President post, and G.Rajasekaran for Deputy Secretary General post against V.David and N.S.Wigneswaran (MTUC, RP, BDC 1976). However, due to their lack of preparation for the election, and the still strong influence of the incumbents, mainly through the block votes of the big unions or groups of unions, all except A.H.Ponniah (who also happened to be part of the "CUEPACS group"), failed to get elected.

The internal dissension continued after the conference. In response to this the Executive Committee formed a Solidarity Committee in April 1977 "to study the grievances of affiliated unions, identify their causes and make recommendations to resolve dissatisfaction wherever there exists". The committee was made up of 21 unionists with Narayanan serving as the chairperson, and A.Mathews, the MTUC Education Director, as Secretary. It should be noted that, among others, the two major groups, the incumbents (for example, Narayanan, Narendran, and Yahaya Mohd. Ali), and the "younger" unionists (for example,

Rajasekaran, Kathaiah, and Ponniah) were also "represented" in the committee. As its "ground rule" the committee called upon the union leaders and the MTUC officials to refrain from making any press statements "attacking one another regarding the MTUC crisis".

Twelve unions responded to the committee's call for submission of complaints and grievances. Some of these twelve unions were among the most critical of affiliated unions of MTUC, namely, Metal Industry Employees Union, Union of Employees in Trade Unions, Transport Equipment and Allied Industries Employees Union, Electrical Industry Workers Union, Amalgamated Union of Employees in Government Clerical and Allied Services, Kesatuan Pekerja-Pekerja Perusahaan Membuat Tekstail dan Pakaian Perak, Kesatuan Pekerja-Pekerja Perusahaan Membuat Tekstail dan Pakaian Selangor, and Kesatuan Pekerja-Pekerja Perusahaan Kumpulan United Motor Works.[7] Apart from the deliberations of the committee itself, the views and suggestions of these unions formed the basis of a discussion paper tabled at an important seminar for the General Council members held at Cameron Highlands in early 1978.

Meanwhile, as an indication of its readiness to pursue some of the outstanding issues of the movement the MTUC leadership also organised a special meeting of Presidents, Secretaries and Treasurers of affiliated unions in August 1977 to consider a one-day work stoppage by all members of the affiliated unions as a protest against government persistent refusal to amend the restrictive labour laws (MTUC, GCR 1976-78:17). However,

no decision was taken at this meeting and there was no concrete follow-up forthcoming at the General Council which met at the end of September of the same year. The Council decided "to indefinitely postpone the proposed action" as "a specially constituted tripartite body was looking into various amendments proposed by the MTUC", although the biggest tripartite body, the NJLAC, was not in session for some time (see MTUC, GCR 1976-78: 17, 28-29).

The above situation suggested that the divisions within the MTUC were becoming more vocal, although there were no substantive changes achieved. The fact that the Solidarity Committee was led by the incumbents who had been the target of criticisms in the first place raised doubts in some section about the sincerity and seriousness of the MTUC to seek redress for grievances or to implement decisions. This and the continued dissatisfaction with the leadership prompted some unions to disaffiliate from the centre at the end of 1977. Among these were the Metal Industry Employees Union, All Malayan Mining Industry Staff Union, Transport Equipment and Allied Industry Employees Union, Kesatuan Pekerja-Pekerja Perusahaan Kumpulan United Motor Works, and Kesatuan Pekerja-Pekerja Perancang Keluarga Negara (MTUC, GCR 1976-78:88-89). Some of these "rebel" unions from the private sector soon came up with the idea of setting up a new coordinating body, the Congress of Industrial Unions (CIU). The proposed CIU, however, failed to establish itself allegedly because of the refusal of the Registrar of Trade Unions to

register it as a trade union, as requested by the unionists concerned (interview: G.Rajasekaran, 12.8.87). In any case, although the challenge did not result in any significant change in the MTUC leadership, the impact of this challenge, together with the general dissatisfaction within the movement itself, forced the MTUC to review its policy orientation and role. This was undertaken in a three-day seminar involving the members of the MTUC General Council.

The Cameron Highlands Declaration

Following the deliberations and recommendations of the Solidarity Committee a three-day seminar beginning on 30 January on the theme "The Past, Present and Future of the Labour Movement in Malaysia" was held at Cameron Highlands for the members of the General Council. The seminar discussed and debated the main issues of concern and the complaints made by the unionists. All this was summed up in a charter called "The Cameron Highlands Declaration" which was adopted by the General Council on 31 March 1978.[8]

The charter spelt out the aspiration of the MTUC-led movement which included the desire to play an important role in the nation's development plan; the importance of freeing labour from "the shackles of the restrictive and obnoxious labour laws"; the urgent need for "a philosophy of political trade unionism"; the importance of trade union solidarity around the national centre, and the necessity to cooperate with the government "to improve the

income, quality of life and social status of the working people". Following this the charter also outlined the proposed programmes or issues to be pursued or addressed by the MTUC, which, apart from the ones mentioned below, also included membership loyalty and effective participation, an efficient administration of the national centre, organising the unorganised, and the need "to mount an intensive campaign to remove the obnoxious and restrictive labour laws".

On "politics" the charter criticized the past "drift without aim" and the "anti-political posture" of the MTUC which it said had alienated the workers. It called for the establishment of a political bureau to develop "a philosophy of political unionism" and to enhance social and political awareness amongst the workers which it believed would "uphold the democratic values of the movement and ensure equality, dignity and fraternity of man". The way the bureau was going to function, and what "a philosophy of political unionism" really meant was not clear although a brief mention was made about it being "an instrument for the attainment of a cohesive force". Indeed, it should also be noted that despite the proposals, and resolutions of a series of seminars and discussions on politics held in the 1970s, they were not significantly reflected in the charter.[9]

On the question of the MTUC leadership the charter stressed the need for better rapport, unity of purpose and solidarity among and between the leaders, the affiliated unions and the workers. The leadership was urged to

display qualities of honesty and integrity as well as "greater dynamism, dedication, sacrifice and the will to protect the interests of labour". In direct reference to the (earlier) complaints and grievances, there was an explicit call for the leadership to place due regard to the democratic procedures, to membership rights, aspirations and real problems, as well as to the question of the leadership's dedication to the cause of labour. Likewise, the charter reminded the leaders to restrict their outside (international) commitments in order to give more time to the tasks and challenges at home.

The charter also stressed the importance of the educational programme to bring about an "enlightened membership and dedicated leadership". As the existing programme was said to be ineffective, a more systematic and vigorous programme was proposed in its place. A proposal was made urging the MTUC to coordinate the educational programmes conducted by various organisations in the country to "supplement and complement the programme of the national centre" rather than to undermine it.

The charter also outlined what appeared to be some points of caution for the trade unionists, particularly those who were active in the New Frontiers or union economic ventures some of which had been in existence for nearly a decade. It stressed the need for these economic ventures to be guided by such economic considerations as employment generation and fair redistribution of income. Joint ventures with "capitalist oriented groups" was opposed except in cases where the necessary "know-how" was

needed, and even here, the unions were urged to ensure that the ventures (or the enterprises) came under the "absolute control" of labour. Apart from urging principal union officials to refrain from holding managerial positions in the enterprises, emphasis was also given to the need "to ensure that corrupt practices are kept in check".

To a certain extent the charter reflected some of the earlier comments and criticisms made against the leadership. Examples of this continuity of criticism included the promise to mount a campaign against the restrictive legislation, the question of leadership (including a call for their reduced commitment to international trade union work), and the cautions relating to union economic or business ventures. In this context, even though the challengers were unable to make any significant inroad into the MTUC top leadership positions, and some of them even withdrew from the MTUC altogether, their grievances and criticisms nevertheless had an important impact on the movement.

The situation also suggests that there was discontent and, at least, a tacit recognition among the members of the General Council about the state of the movement. It should be noted that the charter represented an important moment of "self-criticism". The fact that it was the incumbents themselves who presided over the declaration, among other things, also served as a testament of their own weaknesses. It also demonstrated the impact of the critical mood (outlined earlier) in the MTUC so that the

leaders were prepared, at least rhetorically, to reassess their earlier positions and to adopt a new posture.

In any case, as with the previous charters and policy statements, there was a vagueness on specific strategies for change. For instance, the call for the MTUC to coordinate the educational activities conducted by the various organisations clearly posed practical organisational and policy problems. Apart from the fact that those various organisations were under no obligation to agree to any of MTUC's schemes, there was nothing to suggest that the organisations concerned also subscribed to the centre's educational policy and philosophy. The suggestion that labour's "absolute control" must be the condition for any labour-capitalist joint-economic ventures, and the notion of labour's ultimate economic and industrial ventures should "serve as a force against the growing aggregated power capitalists who are amalgamating into larger and more powerful economic force" was as much rhetorical as unrealistic. In like manner, the charter's call for worker participation in management (which would accordingly "reduce industrial unrest, improve productivity and give labour a say in the running of the enterprise"); its clear endorsement of the role of the leadership in economic ventures; and its request to union principal officials to refrain from holding managerial positions in the enterprises, served to reinforce and to underline the centre's earlier position with respect to the New Frontiers policy. Its assertion that if labour was to play a significant role "it must be free from the

shackles of the restrictive and obnoxious labour laws which have over the years eroded labour's rights" implied that little could be expected from the movement as there was nothing to suggest that the government would soften its line on labour and the unions.

The Charter represented a high point in the debate that had developed about the MTUC organisation and leadership. A group of dissident union leaders within the MTUC mounted a critique of the MTUC, challenging its long-established role as a dependent and petitioning body, incapable of providing effective leadership to the trade union movement as a whole. Further it successfully documented the corruption and nepotism of the leadership. Even so, this was a minority position within the leadership and the group did not have sufficient votes to remove the long serving leaders from office. As a result their challenge, while important, amounted to little. As soon as the MTUC faced a new challenge from the government, the incumbent leadership resorted to the old and ineffective methods of coping with such challenges, namely petitioning and promising cooperation with the government. The foresight of the Charter was forgotten and the dependent relationship between the MTUC and the government underwritten.

The Charter was soon put to the test when the government introduced a further round of coercive and

restrictive measures. Trade union members were detained under the Internal Security Act, 1960. The Airline Employees Union (AEU) was deregistered, and afterward the government introduced even more restrictive labour legislation. As will be seen, the movement was unable to respond to these challenges, except in the usual petitioning way. The government's coercive measures and the legal constraints against the unions, as well as the internal division within the MTUC itself, contributed to the movement's overall state of apathy and lack of resistance to this new round of repression.

8.2. Labour Disputes and the 1980 Laws

The government's increasingly tough labour policy contributed to incapacity and general weakness of the MTUC-led movement. The 1971 labour legislation which prohibited unions from organising strikes on matters pertaining to union recognition claims and others of so-called managerial concerns (such as hiring, dismissal, retrenchment, promotion, transfer, and assignment or allocation of duties) was effective. The relatively low levels of strike figures shown below point to this.

Table 8.2 STRIKES: NUMBER OF WORKERS INVOLVED
AND PERSON-DAYS LOST, 1970-81

Year	Workers involved	Person-days lost
1970	1,216	1,867
1971	5,311	20,265
1972	9,701	33,455
1973	14,003	40,866
1974	21,830	103,884
1975	12,124	45,749
1976	20,040	108,562
1977	7,783	73,729
1978	6,792	35,032
1979	5,629	24,868
1980	3,402	19,554
1981	4,832	11,850

Sources : 1. Ministry of Labour, Handbook of Labour Statistics, 1977
2. Ministry of Labour, Labour and Manpower Reports, 1980; 1984/85

Except for two years (1974 and 1976), the number of person-days lost due to strikes did not exceed 100,000. When compared with the strike figures of the preceding decade (Table 5.3), during which time only three years recorded-a total person-days lost of below 100,000, this was indeed an important achievement for the government. Not even during the period of the second Emergency with the Indonesian Confrontation did the person-days lost due to strike fall below the 100,000 person-days per year.

At the same time, the government's NEP drive, the compromising posture of the MTUC, and the closer tripartite cooperation, particularly through the Code of Conduct for Industrial Harmony (1975) played a part in restraining unions. Likewise, the unions were influenced by the unsettled mood within the MTUC at the time. Although labour disputes continued during the period under consideration, these disputes confronted increasingly tough government policies. This had the effect of further weakening the MTUC-led movement.

The Case of the Electronics Workers

One such dispute concerned the persistent refusal of the Registrar of Trade Unions to allow for the unionisation of the country's electronics workers. In this case, attempts were made in early 1974 to organise and bring together the country's growing number of electronics workers under the Electrical Industry Workers Union (EIWU), an affiliate of the MTUC. However, in response to strong employer disapproval, the Registrar of Trade Unions (RTU) ordered the EIWU to stop recruiting the electronics workers.[10] With the discretionary powers provided him, including the right to interpret the term "similar", the RTU ruled that electrical and electronics workers did not come under "similar" industry or trade as provided for by the law and, therefore, could not be brought together under the same union. This was despite the fact that electrical goods and electronics were classified under the same industrial category by the

Malaya industrial Classification 1972 (compiled by the Department of Statistics) and also by the Dictionary on Occupational Classification 1973 (published by the Ministry of Labour and Manpower).

Efforts by the MTUC (through its Penang Division) to assist the electronics workers to form and register a national union of electronics workers were also frustrated by the government. Despite meeting the basic formalities the application to register the union did not receive a response from the RTU, although the application for the registration of the new union was submitted by the union leaders in May 1978 (A.Balamohan, 1985).

The problem went beyond the question of definition of "similar" trade or industry or any administrative formalities. The labour-intensive nature of the electronics industry made it especially appealing to the government which needed employment for the country's especially large pool of unskilled Malay labour. Apart from providing various incentives to electronics multinationals, including a guarantee of low labour costs, the government also had to make sure that the fast growing number of workers in the industry were well under control and would not pose a threat to these overseas firms. From 1970 to 1981 total employment in the electronics industry was estimated to have grown from 577 to about 40,000, with the wages/salaries bill grew from M\$1.4 million to M\$333 million (cited in SEAD, *Electronics and Development: Scotland and Malaysia in the International Electronics Industry*). More specifically, between 1971 and 1974, the

total employment in manufacturing of electronic components was estimated to have risen by 18,000, making it by far the highest in Asia (Linda Y.C.Lim, 1980). In its letter to the ILO in mid-1980 the government defended its position by stating that apart from the question of membership scope of the EIWU, its rejection of the various appeals by the EIWU to unionise the electronics workers was because: 1) "that the electronic industry plays an important socio-economic role (in attracting foreign investment and in reducing unemployment) and that the question of unionisation of its workers should be dealt with in a cautious manner at the present stage of the country's economic development, where foreign investments are greatly needed", and 2) that the EIWU would be "too unwieldy" (stating that electronics workers numbered around 42,000 in 46 establishments) and this "would create a disincentive for foreign investors".[11] The concern of the government was with protecting the interest of capital, and with reducing unemployment. Despite its pledges to the MTUC and the unions to encourage the growth of democratic and "responsible" trade unions, the government was not prepared to observe even the basic right of labour to organise when such rights were viewed as a potential threat to the interests of capital.

The situation also showed the incapacity of the MTUC to render any effective assistance to labour and the unions. The MTUC appeared to have exhausted its efforts with the application to the RTU for the registration of a National Union of Workers in the Electronic Industry, and

with the complaints submitted to the ILO (see MTUC, GCRs 1976-78:90-91; 1979-80:164-69). The centre could not organise any effective challenge against the RTU's delaying tactic and arbitrary ruling. Even at the end of the period under study the Secretary General of MTUC could only report that "the application for registration of this union has been pending with the Ministry of Labour and Manpower for years without being given a positive, definite answer..." (MTUC, GCR 1981-82:12-13). Despite the fact that this government stance violated the very spirit of its own sponsored code of conduct (1975), the same report of the Secretary General reaffirmed the MTUC's commitment to the concept of tripartism, which again underlined the centre's weak and compromising posture.

The MAS-AEU Dispute

Another major labour dispute which highlighted the government's hostile attitude towards labour was the dispute involving the Airline Employees Union (AEU) on one side, and the Malaysian Airlines System (MAS) management and the government on the other.[12] Apart from this, just as in the electronics case, the dispute also served to underline the ever-compromising postures of the MTUC leadership. This dispute initially was focussed on the issue of pay and conditions of lower grade MAS workers which the union claimed were below those of the other neighbouring airlines. Upon the expiry of the earlier collective agreement the AEU submitted a number of proposals for inclusion in a new agreement. In December

1978, to further their claims, some of the workers resorted to a "work-to-rule" and refused overtime work. Following a deadlock in the negotiations, the MAS management referred the matter to the Ministry of Labour for conciliation which commenced on 4 January 1979. The workers, meanwhile, agreed to resume their normal duties.

At this point, what otherwise appeared to be a normal labour dispute began to escalate into a major confrontation between the union and the combined force of the MAS management and the government. This followed a directive by the RTU's on 8 January 1979 that the AEU deregister 874 of its members who participated in the earlier illegal industrial action ("work-to-rule") while the conciliation was still in progress in the Industrial Relations Department of the Ministry of Labour. The action by these MAS workers was said to be illegal because the procedures required by the legislation prior to an industrial action had not been complied with. At the same time, since MAS was a public utility service, the workers were not allowed to refuse overtime. Provoked by the RTU's ruling the union refused to attend the next session of the conciliation talks, but instead, resumed its "work-to-rule" and boycott of overtime. The situation worsened with MAS suspending 213 workers and dismissing another 119. At the same time the RTU also served a "show cause" letter to the AEU on 27 January as to why the union should not be deregistered. This was followed by the Minister of Labour ordering a freeze of the union's funds and

restricting all its activities, except those in connection with replying to the RTU's "show cause" letter. In a further escalation of the dispute the government took the unprecedented action of detaining 22 union activists and Donald U'ren, the Asian Representative of the International Transport Workers' Federation (ITF) who was assisting the AEU, under the Internal Security Act, 1960 on 15 February. Another ITF official, Johann Hauf was forced to leave the country. To deal with what was regarded as a possible risk to the safety of passengers and to preserve the image of the country, the government also decided to temporarily cancel all MAS flights.

As a result of the efforts of the ITF, which had rendered assistance to the AEU, the dispute received wide media (international) coverage. This resulted in letters and telegrams of fraternal support from transport workers elsewhere. As a show of their solidarity with the AEU, the airport workers in both England and Australia refused to service MAS aircrafts, resulting in one MAS DC-10 becoming stranded at Sydney Airport. Hussein Onn, the Malaysian Prime Minister strongly condemned the ITF which he considered to be a "neo-dictatorial" organisation whose aim was to destroy the economy of those countries which were not prepared to succumb to it (Hussein Onn, 1979).[13]

Unlike the ITF the MTUC was a late supporter of the AEU, and, as it subsequently admitted, only first learnt about the dispute through the media. The AEU, which according to the government had 3,700 members, was not a

benefit affiliate of the MTUC at the time because it had failed to pay the previous two years' affiliation fees. MTUC report states that the union did not ask for any assistance from the centre and also did not respond to the centre's request for a formal letter seeking the centre's intervention and assistance in the dispute (see MTUC, GCR 1979-80:90-103). The same report maintains that the centre nevertheless decided to intervene in the dispute because of what it considered to be its duty, "imposed on it by it being the national centre committed to protecting and advancing the higher cause of labour".

It should be noted that unlike the Railway Dispute of the previous decade, local union support was limited. Only four port unions in Kelang came out in support of the AEU, the Union of Port Workers, Union of Employees of Port Authority (Kesatuan Kakitangan Lembaga Pelabuhan), Senior Officers' Association Lembaga Pelabuhan (PASU), and Union of Employees of Port Ancillary Services Suppliers Pelabuhan Kelang (Hussein Onn, 1979). Together these unions formed an Action Committee which urged the government ministries concerned to immediately withdraw the various actions taken against the AEU or face their joint sympathy action. However, the government responded to this threat by directing the unions to dissolve their action committee or face deregistration under the Trade Unions Ordinance which prohibited unions forming such committees without the approval of the RTU.[14]

The MTUC's intervention was in the form of resolutions and meetings with government leaders, urging

them to release the detainees and to resolve the dispute amicably. The MTUC was very much on the sidelines during the dispute. Irrespective of the affiliate status of the AEU, the MTUC was unaware of the early stages of the dispute which reflected the centre's isolation from day to day union concerns. This isolation also explains why the AEU relied more on the foreign-based ITF for assistance rather than on the national trade union centre.[15] This in turn reflects the sort of confidence a union in dispute (such as the AEU) tended to have in the MTUC.

Action by the MTUC tended to be by the President, acting without reference to the representative structures of the MTUC. The President of MTUC, P.P.Narayanan went against a decision of the Executive Committee and met the Prime Minister alone to discuss the dispute. This broke a decision by the Committee, to the effect that any meeting with the Prime Minister should also be attended by other members of the Executive Committee (Minutes of General Council Meeting, 18.12.79). On another Narayanan also dispatched a telegram to Bob Hawke, the leader of the Australian Council of Trade Unions requesting the latter to arrange for the release of the MAS plane that was stranded at Sydney Airport.[16] The telegram, copies of which were also sent to other international trade unionists, also gave the impression that there was no cause for concern about the union activists and the ITF Asian Representative detained by the Malaysian government since, according to Narayanan, "under the Malaysian ISA if there are no specific charges the detainees must be

released as soon as questioning is over" and that "in those cases where there are charges preferred, they will be produced in a court of law and given an opportunity for legal defence". In these circumstances, if it had not been for the ITF support and the impact of international media, the government might not have been under pressure to release the detainees as it did on 26 April 1979.

This stance by the President was consistent with the dependent and client status of the MTUC, although it was counter to the public stance frequently adopted by the MTUC. The positions held by Malaysian unionists in the international labour bodies were often noted by the MTUC with a sense of pride and achievement. Narayanan himself was the ICFTU President although in this dispute he was unprepared to use his office to express support for the AEU, and instead called for a softening of the ITF's line. In this case, perhaps it was not the question of international support for the AEU or pressure against the government but rather the form of support or pressure that really mattered. For the President and his supporters there seemed to be a view that international pressure should be confined to verbal or written protests and not action, especially grounding an aeroplane. Against this background, the call to end the action at a time when union activists were still under detention and the government continued to threaten the union and its sympathisers pointed to the MTUC's ineffectiveness and irrelevance, as far as individual unions were concerned.

The MTUC President's interpretation of the "Malaysian ISA" and his defence of the country's system of justice seemed especially odd when it had already become common knowledge that the ISA, since its introduction in 1960, had been arbitrarily used by the government to detain its political opponents and critics. For example, in late 1974, following student uprisings in support of the squatters and rubber small-holders the government retaliated by sending police and troops to the university campuses and arrested and detained a number of prominent lecturers, student leaders and activists, and youth leaders under the ISA (see Hassan Karim and Siti Nor Hamid, 1984). Whilst this incident did not seem to elicit any serious response from the MTUC (as could be judged from its reports and statements at the time), the idea of ISA detainees being allowed a legal defence in any court of law as suggested by the telegram would appear to be wishful thinking on the part of author of the telegram. In addition, it should be noted that the Minister of Home Affairs had considerable discretionary powers to arrest and detain opponents to the government. Thus, when the MTUC finally acted in relation to the dispute, it did so in a questionable manner, more it seemed, to please the government than to help strengthen the union's position. The event further showed the incapacity of the MTUC-led movement to unite and to extend any meaningful support to a union engaged in a dispute even when the union, and for that matter, the movement as a whole, was faced with such dangerous and unprecedented actions from the authorities.

Apart from demonstrating the crippling impact of the existing labour legislation on the trade union movement, the MAS-AEU dispute also exhibited an increasingly tough posture by the government towards unions. There was an unprecedented detention of union leaders and activists for engaging in a trade dispute, and the dismissal of workers (35 of whom were not reinstated). On 14 April 1979 the AEU was deregistered and the membership later split into two unions -- the MAS Employees Union, and the Foreign Airlines Employees Union, registered in August 1979 and April 1980 respectively. With no union to represent them, and no other possible options seemed available to pursue their claims, the MAS workers had no choice but to accept the revised and final salary scale offered to them on 15 April.

The 1980 Labour Laws

The government's tough line towards labour reached a new height in 1980 with the introduction of yet another round of amendments to the labour laws. Although much of the impact of the new legislation is not within the scope of this study a brief look at some major amendments shows clearly that labour was further forced on the defensive and into a much weaker position in relation to capital.[17] The amendments involved two major labour laws, the Trade Unions Ordinance, 1959, and the Industrial Relations Act, 1967. The new legislation, effective from 30 May 1980, underlined the government's determination to continue to discipline labour and the unions. The new

legislation, for example, redefined "strike" to include a reduction in work; required that at least two-thirds of members (instead of a simple majority) give their consent by secret ballot to take industrial action; required the union concerned to submit the result of the secret ballot to the Registrar of Trade Unions who then had seven days to decide whether the proposed action would contravene the law; and restricted picketing to workers who were directly in the employment of the establishment concerned. In what appeared to be a government aim at restricting the unions from affiliating with consultative or similar bodies within or outside the country, a situation which proved difficult for the government in the MAS-AEU dispute, prior written permission of the RTU (and subject to such conditions as he may impose) was required before any such affiliation was possible. Further, the legislation prohibited the use of union funds for "political objects", with the latter term being so narrowly defined as to render impossible even political education, holding of political meetings of any kind, distribution of political literature or documents, and giving support to any political candidate.

The new legislation also empowered the Minister of Labour, with the agreement of the Minister for Home Affairs, to suspend any union for up to six months, "where in his opinion such trade union has acted or is being used for purposes prejudicial to or incompatible with security, or public order" and that this suspension order is final and conclusive. As with the previous legislation, the

powers of the RTU were further increased. For example, the RTU could now enter union premises with a search warrant obtained from a Magistrate to search, inspect, examine, seize or detain any documents or articles of the union. Unionist could be deregistered in illegal strikes, and elected union officials could be removed from office. The new legislation also provided legal sanctions to the employers to communicate directly with and to present their own views or versions of disputes to union members.

The proposed bill (before being passed by the Parliament) drew strong verbal criticism from the MTUC and the unions. Memoranda outlining the centre's stand on the proposed legislation were forwarded to various individuals and parties such as the Minister of Labour, the Prime Minister, the Members of Parliament, and the ILO (see MTUC, GCR 1979-80). A Special Delegates' Conference was also convened on 24 March 1980 when a number of resolutions were adopted. The MTUC's attempts through the NJLAC to have the proposed bill amended, were unsuccessful. Further, nothing substantial was gained by the movement from the four-hour meeting with the Prime Minister and his other Cabinet colleagues on 28 March and from the picket staged by the General Council members in front of the Parliament House on 3 April, the day when the proposed bill was being debated.

The MTUC continued its campaign against the legislation, with somewhat more vigour than the past. Following the earlier decision by the Special Delegates Conference a nation-wide picket was planned by the MTUC

for 21 April 1980, while the Secretary General had the matter brought up to the attention of the ILO. The Special Delegates Conference held on 24 March 1980 also declared 1 May 1980 as a "Black Day" for labour; that from 4 April to 1 May 1980 the workers should symbolise their protest by wearing a black arm-band; the MTUC would withdraw its representatives on the various government-sponsored advisory boards including the NJLAC; and that the centre would continue to campaign for the removal of the anti-labour provisions (MTUC, GCR 1979-80). However, as in the past, lack of unity among the unions, and the lack of commitment on the part of the leaders made the campaign ineffective. At the same time, some controversy surrounding the proposed picket and the fear of a possible government retaliation resulted in the proposal (to launch a nation-wide picket) being quashed by the General Council. In fact, while no effective challenge against the new legislation was mounted, the controversy surrounding the proposed picket brought into the open the divisions between the public and the private sector unions in the MTUC. This culminated in a split between the two broad groups of unions in the MTUC, which further weakened the movement.

8.3. The MTUC-CUEPACS "Split"

The weakness of the MTUC-led movement was also due to the internal divisions, particularly between the public and the private sector unions, which culminated in the disaffiliation of most of the CUEPACS-led public service

unions from the MTUC in 1980 and 1981. Although there is no evidence to suggest a well-coordinated action, on the part of the public service unions concerned, the events nevertheless point yet again, to the incapacity of the MTUC to forge a united movement.

As seen in the earlier chapters, both the public and the "moderate" private sector union leaders, generally enjoyed a cordial relationship with the colonial and post-colonial governments, were able to exert a strong influence in the MTUC-led movement. This was reflected in their control of the MTUC leadership which, tended to reproduce a "moderate" and "responsible" MTUC-led movement. It was in fact this MTUC leadership, which had been the subject of mounting criticisms and challenge discussed earlier.

The long-standing and close alliance between these two groups of unionists in the MTUC should be seen in terms of their similar views and approach to major policy issues, particularly "political unionism" and labour militancy. While both the "moderate" private sector unionists, led by Narayanan (and his powerful NUPW), and the public service unionists appeared to exhibit a similar dislike for "political unionism", they also showed similar reluctance to resort to actions which they considered might provoke or antagonise the government.

At this juncture, it is important to note that in the case of the public sector unionists this stance should also be seen in the context of their employment relation with the government. As public employees the unionists

were very aware of the government expectations of them as well as the restrictions imposed on them by rules and regulations. In practice such expectations and restrictions did not necessarily keep public employees away from "politics". A number of the union leaders, especially the teachers were influential social and political figures. A number had always been actively involved in electoral politics, particularly in the ruling parties. At the same time, since any "political" action or even "political" opinion on the part of these unionists which did not dovetail with government policy could be construed as undermining the government these unionists tended to distance themselves from issues of a so-called "political" nature.

For the "moderate" private sector unionists who were critical or opposed to union involvement in "politics", the position of public employees was often taken as an important leverage against any tendency to push for a pro-"politics" line within the MTUC. This mutually critical or even hostile attitude towards "politics" tended to bring the two broad groups of unionists together. Their voting strength in the MTUC conferences ensured their dominance of the MTUC leadership. In like manner, they also tended to complement each other with their "moderating" intermediary role in major labour disputes, and in their persistent reluctance to take any active measures to oppose the government's restrictive legislation.

The close alliance between these two groups of unionists could also be seen in the context of their need for each other if only to consolidate their own position and importance within the movement as well as in their own base unions. The public service unionists, for instance, seemed prepared to support the "moderate" private sector unionists as this would ensure the "moderate" posture of the MTUC itself regarding the government. At the same time, educated public service unionists and their rather "professional" approach to trade union work, were also seen by the "moderate" private sector unionists as an important component of the MTUC leadership's relations with the government. As admitted by a leading "moderate" private sector unionist, the active involvement of the more educated public sector unionists in the MTUC was much welcomed by those in the private sector as this was thought to enhance the image of the movement, particularly in its relationship with the employers group and the government (interview: P.P.Narayanan, 14.1.87). In this way they were able to reproduce their leadership positions in the movement for a relatively long time.

Even so there were frictions between the unionists (and their unions) which appeared in the form of public/private sector union division. The feeling that the MTUC was controlled by the civil servants, the complaints about too much use of English at the expense of the vernacular languages, for instance, were all related to the employment backgrounds, role, or influence of the public service employees in the MTUC. In any case,

because of the apparently undisputed leadership of the "moderate" unionists within the MTUC, and the relatively secure position of the public service unions themselves, such frictions surfaced from time to time but were defined by the participants as little more than "family disputes". This, however, did not last, and in 1980 and 1981, following the controversy over the struggle against the government's new legislation, the frictions between the private sector and the public service unionists (and their unions) again resurfaced. This time they culminated in the withdrawal of most of the public service unions (which were also the members of CUEPACS) from the MTUC. Although the controversy itself proved significant in this withdrawal, two other important developments suggest that the frictions between the private sector and public service unions were already assuming a new dimension and contributed to their eventual split.

One of these developments concerned the steady weakening of the position of CUEPACS, the federation of public service unions, in relation to the government as employer. Towards the end of the 1970s and the beginning of the 1980s, in part due to the ineffectiveness of the MTUC itself (particularly in the face of tighter legislation from the government), and in part due the alleged lack of support of the national centre for the case of the public service unionists, some public service unionists became disillusioned with the national centre which in turn contributed to the split. As indicated earlier, a series of events since the mid-1960s served to

warn the public sector unions as a whole that the government was always in the position to control their activities whenever this was considered necessary in the "national interest". This included the tightening of the labour legislation in 1965, the government's rejection for the registration of NUEPACS as a single national union catering for the entire civil service in 1967,[18] and the amendment of the labour legislation in 1969, which prohibited the public or quasi-public sector unions from affiliating with any organisation whose membership was not confined to public employees, and the consequent forced disaffiliation of these unions from the MTUC.

In another move following the declaration of a state of Emergency in 1969, the government also suspended the National Whitley Council, the forum for joint negotiations between the Official side and the CUEPACS-dominated Staff side which had been in operation since the 1950s. Although the government later agreed to set up a new negotiating forum in 1973, the National Joint Council (NJC), and CUEPACS was able to resume its collective bargaining role under it, this role was very restricted. Eventually, via a government circular in 1979 (Service Circular No.2 of 1979) the right of public service unions to negotiate wages was officially removed and even the right to negotiate conditions of employment was reduced to that of only "giving views".

The government's increasingly tough posture in dealing with the public service unions could also be seen in the case of the dispute over the implementation of the

new salaries schemes recommended by the Ibrahim Ali Salaries Commission in 1975.[19] Named after its chairperson, the Ibrahim Ali Commission was a new commission formed by the government on 10 March 1975 for the purpose of reviewing and coordinating all the recommendations by the earlier commissions/committees.[20] The commission submitted its report to the government on 6 June 1975, but the government was reluctant to implement the recommendations. This was on the grounds of the heavy financial burden of such recommendations. Such a response angered the public service unions. Following this, their federation, CUEPACS decided to set 1st August 1976 as the deadline for a positive government response, failing which it threatened to take industrial action. However, despite a new deadline and a claim that nearly 75 percent of the affiliates had obtained the mandate for the action, the CUEPACS leaders decided not to proceed with their earlier threat. In line with the established MTUC leadership practice they had been exchanging letters with the government Chief Secretary, and holding meetings with the Prime Minister. When the government later rejected the Commission's report, and instead, decided to implement a new Cabinet Report prepared by its Cabinet Committee (which was led by the Deputy Prime Minister), CUEPACS (which had not been consulted on the new report) withdrew and decided to let each union make their own decisions with regard to the new report (see Suara Buroh, February/March 1977).

Such government actions threatened the trade union status of CUEPACS and weakened its bargaining position. They also contributed to a blurring of the line which (legally) differentiated the federation from the society-status and "society conscious" MTUC. The situation, particularly in the case of the 1981 legislation (which prohibited public officers and statutory authorities' employees in the managerial or professional groups or who were engaged in a confidential or security capacity from joining or becoming members of any trade union), tended to encourage the public service unions to look to the MTUC for broader trade union support for their cause. The MTUC was expected to make representation about the public service unions' case with the government. On this occasion the centre was seen as uncommitted and unwilling to pursue the public service union case. This engendered dissatisfaction among some sections of the public service unions and contributed to a heightening of the divisions within the movement.

While CUEPACS' campaign with the government over the implementation of the new salaries underlined their incapacity and unwillingness to pressure the government, the public service unionists also seemed concerned with what they perceived to be a possible "dangerous" shift in the political inclination of the MTUC which might provoke the government and hence undermine their position. In this respect the public service unionists saw an increasing influence of opposition politics in the MTUC which some felt would not further their case with the

government. In particular, there were misgivings among these unionists over the role of such outspoken trade unionists as V.David (of the TWU) who replaced Yahaya Mohd Ali (of the public service group) as MTUC Secretary General and those unionists associated with him such as A.V.Kathaiah, (AMESU) who was elected as the Deputy Secretary General, and Zainal Rampak (TWU) who was reelected as one of the Vice-Presidents of MTUC in the centre's 1979 line-up. While David's long career as a trade unionist (including a leader of MTUC) and opposition politician was nothing new (it should be noted that his [opposition] political career dated back in the late 1950s), he had never held a key leadership position in the MTUC prior to the term commencing in 1979. It was perhaps David as the Secretary General or Chief Executive of MTUC, and Kathaiah as his deputy in charge of the day-to-day and overall conduct and administration of the centre, that was a cause of concern. David, Kathaiah, and Zainal had also contested in the recent 1978 General Election as candidates of the (opposition) Democratic Action Party (DAP). The "David factor" was also seen by some sections of public service unionists as something which would radicalise the MTUC, turning the centre into an "anti-government front" which, in the process, could provoke the government into taking tougher measures against the unions. Of course for some of the public service unionists, the opposition to the "David factor" in the movement was more informed by their own support for the ruling party. A good case in point was the Secretary

General of CUEPACS himself, Jamaluddin Mohd. Isa, who had long been a member of the UMNO Labour Bureau.[21]

Prior to the "David factor", the friction and the eventual split along the private/public sector unions line in the MTUC should also be seen in the light of the mounting criticisms and challenge against the MTUC leadership. Indeed, with two leading figures from the public service unions, T.Narendran and Yahaya Mohd. Ali holding two of the key positions in the MTUC throughout the second half of the 1970s (that is the posts of Deputy President and Secretary General respectively), the criticisms and challenge against the MTUC leadership by the mainly private sector "younger" unionists, to a certain extent served as a critique and challenge against elements of public service unions in the movement's leadership.

Coming from the backgrounds where employment security, "fringe benefits", pension schemes, and working conditions were guaranteed or generally better than their counterparts in the private sector, the leaders of the public service unions were said to be complacent and unprepared to commit themselves to the broader struggle of the working class.[22] Similarly, they were also alleged to have failed to grasp the real problems faced by the industrial workers. Their apparently close link with government leaders meant that the public service unionists (and of course the other MTUC "moderate" leaders as well) were also accused of being "tools" of the government. In addition, the double leadership role of certain public

service unionists (that is, both as leaders of CUEPACS and the MTUC) were seen by some critics as attempts to monopolise whatever privileges and other benefits available in the two centres.

The controversy over the 1980 laws thus served as the catalyst for the split. Following a decision adopted at the MTUC Special Delegates Conference a nation-wide picket was planned by the MTUC to be held on 21 April 1980. However, because of the conflicting views between the members of the General Council regarding the purpose and implications of such a picket, the Council which met on 9 April decided to quash the plan. The private sector unionists accused the public service unionists of sabotaging the plan to picket by withdrawing at a very late stage, while the public service unionists accused their private sector counterparts of not making a serious attempt to represent the public employees' case with the government, particularly in regard to Section 27 of the Trade Unions Ordinance which restricted trade union membership of the public employees. Two CUEPACS leaders, A.Ragunathan (Vice-President) and Jamaluddin Isa (Secretary General), both of whom were also members of the MTUC General Council were widely believed to have met and agreed a separate deal with the Deputy Prime Minister around that time (Damodaran, 1982; *The Star*, 23.8.81). This angered some unionists in the MTUC who accused CUEPACS of "betraying the labour movement". According to one MTUC source, when questioned at the General Council meeting Ragunathan denied any deal made with the Deputy

Prime Minister. The suspicions towards Ragunathan and certain CUEPACS leaders seemed to have heightened when Ragunathan refused to make a public denial of any such deal upon being challenged by some Council members.

The relationship between the public and the private sector unions continued to deteriorate with both sides criticizing each other, particularly following a row at the General Council meeting on 12 May between MTUC's Deputy President, T.Narendran who at the time was also the President of CUEPACS, and the Secretary General of MTUC, V.David.[23] Shortly afterwards CUEPACS called for the reorganisation of MTUC into a trade union confederation consisting of three trade union federations, each representing unions of the public service, private sector and quasi-government bodies (statutory bodies) (*The Star*, 16.5.80). The proposal was, however, not acceptable to the private sector unions which saw it as a weakening of their own role in the MTUC. This situation led the public service unionists to stress the need to boost their own federation, CUEPACS. The top leadership of CUEPACS seemed confident that with the withdrawal of all their affiliated unions from the MTUC the national centre would be weakened, and this in turn would make CUEPACS the sole representative of the public service unions. Subsequently, Narendran resigned from the MTUC on 6 July 1980, and his union, the Inland Revenue Officers Union, also pulled out of the MTUC, to be followed shortly by A.Ragunathan and his union, the Malayan Technical Services Union (9 July), Jamaluddin Mohd.Isa's Kesatuan Pegawai-

Pegawai Hutan Melayu Malaysia Barat (12 July), and Malayan Nurses Union (18 July) (MTUC, GCR 1979-80:34). The other CUEPACS's affiliated unions were also encouraged to withdraw from the MTUC although not all did so.[24]

In any case, the split was a serious blow to the movement. It severely undermined any challenge to the government's 1980 labour legislation. It also served to push back whatever "achievements" had been made to reform the MTUC, particularly those achieved through the internal struggle which culminated in the Cameron Highlands Declaration. These developments also further underlined the vulnerability of the MTUC to divisions within its own rank, and it was thus rendered incapable of representing the union movement, even in the relatively ineffective way that it had done so during most of its history to date.

8.4. Conclusion

The above discussion indicates that, the incapacity of the MTUC to forge a united labour movement and to constitute an effective force was also due to the internal divisions and conflicts within the movement. To an important extent, the increasingly anti-labour policy of the Barisan Nasional government served to underline these divisions. This was evident in 1980 which was a consequence of the MTUC's internal conflicts as well as the increasingly anti-labour posture of the government. It was a split which further undermined labour and union solidarity as well as MTUC's credibility as the country's national labour centre.

Throughout the discussion it has been made clear that the leadership factor was ever crucial in shaping the course of the movement. The long tenure in office and the sophistication acquired through the trade union work tended to boost the image and position of the individual trade unionists concerned, making them more indispensable to the movement and to their respective unions. At the same time the benefits and other privileges available by virtue of holding office, further encouraged and enabled them to reproduce their hold over the movement. Apart from the lack of commitment to the pursuit of labour issues, the long tenure in office and incumbency also tended to engender complacency in the incumbents which brought about dissatisfaction and eventually a challenge to their leadership. This situation forced the MTUC to begin to reassess its past development and to consider a strategy for the future, as reflected in the Cameron Highlands Declaration issued in early 1978. In any case, although this whole process of assessment and especially the declaration itself marked an important policy breakthrough for the movement, it could hardly be sustained, and in fact, crumbled under the force and repercussions of the government's tough anti-labour and anti-union measures following the dispute between the Malaysian Airlines System and the Airline Employees Union which began in 1979. The outcome was a divided and largely ineffectual union centre.

Notes

[1] For example, for the period between 1960 and 1974, see Zaidi (1975:471-510).

[2] Interviews with the unionists, for example, G.Rajasekaran, 20.12.1988; K.George, 12.8.87; S.Shahril Mohamad, 20.9.86.

[3] See, for example, *Straits Times*, 25.12.74; MTUC, GCRs 1974-76:92; 1976-78:206; and Minutes of General Council Meeting, 14.10.1978.

[4] "BDC" refers to "Biennial Delegates Conference".

[5] Drawn from details of attendance at the MTUC meetings as furnished by the General Council's Reports for the respective years.

[6] V.David, a veteran unionist who occupied a somewhat "strange" position between his other veteran colleagues in the MTUC on one side, and the "younger" unionists on the other also repeatedly said that the trade union movement was also "losing its vigour and becoming docile and passive". He also maintained that the union movement had compromised "in areas it cannot and should not" which has defeated the object of union struggle. See *Malay Mail*, 1.5.74.

[7] The other four unions in the group were Machinery Manufacturing Employees Union, Non-Metallic Mineral Products Manufacturing Employees Union, National Union of Employees in Companies Manufacturing Rubber Products, and Printing Industry Employees Union (Selangor). MTUC, GCR 1976-78:19.

[8] The full text of the Charter can be found in MTUC, GCR 1976-78:194-207, Appendix C.

[9] For a brief but comprehensive report of the various discussions on politics conducted by the MTUC throughout the 1970s, see MTUC (1977), White Paper on "Labour in Politics", a discussion paper in stenciled form.

[10] This account is based on an interview with A.Bosco, Executive Secretary of the EIWU, 9.10.86. Other sources of information include EIWU 1981; EIWU, 1982; EIWU (1978); MTUC, GCRs 1973-74 and 1974-76; and SEAD, *Electronics and Development, Scotland and Malaysia in the International Electronics Industry*.

[11] ILO, Report on the Committee on Freedom of Association of ILO, Case No.911, reproduced in full in MTUC GCR 1979-80: 164-69.

[12] The account of this dispute is drawn from a number of sources such as Trade Unions Registry, ARs 1978, and 1979; Hussein Onn (1979); MTUC GCR 1979-80:2-4, 90-103;

Minutes of General Council Meetings, 18.2.1979 and 29.4.1979; Suara Buroh (January 1979, February 1979, and May 1979); Todd and Jomo (forthcoming); Dunkley (1982); interviews with the unionists; and newspaper reports, especially *Straits Times*.

[13] Such position of the government was further taken up by the Deputy Prime Minister, Mahathir Mohamad at a United Nations Conference on Trade and Development in Manila in May 1979. He suggested that under the guise of "workers' solidarity" the labour unions of the developed countries were complementing the protectionist trade policies of their governments, and were out to "recolonise the economy of developing countries". See a report of Mahathir's speech by Charlen Chan in *Business Times*, 16.5.79.

[14] Todd and Jomo (forthcoming) note that the government also responded to this threat of sympathy action by the port workers by sending 7 truckloads of soldiers to the port.

[15] According to the Secretary General of MTUC, V.David, the AEU was more keen to rely on the advice of the ITF rather than on the national trade union centre. Interview with V.David, 18.8.87.

[16] The telegram which is reproduced in Todd and Jomo (forthcoming) is reproduced here as Appendix D. It should be noted that a number of members of the then General

Council interviewed by the writer were not aware of any such telegram being dispatched by the MTUC.

[17] For official views on some of the amendments see Richard Ho Ung Hun (1980).

[18] Some information about NUEPACS can be found in CUEPACS (c1977?), *The Thirty Years of CUEPACS, 1947-1977*, p.8; CUEPACS Annual Reports 1965-66:39-40 and 1966-67:76-79; *Suara Buroh*, June 1969.

[19] Information on this dispute is also drawn from *Straits Times*, 19.7.76, and 31.1.77, and Todd and Jomo (forthcoming).

[20] The earlier commissions/committees formed by the government mainly to review and recommend salaries and conditions of service for various categories of its employees were the Suffian Salaries Commission, Aziz Salaries Commission, Harun Salaries Commission, Sheikh Abdullah Committee, and Tun Abdul Aziz Committee (CUEPACS (c1977?), *The Thirty Years of CUEPACS, 1947-1977*).

[21] According to Jamaluddin Isa he has been a member of the UMNO Labour Bureau since the early 1970s. See Jamaluddin Isa (1983). According to a senior member of the MTUC General Council interviewed by this writer in

late 1988 Jamaluddin once walked out from a General Council meeting because of his opposition to David's politics.

[22] Interviews with the unionists.

[23] Interviews with trade unionists. Accounts of this friction and split could be found in Goh Beng Lan (1984:68-74); and Tan Heng Fong (1985:80-100).

[24] Two of these unions, AUEGCAS and PWD Employees Union, remained as affiliates of MTUC. Even the other 10 unions which left the MTUC, as noted by Tan H.F (1985) did so at different times with the Police Administrative and Civilian Staff Union, and the Union of Post Office Workers (UPOW), for example, leaving in January 1981, while the last among them, RUM and NUTP leaving only at the end of 1981, indicating the lack of cohesiveness in CUEPACS itself.

CHAPTER NINE

CONCLUSION

As spelt out in Chapter 1 the objective of the study is to understand the development and leadership role of the MTUC from its founding until 1980/81 when it entered a new phase of its history. To this end I set out to consider a number of themes about leadership covering a number of related issues under the heading of the "responsible unionism", government incorporation of the movement, controversies surrounding the MTUC's stance on "politics", the relationship between the MTUC and the unions, internal frictions and conflicts within the movement, and the impact of communalism on the MTUC.

9.1. The MTUC Leadership

For the most part the MTUC was led by or under the strong influence of the same "moderate" labour leaders or similar group of unionists who had become labour professionals. Because of their cumulative experience and considerable understanding of the mechanics and politics of trade unionism, particularly with respect to the practice of industrial relations, tripartite bodies, labour legislation, and the international labour movement, these unionists appeared indispensable to the movement. This made it difficult if not impossible for the others to replace them. Much in the way described by Michels (1915), these unionists enjoyed a long tenure of office which provided them with the necessary means to reproduce

their leadership positions in the MTUC as well as in their own base unions. The situation resulted in the movement's policies being largely determined by them, and in accordance with what they perceived to be the interest of the union movement.

As part of the process of government incorporation, and having experienced successive governments disciplinary and coercive measures towards unions, these unionists were conscious that "excessive" or "intolerable" demands on the government and capital might lead to their demise. This underlined their compromising posture, hence the notion of "responsible" unionism as elaborated and articulated by the MTUC-led movement. Of course, as far as these labour leaders and the MTUC were concerned, being "moderate" and "responsible" also entailed the adoption of an approach that they believed would help secure or sustain government confidence in them. This meant a rejection of the idea of active union involvement in politics, and a cautious and compromising approach to issues which they thought would provoke a repressive response by the government.

So as to justify their role and to secure the position of the MTUC, these "moderate" labour leaders advocated tripartism and campaigned for "industrial peace". In different ways, and with various degrees of emphasis, this was a position that was held from the founding of the MTUC in 1949/50 to 1981 when the MTUC split. Attempts to influence state anti-union policies failed and in the end came to reflect the personal and institutional opportunism of this leadership. In fact the

policies, particularly those associated with business ventures were instrumental in further undermining the ideological base of the movement and thereby weakening the union movement in its relations with the government and employers.

9.2. MTUC and Government

From the account above it is clear that government played a crucial role in the growth and development of the MTUC and the "new" unions. More than any other factors, the government, informed by its priorities and the interests of those whom it served, dictated the "rules of the game" and regularly disciplined labour and the unions. Indeed, the very formation and development of the MTUC itself was very much determined by the colonial government and the circumstances of its anti-Communist Emergency rule which began in 1948. The relationships established in this period became the dominant feature of relations between the MTUC and the government up until 1981.

A mix of state paternalism and government incorporation characterized the early government-labour relationship. While state paternalism underwrote the union dependence on the government for political-legal rights, incorporation was evident from the early cooptation of "moderate" labour leaders in government-sponsored bodies as well as in the MTUC's pursuit of the idea of tripartism. It is also clear that this process of government incorporation was facilitated by the early conditions of the Emergency rule, by the restrictive

labour legislation regularly introduced by the government of the day, and by the readiness on the part of the labour leaders to cooperate with the government as a way of consolidating their own positions in the movement.

The posture of the MTUC as a "moderate" and "responsible" body was by no means fully endorsed by the unions, but the leadership was sufficiently in control to discourage unions from pursuing a tough line of their own in their relationship with the government. Even so, there were times when the government appeared to make concessions to the MTUC. In addition to the improved economy and the need to win labour's support to boost the NEP programmes, the situation of the 1970s prompted the government to grant what appeared to be some concessions to the movement. This was evident in such limited gains as the national holiday on 1st May in 1973, and the approval of the Workers' Bank (Bank Buruh) in 1975. However, notwithstanding this kind of "good will", the government, as indicated in the earlier cases, was not prepared to tolerate labour actions or trends which were seen as threatening to state policies. The desire to attract and sustain capital in order to strive for a greater and speedier expansion of the economy in turn required a "peaceful" industrial and political climate. Thus, as the discussion under Chapter 8 shows, when the MAS-AEU dispute in 1978/79 was seen as a threat to government interests, the government responded vigorously and shortly afterwards promulgated the 1980 labour laws.

In relation to this it is also obvious that the "moderate" and "responsible" labour leaders were unwilling to risk government reprisal and were only prepared to pursue policies within the framework of existing legislation. The series of legislation initiatives instituted in 1959, 1965, 1967, 1969 and 1971, and 1980 in effect steadily reduced the collective rights and potential of the unions to defend and pursue labour interests and underlined the view that the government was increasingly anti-labour. Experience showed that not only were the challenges by the MTUC ignored by the government, but the latter became more uncompromising towards the unions. This situation not only forced the MTUC to "play safe" in its relationship with the government in the hope of protecting labour's deteriorating rights, but also, as seen in Chapter 7, tended to encourage the centre and a number of its major affiliates to pursue policies which further underlined their leadership role, for example, the business-venture policies. This, however, is not to suggest that organised labour could not in any way influence these dominant trends. But, in a situation where labour is organisationally weak and internally divided, and its leadership lacked a working-class ideological perspective, the "external" forces, particularly the state and foreign capital (upon which the economy depended), were clearly more determining.

9.3. MTUC and "Politics"

It has been shown that for the most part, especially after Independence, the MTUC adopted either a cautious, or a critical view of "politics". This was mainly due to the impact of government opposition to "political unionism", and government demands for a "clearly defined" industrial relations role for the unions. Behind this lay the centre's quest for government acceptance and recognition of its role as the organisational leadership and representative of the union movement.

I have indicated that this attitude was influenced by the main "moderate" tendency within the movement which, in view of the communal nature of the country's mainstream political parties and their practices, maintained that "politics" was potentially divisive for a multi-racial movement. In the discussion I suggested that this view could hardly be justified since politics did not have to take communal forms, as shown in the case of the early Labour Party in Malaya to which many unionists affiliated. I also suggested that since the prominent "moderate" labour leaders themselves earlier on served as (government-appointed) members of the legislature and, at the early stage of the movement, were also involved in canvassing for labour's support for political parties, their opposition to "politics" later had a ring of expediency to it. The fact that the political parties which they initially supported were either defeated or forced to assume an opposition role tends to suggest that they were trying to gain acceptance from the ruling party.

After all, as I have indicated, these leaders and the MTUC as a whole did not make any serious attempt to address communalism or problems of communal nature within the movement itself. This suggests that communalism was a convenient excuse for their so-called "non-political" stance. Of course the question of MTUC involvement in politics also hinged upon the delicate balance between the broad private and public sector unions which constituted the MTUC. Here it was possible that the generally "no politics" posture of the broad public sector unionists (and unions) was in congruent with that of their "moderate" private sector counterparts and together this served to reinforce the non-political stance of the centre as a whole.

There were certainly cases of political agitation and some kind of "political action" advocated or undertaken by the MTUC. As shown in Chapters 4 and 6 the continual failure of the MTUC to create the necessary impact on the government's labour policies, and the successive legislative onslaughts against the unions, prompted some elements within the MTUC to campaign for labour's participation in the legislative process. It was thought that since laws were made in Parliament it was necessary for workers to be represented in this state organ. Although this idea did win the support of some sections of unionists the agitation which saw the centre issuing the "Workers' Charter" and supporting a number of political candidates, were, in the main, pursued within a "neutral"

policy perspective. This further underlined the centre's cautious approach to the issue.

The discussion also pointed out that while this attitude and view of politics tended to discourage the politicization of labour and the unions, it had been tacitly encouraged by the British, as a way of diverting labour from possible appeals of the Malayan Communist Party. It denied labour and the unions an otherwise potentially important platform through which they could defend and pursue their rights and interests. This, however, was an option rejected by the dominant "moderate" leadership in the MTUC.

9.4. MTUC, the Unions and Labour

Chapters 1 and 2 showed that the MTUC was largely created by the colonial government as part of its strategy to fight communism. It was suggested that the colonial Trade Union Adviser played the key role in the development of the centre. Further, a number of "moderate" labour leaders, themselves supported by the government, and whose unions were of the crucial sectors of the colonial economy, also played an important part in the formation and early development of the centre. In fact, with the combined voting strength of their relatively large unions in the MTUC, these labour leaders continued to exercise a major influence on the policy orientation and conduct of the centre throughout its history.

As a loose confederation the MTUC provided a channel for the unions to express their views and grievances,

especially to the government. Equally importantly, it attempted to assume the task of spokesperson on behalf of labour and the unions. In this role the MTUC or some such body was considered vital, despite its incapacity to affect major change in government labour policy. As a result, despite its imperfections and seeming impotence it continued to enjoy varying degrees of support from the unions.

As indicated above, the MTUC was constrained by a number of factors, not least, from within the movement itself. First, there was preponderance of Indian unionists in leadership positions which undermined its claim to be non-communal and representative of the whole organised working class. Second, as shown in Chapter 8, the MTUC leadership and affiliated unions was not always united, a situation that was aggravated by the inter-play of government demands for "responsible unionism" and the personal and institutional interests of the unionists and their unions respectively. In the second half of the 1970s these frictions and conflicts were expressed in the challenge against the MTUC leadership. Similarly, these frictions and conflicts culminated in the split of the MTUC along the public/private sector lines beginning in 1981.

To secure and sustain the confidence and recognition of the government, hence its viability as the country's labour centre, the MTUC also assumed the role as a mediator between labour and the unions on one side, and the government (and, through the government, the

employers) on the other. This role was especially evident in the Railway Dispute of 1962/63, at the height of union militancy in the mid-1960s (Chapter 5), and in the MAS-AEU dispute in 1978-79 (Chapter 8). The role entailed a "compromising" posture towards these issues and an adherence to "an orderly conduct" of industrial relations. Thus, while reliant on unions, the MTUC also did not want the unions to become too persistent or "excessive" in their demands as this might lead to some retaliation from the government. While this role of the MTUC was understandably appreciated by the government, as seen through their collaboration in the tripartite machinery (including the signing of the "industrial peace" codes in Chapters 5 and 7), it did not seem to help increase the centre's influence upon the government on other non-"industrial peace-keeping" matters.

9.5. MTUC and Communalism

In the context of Malaysia's multi-racial society whereby economic and political cleavages also took communal forms, and despite the claim by a good number of unionists interviewed that the MTUC was free from communal bickerings, it has been shown that the development and conduct of the centre and the movement as a whole were also influenced or affected by communalism. As shown in Chapters 2 and 3, state repression of the predominantly Chinese PMFTU-led militant unionism by the colonial state and the persistent campaign against the Chinese-dominated MCP by both the colonial and post-colonial governments

served to discourage the Chinese workers from taking an active part in the MTUC-led movement. The situation also denied the MTUC the opportunity to forge a solidified, inter-communal movement.

The early years of the MTUC-led movement was also characterized by the predominance of the Indian unionists of the plantation (rubber) and public service sectors. It was suggested that given the limited potentials of the minority Indians in exercising any significant influence over the political affairs of the country, the support, encouragement, and importance accorded to the Indian unionists by the colonial authorities could also be seen as part of their decolonization strategy which would contribute towards undermining the position of organised labour in the country. In this respect, the Indian leadership was hamstrung in its attempts to move beyond communalism. The late entry of the Malays into the industry, and consequently, their lack of trade union experience, also further compounded this problem. This situation provided the Indian unionists with a near-monopoly hold over the leadership positions of the movement and, with their cumulative experience in trade union work, also had the tendency to inhibit the emergence of Malay unionists in important leadership roles.

On their part, and in relation to the above situation, the Indian unionists understandably tended to regard trade unionism as their "special domain". Through the rapport established with the early colonial government and their role and position in the various state-sponsored

agencies (including the legislature), the Indian unionists also saw their role in the movement as a means of offsetting the Indians' overall marginalised role in the country's political structure. This situation also encouraged them to reproduce their control over the movement, and although they may have seen the need to recruit more Malay unionists into the leadership, no serious or concrete effort was made in that direction.

Of-course, as implied in the discussions, this is not to suggest that the Indian and, for that matter, the Chinese and the Malay workers and unionists, were homogenous groups as such. There were differences and conflicts between the English-speaking and the non-English-speaking Indian unionists, for example, which cut across communal lines and which continued to undermine the solidarity of the movement. But, because of their "headstart" in trade union work, the Indian unionists were in the position to consolidate and maintain their leadership positions in the movement. The events and developments discussed also suggest that in a communal political environment in which the indigenous Malays were in the position to exercise a dominant administrative and political role, and hence, to dominate the state apparatus meant that it was difficult for the Indian-led MTUC to really create much impact on the labour policies of the Malay-dominated government.

9.6. The Future of the MTUC

The 1980 laws and the split in 1981 represent a new stage in the development of trade unionism in Malaysia. The government role in encouraging the split was evident with the immediate recognition and representative status accorded to CUEPACS in state bodies and particularly the ILO conferences (Damodaran, 1982: 42-48). The latter move infuriated the MTUC and engendered a new round of heated exchange between the two centres both locally and at the ILO headquarters. The Barisan government, particularly its new Prime Minister who took office in 1981, continued to show its preference to CUEPACS. This is not to suggest that there were no problems between the government and CUEPACS. The public sector employees' (including CUEPACS) "wage struggle" of 1984-85 following the government's refusal to consider a revised pay for its employees is an indication of this persistent tendency of government scepticism towards unions. Nonetheless a relatively close relationship between the government and CUEPACS has continued to prevail ever since, thus confirming my analysis of the more "moderate" and collaborative posture of the public service unionists in relation to the government.

Meanwhile, other developments after 1981 also reflected some of the earlier events and developments within the MTUC that have been discussed in the previous chapters. For example, many of the business projects undertaken by the MTUC and the unions were reported to be a failure. Apart from a series of court cases and media

coverage relating to its management and financial discrepancy, Bank Buruh (Workers Bank) is now effectively under non-trade union interests. The NUPW's estate projects and textile mill also proved unsuccessful, while opposition has been mounting against Narayanan's leadership for its alleged mismanagement of the union's funds. By 1984 the incumbent Narayanan, who had been the President of MTUC since 1974 was facing a challenge from the Deputy President, Zainal Rampak, a prominent Malay unionist from the TWU. Although Zainal was not a member of the "rebel group" discussed in Chapter 8, he, as David the Secretary General, nevertheless represented a more critical tendency in the movement. Fearing that an election contest with Zainal might expose his flagging support among the delegates and thereby damage his otherwise "successful" trade union career, including his presidency of the ICFTU (since 1975) Narayanan worked for a compromise with Zainal and agreed to step down as President in early 1986. Apart from the question of incumbency in the MTUC, Zainal's rise to presidency also reflected the growing size and importance of the Malay membership of trade unions in the country. By 1980 and 1981 the Malays constituted 50.6 percent and 51.6 percent respectively of the entire union membership, and their numbers continued to rise.[1]

Of course a change of a few leaders is but one aspect of the whole picture. Even this change is subject to question when one considers the bureaucratic culture of the MTUC and personal and institutional interests and

opportunism which had come to influence and characterize these leaders. For instance, V.David, the present Secretary General of MTUC, and the long-time Secretary General of the TWU who had inspired some of the earlier "younger" unionists was himself the target of a new series of attacks from a growing number of unionists and unions. Apart from working closely with Narayanan as the top leaders of the MTUC since early 1979, David was said to be holding too many positions in various organisations at the same time, and gave little attention to the MTUC.[2] David was also alleged to have used his union (including MTUC) positions to pursue and sustain his political career. Further, the MTUC is still under the influence (if not domination) of some large unions such as the Narayanan's NUPW, the "CUEPACS group" (most of which had rejoined the MTUC by 1987), and others indicated earlier. To justify its continued spokesperson status the MTUC could not risk offending some of these large unions, a situation which implied a sustenance of its "moderate" and "responsible" unionism discussed throughout the chapters.

As implied above, apart from the impact of the 1980 laws on unions, the MTUC-led movement continued to be constrained by the uncompromising attitude of the government. In fact, with the new government policies of "Look East" (such as urging workers to emulate the so-called "Japanese work ethics", emphasising productivity and discipline, and encouraging "in-house" instead of industry-based, national unions), privatization, and "Malaysia Incorporated", there was evidence to suggest

that the government attempted to further weaken and undermine the already limited role of the MTUC.

While suggesting that the post-1981 era was a difficult time for the MTUC and union movement as a whole, the developments just indicated also imply that the MTUC still occupied a role central to union development in Malaysia. Indeed, the fact that the MTUC was still able to bring back into its fold most of the traditional affiliated unions from the public service sector, despite all the attacks and challenges both from within and without and the government's tough labour policy, suggests that the national centre was still regarded as the main spokesperson for the country's unions, however ineffective this may turn out to be.

Notes

[1] The Malay membership of trade unions in West Malaysia continued to rise, for example, from 53.1% in 1983 to 55.78 in 1984 to 56.6% in 1985. See Ministry of Labour, Labour and Manpower Report 1984/85:190, Figure 11-3.

[2] David has been the full-time General Secretary of the TWU since 1960. Apart from this, David also served as the Secretary General of MTUC, member of the Governing Body of ILO, member of the Executive Board of ICFTU (since 1979), President of World Federation of Tamils, Secretary of the United Labour Cooperative Society, Chairman of the Workers

Institute of Technology, and Member of Parliament (on the DAP ticket).

Appendix AA NOTE ON RESEARCH METHODOLOGY

The information and material for the study were acquired through two major methods, namely, consulting the *primary sources*, and undertaking interviews with MTUC and union leaders and officials. Before dealing with these methods, a brief mention should be made about the initial work which preceded the main research.

As normally the case with most studies, I first conducted a literature review on various aspects of labour and trade unionism in Malaysia based on the material available from a number of libraries in England. Following this I also undertook a series of exploratory interviews in England and Malaysia with a former leader of the MTUC, the current MTUC President, and a number of students of Malaysian labour. Together the literature review and the interviews gave me some idea about the state of research and studies on the subjects and, following Thompson (1978:165-85), helped me identify some of the major concerns of the organisation. As suggested above these two initial tasks also served as an important guide for identifying the areas of focus of study as well as a guide for my "field study" in Malaysia.

As for my entry into the MTUC, this was facilitated by my previous job with the Malaysian Youth Council, a national coordinating body of the country's youth

organisations. My working relationship with a few leaders and officials of the MTUC and, to a certain extent, my familiarity with the functioning of a national coordinating body, contributed to my coming into contact with the other union leaders and officials and also my appreciation of the nature of the organisation.

Primary Sources

The most commonly consulted primary sources are the annual reports or General Council's Reports of the MTUC; minutes of meetings of the MTUC General Council; reports of proceedings of the Annual/Biennial Delegates Conferences; other MTUC and union reports and publications; acts of Parliament (labour laws); annual reports of the Labour Department, Trade Unions Registry, and Ministry of Labour; texts of speeches; books and monographs written by participants; as well as newspaper reports. Most of the materials were consulted at the MTUC library and secretariat, CUEPACS office, the Ministry of Labour library, Universiti Malaya libraries, and the offices of some affiliated unions and participants. These materials provided most of the information required for this study.

Of course this is not to suggest that there were no problems with the material. Some of the MTUC annual reports of the early 1950s, for instance, were missing altogether. Likewise, poor record-keeping and documentation in the MTUC secretariat and library

prevented me from having access to the centre's early minutes of meetings and even some later documents. Even so, the available material provided a reasonably good coverage of the events and developments taking place in the MTUC through the years under consideration. In any case, much in the way suggested by Stacey (1969:47-48), the problem of record-keeping prompted me to conduct interviews and discussions with a number of "key informants" as indicated below.

"Unstructured Interview"

To complement this documentary material, I conducted a series of "unstructured interviews" and discussions with a number of MTUC leaders, officials, and ex-leaders. A list of persons interviewed, their positions in the MTUC and the unions, as well as the dates of interviews appears as Appendix B. Apart from serving as an important background for my argument, the interviews with persons who were very much involved in the country's trade union movement also enabled me to explore the unionists' personal views and attitudes and, to a certain extent, to gauge the impact this had on the overall policy and conduct of the MTUC. Most of the unionists and officials interviewed were also the leaders or officials of the affiliated unions so these interviews also allowed me access to material about these unions.

As the term "unstructured" suggests, the interviews were not strictly based on any standard interview schedule although I did prepare and tried to use one at the initial

stage of the study. As the inquiry progressed, I discovered that some of my prepared questions were either redundant or irrelevant, especially when the focus of interview was very specific and demanded more time for deliberation. This prompted me to use the schedule as a general guideline for the interviews/discussions.

Some of the interviews were taped while others were not. This inconsistency seemed unavoidable because some interviewees were rather uneasy about expressing their views in front of a tape-recorder. In this situation personal discretion had to be exercised, whether to use the tape-recorder all through the session, or to put it aside in the hope of getting the "best" and the most from the interviewees. In either case, I noted down as far as possible all the important points which were raised by interviewees. Subsequently I wrote these up as detailed field notes.

As far as possible I tried to interview all the surviving main leaders and officials of the MTUC, particularly the Presidents, Deputy-Presidents and (General) Secretaries. I considered the views and attitude of these unionists to be especially important for an understanding of the policies and conduct of the MTUC. Otherwise, as implied earlier, the selection of sample was based on the role or part played by the unionists concerned in certain issues or events under consideration. It must be noted that having earlier identified a few quite different tendencies in the movement, I also

attempted to get a fair representation of the views of these different tendencies through interviews/discussions with their "leaders" or "representatives".

Altogether, thirty unionists were interviewed or consulted between April 1986 and December 1988. In most cases I spent not less than two hours per person per session. As shown in the Appendix, in a number of cases I also conducted follow-up interview(s)/discussion(s) with the unionists concerned.

As another supplementary exercise during the course of my "field study" I observed the way the MTUC administration was being run and witnessed some sample programmes organised by the centre. For instance, apart from having the opportunity to discuss and interact with the leaders and officials of the MTUC, I also attended such programmes as the Biennial Delegates Conference, rallies, forums, and educational seminars which contributed to my general understanding of the attitude and actions of the personalities involved in leading and administering the MTUC, the nature of response of the affiliates towards the MTUC, and the nature of problems encountered by the MTUC in pursuing its policies and programmes. While these observations covered a later period than my study, they did have the value of sensitising me to some of the procedures and practices of an organisation like the MTUC.

Since the subject of research was the MTUC and the time of my "field study" in Malaysia was quite limited I decided to abandon my original plan to interview

government leaders and officials concerned with labour matters although I did consult with a few of them. This, however, did not significantly affect the study as such. After all, government labour policies which constitute a major variable in the study are already well documented, especially in the official reports of the Ministry of Labour and Manpower, the reports of the Trade Unions Registry, published texts of speeches of government leaders, and in the relevant acts of Parliament.

Problems and Limitations

As with other studies on trade unionism the present one, and the methods employed here, certainly had their limitations and shortcomings. For one, it is obvious that the interview exercise and the study itself is leader-centred. It tends to ignore the role and impact of the ordinary- trade union members and workers (at the workplace) upon the movement. In that sense the interview (and the study as a whole) would certainly be more encompassing, at least in terms of its treatment of the attitudes and views prevailing within the movement, had I also interviewed or held discussions with the state or branch union leaders and activists. In any case, while the object and subject of this study is rather specific and limited, the leader-centred approach adopted here should serve as one of the early steps to be taken to develop a more comprehensive and penetrating account of the movement.

As indicated earlier, the other problem concerned the standard of record-keeping and documentation in the MTUC and the unions. Even the office of the Registrar of Societies which was supposed to keep at least all its recent correspondence files with the MTUC proved to be of little assistance. The shifting of premises and the "fully occupied" staff seemed to have made even file-search a difficult task. The situation reflects the general level of education and seriousness (if not sophistication) of trade union work in the country. This problem is perhaps to be expected. A researcher thus has no choice but to make do with whatever material was still available, besides trying to generate further data through interviews and other oral sources.

The interview exercise posed certain problems which could affect the study. For example, it was quite difficult to interview certain important unionists and ex-unionists who were generally very busy people. Some of them seemed less cooperative and rather reluctant to spare their time for an interview. This perhaps is due to what they appeared to regard as a routine academic exercise by a student without any apparent "benefit" to them or the union movement. In certain cases, even though an interview was finally secured, it was not a comprehensive interview. An overall lack of understanding of the purpose and role of research seemed to influence some participants in their response to the questions.

However, despite the problems, the whole study and methods nevertheless provide a useful start for a proper appreciation of the development and role of the MTUC to be undertaken. The methods employed enabled a reasonably sufficient information to be gathered and generated for the purpose of the study. This in turn should contribute to a better understanding of trade unionism in an ex-British colony generally, and Malaysia particularly.

Appendix BTRADE UNIONISTS INTERVIEWED

1. Adam Abdullah, Executive Secretary, Printing Industry Employees' Union (20.10.86)
2. Ahmad Nor, Ex-President CUEPACS (3.9.87)
3. A.Bosco, Executive Secretary, EIWU (9.10.86)
4. Ching Chai, Research Officer, MTUC, President UETU (2.10.86)
5. V.David, Secretary General MTUC, Secretary General TWU (2.10.86, 18.8.87, 19.8.87)
6. K.Durraipah, Ex-Education Officer, MTUC, Ex-President NUTE (16.12.88)
7. Joseph Fong, Education Officer, MTUC (3.9.87)
8. K.George, Ex-Vice President MTUC, Ex-General Secretary FAFCSU, Ex-President UETU (7.1.87, 12.8.87, 18.12.88)
9. Jamaluddin Isa, Ex-Secretary General CUEPACS (11.12.86)
10. V.E.Jesudoss, Ex-President MTUC, Ex-President CUEPACS, Ex-President MTSU (9.1.87)
11. A.V.Kathaiah, Ex-Asst.Secretary General MTUC, Ex-President AMESU (5.4.86, 7.5.86, 4.10.86)
12. N.Krishnan, Chairman, MTUC Youth Section, NUPW Research Officer (29.10.86, 19.8.87)
13. Andy Rozario, Editor, Suara Buruh (26.9.86)
14. G.S.Maniam, Secretary General AMESU (8.10.86)

15. Mohamad Abas, Ex-Vice President MTUC, Secretary General CUEPACS, President RUM (4.12.86)
16. Mustafa Johan Abdullah, Secretary, National Joint Council of Statutory Bodies (Staff Side) (9.10.86, 13.8.87)
17. P.P.Narayanan, Ex-President MTUC, Secretary General NUPW (14.1.87)
18. T.Narendran, Ex-Deputy President MTUC, Ex-President CUEPACS (10.10.86)
19. A.Navakumundan, Executive Secretary NUPW (28.1.87, 29.7.87)
20. G.Perumal, Ex-Treasurer MTUC, Ex-Deputy Secretary General NUPW (12.12.86, 16.12.88)
21. A.H.Ponniah, Vice-President MTUC, Secretary General AUEGCAS (4.12.86, 21.12.88)
22. G.Rajasekaran, Deputy Secretary General MTUC, General Secretary MIEU (3.10.86, 12.8.87, 20.12.88)
23. A.Ragunathan, Ex-Vice President MTUC, President CUEPACS, General Secretary MTSU (22.12.86)
24. Dali Ravindran, Industrial Relations Officer MTUC, (19.8.87, 9.9.87)
25. Syed Shahril Mohamad, Executive Secretary, Transport Equipment and Allied Services Workers Union (20.9.86, 15.8.87)
26. S.Venkateswaran, Executive Secretary, TWU (4.10.86)
27. Yahaya Mohd.Ali, Ex-Secretary General MTUC, Ex-Deputy President CUEPACS, Ex-President RUM (12.12.86)

28. S.J.H.Zaidi, Ex-Secretary General MTUC (18.9.86)
29. Zainal Ariffin Mohammad, Chief Clerk, MTUC (8.10.86)
30. Zainal Rampak, President MTUC, Deputy Secretary
General TWU (18.9.86, 8.10.86, 11.1.87, 16.8.87,
9.12.88)

Appendix CMTUC MEMBERSHIP, 1949-81

Year	No. of affiliates	Membership	% of total union membership
1949	83	n.a.	n.a.
1950	111	n.a.	n.a.
1951	120	n.a.	n.a.
1952	128	81,407	63.6
1953	129	n.a.	n.a.
1954	141	76,000	67.0
1955	118	111,878	76.8
1956	111	185,195	79.8
1957	71	159,235	71.7
1958	67	149,340	70.9
1959	68	122,605	70.1
1960	67	128,839	70.1
1961	67	155,761	73.8
1962	85	204,003	79.4
1963	79	213,052	77.4
1964	83	253,487	78.6
1965	92	212,690	64.9
1966	89	215,171	61.9
1967	91	223,798	60.6
1968	92	219,097	61.4
1969	44	132,328	38.8

1970	47	134,172	41.7
1971	73	172,261	55.8
1972	82	199,882	60.3
1973	89	234,960	63.1
1974	91	308,301	71.4
1975	103	321,415	67.3
1976	107	319,321	66.3
1977	104	328,445	70.0
1978	97	323,183	67.0
1979	104	361,956	74.0
1980	99	333,076	57.57
1981	103	276,852	46.63

Sources : 1. Trade Unions Registry, Annual Reports (various years).
 2. MTUC (1979).
 3. Ministry of Labour, Labour and Manpower Reports 1980; 1984-85.

TELEGRAM SENT ON 15TH MARCH 1979

BOB HAWKE

ACTRADUNI

MELBOURNE

AUSTRALIA

LT

I HAD A TWO HOUR INTERVIEW WITH DATUK HUSSEIN ONN MALAYSIAN PRIME MINISTER AND DISCUSSED THE WHOLE QUESTION OF MAS/AEU DISPUTE WHICH COVERED IN ADDITION TO THE NEGOTIATION ASPECT ALSO THE QUESTION OF TWENTY-THREE UNION MEMBERS DETAINED AND ITF REPRESENTATIVE DONALD UREN (.) UNDER THE MALAYSIAN ISA IF THERE ARE NO SPECIFIC CHARGES THE DETAINEES MUST BE RELEASED AS SOON AS QUESTIONING IS OVER (.) IN THOSE CASES WHERE THERE ARE CHARGES PREFERRED THEY WILL BE PRODUCED IN A COURT OF LAW AND GIVEN AN OPPORTUNITY FOR LEGAL DEFENCE (.) THE REST OF THE ASPECTS OF THE DISPUTE IS BEING TAKEN CARE AT LABOUR MINISTRY LEVEL (.) AS THE DC-10 HAS REACHED THE POINT OF NATIONAL ISSUE I WOULD REQUEST YOU TO MAKE USE OF YOUR GOOD OFFICES AND SPEAK TO THE UNION CONCERNED AND ALLOW THE DC-10 TO LEAVE SYDNEY AS EARLY AS POSSIBLE (.) I SPOKE TO HARRY WILSON AT 1.00 A.M ON 15 MARCH 1979 AND HE SAID THAT MUCH DEPENDED UPON A MEETING THEY WERE CALLING AT 9.00 A.M WHICH I HOPE WOULD HAVE BEEN OVER BY NOW (.) EVERY ENDEAVOUR IS BEING MADE BY US AT KUALA LUMPUR LEVEL TO RESOLVE THE DISPUTE AS A DOMESTIC ISSUE (.) I AM SENDING A COPY OF THIS TELEGRAM ALSO TO OTTO KERSTEN TO COMMUNICATE ALSO WITH ITF GENERAL SECRETARY HAROLD LEWIS (.) EXPECTING AN EARLY RESPONSE (.) WITH WARM PERSONAL REGARDS (.)

P P NARAYANAN

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