A CASE STUDY OF A RUBBER AND PEPPER REPROCESSING

FACTORY IN EAST MALAYSIA

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Latihan Ilmiah bagi Memenuhi Sebahagian daripada Syarat-syarat untuk Ijazah Sarjana Muda Sastera Dalam Antropologi dan Sosiologi

JABATAN ANTROPOLOGI DAN SOSIOLOGI UNIVERSITI MALAYA KUALA LUMPUR 22-11

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PREFACE

This is a case study of a rubber and pepper reprocessing factory which is based in East Malaysia. The study is made imperative in view of the fact that more and more young school drop-outs and 'kampung' women folks are turning to the factories for work.

The study focuses on the various aspects such as the work environment, the labour force and the relations between the management and the workers. Reference is also made to relate how these factors contribute to the subsequent dissatisfaction among the workers which consequently leads to misunderstanding between the management and the workers.

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SYNOPSIS

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This is a micro-case study of a rubber and pepper reprocessing factory in East Malaysia. The major aspects of the study concern mainly the work environment, the labour force and the relations between the management and the workers.

Although the working conditions in factory X are better when compared with the working conditions in many other factories in this region, they are still comparatively low when one measures these working conditions (such as hours of work, bonus, income, etc.) against the workers' contributions as well as the present inflation rates.

Factory X has expanded manifold since its inception more than **ten** years ago. Yet, the salaries of the "Pioneers" (workers who worked here since factory X was first established) has not increased proportionately. The total production of rubber and pepper has increased tremendously recently as a result of high overseas' demand. As a result, a subsidinary. branch was established in Singapore to facilitate distribution and export.

More than 70% of the work force is made up of the temporary workers, with the majority of them being the females. A large portion of these female workers are young school-dropouts and many of them are also under-aged (i.e., under 16 years old).

(iv)

The temporary workers are the worst off since they do not enjoy the fringe benefits (such as bonuses, paid sick-leave, maternity paid leave, etc.) which are enjoyed by the permanent workers. As a result of their low salaries, these female workers have to take up part-time jobs to supplement their low incomes. Moreover, they also have to do household chores and attend to the needs of their children. Perhaps, over-work may have serious health implications for fatique can cause lack of alertness which, in turn, may lead to accidents.

The poor working conditions coupled with the low salary have subsequently given rise to discontentment among the workers. With the indifferent attitude of their supervisors to alleviate their problems and the lack of understanding of the management to listen to their appeals for increase in salary, bonus, etc., the gap between the management and workers has widened further.

Dissatisfaction among the workers has also led them to adopt "mild" sabotage in the form of wastage of resources and time. Sometimes, violence also erupts between the supervisors and the workers. Consequently, many workers leave their jobs and work else where.

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CHAPTER ONE

I: INTRODUCTION:

This is a case study of a rubber and pepper reprocessing factory which is based in East Malaysia.

What makes this study imperative is the fact that more and more youngsters, especially school dropouts, are finding their way to the modern factory, thus, subjecting themselves to the unfavourable conditions that exist in this sector. For instance, many of them are paid low wages with little or no fringe benefits. The majority of these school dropouts are also below working age, i.e, below sixteen years old. They are the worst off in times of accidents because they are not covered by Social Security Organization (SOCSO). Also, more and more rural folks are migrating to the towns to seek jobs in the factories, in the hope of living more comfortable lives. Unfortunately, many of them are no better off than they were previously. All these have a great impact not only on themselves but also on their respective families. From a sociological point of view, it is felt that a field study is necessary to illuminate the human side of the problems.

It has been commonly and generally said by many people that employers are the 'superdogs' who exploit the helpless employees, i.e, the 'underdogs'. Therefore, the whole blame is rested on the shoulders of the former. Little do they realize that the source of this problem is the result of many factors. For example, it may be the fault of the government agencies that fail to impose stricter regulations to safeguard the employees' interests. It may also be due to the company's weak capitalization that compels the company to mistreat or exploit the employees. On the other hand, it may also be due to the fault of the employees themselves for practising inefficiency.

As an impartial researcher, one must, therefore, look at the various factors before one makes a conclusion.

II: SCOPE OF STUDY:

This thesis is an indepth study on the various aspects of factory X. The aim of this research is not merely to examine the functioning of this factory, but also to examine the general welfare of the employees.

We will first look at :- (i) The management hierarchy.

- (ii) The production processes.
- (iii) The working conditions-wages,

fringe benefits, etc.

We will also examine the structure of the labour force in factory X, i.e, the composition and the total number of workers employed here. The personal background of the workers will also be discussed in detail based on the information and data collected by the author.

The next topic to be dealt with concerns the relationship between the management and the workers. The past and present problems which arise between the two, as well as how these problems are solved (orotherwise) will also be examined.

The final chapter to be analysed concerns some of the main findings which the author found in factory X. We shall then look at the various recommendations based on the author's field study. This will include :- (a) The formation of worker-representation and recognition

of trade unions.

- (b) The role of management, and
- (c) The role of the state government.

Also to be examined in this topic are some of the suggestions made especially at the factory level. We shall look at :-

- (i) The role of the workers.
- (ii) The safety measures and good working environment.
- (iii) The medical facilities.
- (iv) Technological changes, and
- (v) The supervisor-worker relations.

III: RESEARCH METHODOLOGY:

(a) CHOICE OF FACTORY:

As the two products, rubber and pepper, are important export items for East Malaysia because they bring in a large sum of revenue for the developement of the states, it is, therefore, important to study them. In addition, being an East Malaysian himself, the author was familiar with the local customs and traditions. A better understanding of these is important especially when one wants to do research pertaining to the problems of the workers.

There are several reasons why this particular factory was chosen for research study. Firstly, factory X is one of the biggest privately owned rubber and pepper reprocessing factories which employs a large number of workers. Elsewhere, the number of workers is too limited for the selection of respondents needed for this research.

Secondly, the permission to interview workers in several other factories was not granted to the author. This is due to the fact that the owners of the factories were afraid of intrusion by 'agents' who might put the factory in jeopardy.

Thirdly, the author is a relative to the owner of factory X. Hence, the author's entrance into this factory was made easier and access to various information and data was possible too. However, it must be remembered that the relationship between the author and the factory owner was not known to the factory workers. This was to ensure that research would be carried out smoothly. On the other hand, the author had to'convince' the factory owner that the research would not in any way jeopardize the company interests. All this was possible snice the Managing Director and the managers did not go to the factory site at all unless there was a dispute between the workers and the factory manager.

The information and data collected by the author were solely obtained from the employees and the various management staff of factory X. However, a comparison with the other factories of the same nature will also be made. The information collected from the factories is secondary and used to support and substantiate that obtained in factory X.

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(b) METHODS OF COLLECTING DATA:

The author spent two months (mid March to mid May, 1980) in factory X collecting data, statistics and information.

During the first three weeks of the field study, the author made an exploratory survey of the factory to get familiarized with the background of the problems and to search for contacts so as to establish a good rapport with the workers as well as the management staff. With this pilot survey, not only can one test the applicability, feasibility and compatibility of the various research methods, but one can also determine the actual composition of the workers so as to select a handful of respondents needed for this study.

The first approach to be used in this study was participant observation. The author felt that it would be better to reveal his identity as 'a student merely conducting a study of the factory and workers.' There are several reasons why the author chose to do so.

Firstly, it was not easy to turn up suddenly as one of the factory workers. This would only arouse suspicion and fear among the workers. Secondly, by identifying himself as a student researcher, this increased the author's opportunities to get information and data. Thirdly, if the author did not reveal his real identity, his disguised activities (such as observing and questioning the workers) might harm the people involved and, thus, ruin the whole field study. Also, in order to avoid identification with one side or faction of the community in this factory, the author's identity was also made known to the management staff. The task was delicate but it was not formidable because the Factory Manager and the supervisors did assist the author in carrying out his study.

The author participated in the work with the employees so as to socialize and to be integrated and accepted as a 'member' of the work group. The author mixed well with a few workers and, in turn, these workers introduced the author to the rest of the group.

Observation is not only one of the most pervasive activities of daily life; it is also a primary tool of scientific inquiry.

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Perhaps, the greatest advantage of observational techniques is that they make it possible to record behavior as it occurs. While not at work himself, the author roamed round the factory worksite to observe the other workers. This technique yielded data that pertained directly to the typical behavioral situations. It served also a variety of other research purposes, for example, to gain insights that would later be tested by the other techniques. In addition, it also allowed the gathering of supplementary data that might qualify or help to interpret findings obtained by the other techniques.

Personal participation in the work also gave the author good exposure to the actual working conditions in the factory. It provided valuable opportunities for intimate contact with the workers. With this rapport, the author was in a better position to understand the existing social restraints and to avoid certain things that restricted or inhibited spontaneous answers. For example, it was found that some of the workers would not speak out whenever the elders were around. The reason was that these elders happened to be their parents or relatives. Thus, informal interview was only conducted when they were not around.

This method also furnished valuable, practical and more realistic ideas for the formulation and preparation of field work research methods. In addition, this informal contact with the workers and the management staff also provided 'inside' information on deep-rooted problems of the workers not commonly revealed to strangers. For instance, the contact with the factory management staff also allowed the author to probe further into matters related to the company's policy. This is important especially when one is making a micro-case study of a factory.

However, there are some disadvantages in participant observation. Firstly, as this method is primarily directed toward describing and understanding behavior as it occurred, it is, therefore, less effective in giving information about a person's feelings, perceptions, motivations and beliefs.

Secondly, there is the problem of maintaining objectivity.

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For instance, by associating too long with the workers he was studying, the author was in danger of over-friendly relations with some of the workers. He found himself personally concerned with a story told by a certain informant. However, this was overcome by full recording to restore objectivity. The main aim was to explain instead of defending or accusing.

Thirdly, in order to get access to intimate data and information, the author might have allowed himself to become absorbed in, for instance, the local culture. This absorption process might have made him take for granted behavior that he should have been trying to explain. Nevertheless, this problem was also overcome by simply being aware of the tendency to take things for granted.

The author also made use of informal interviews to help him to gather data and information because of the various weaknesses of Participant Observation. Perhaps, the greatest asset of informal interview was its greater flexibility in eliciting information. The author had the opportunity to observe both the subject and the total situation to which he was responding and, thus, be able to estimate the validity of reports. He could, for example, follow up contradictory statements to see how consistent his answers were. The author, in many instances, was able to repeat or rephrase questions asked so as to make sure that these were understood and he could also ask further questions in order to clarify the meaning of a response. This gave the author the flexibility to explore the areas where there was little basis for knowing either what questions to ask or how to formulate them.

The interview was a more appropriate technique for revealing information about complex, emotionally laden subjects or for probing the sentiment that might underline an expressed opinon. In the interview, the 'social atmosphere' was varied by the author in many ways which were conducive for the respondents to express feelings or to report behavior that were customarily disapproved. For instance, the respondents felt free to express their criticisms against the management when asked by the author. Thus, this type of interview achieved its purpose to the extent that the subjects' responses were spontaneous rather

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than forced and were self-revealing too.

The informal interview has its weaknesses too. For instance, more skill is required to administer informal interviews and this call for a more experienced interviewer. The author took quite some time to establish close rapport with the respondents and, thus, this method was time-consuming too. Although the respondents were willing to answer the questions asked by the author, some of them were still reluctant to report openly their beliefs, feelings, motivations, etc. Perhaps also, these people were not aware of many of their important beliefs, feelings and emotions and hence, could not report them. Moreover, the respondent's report might not be the reflection of his truthfulness too.

Despite their weaknesses, participant observation and informal interviews gave the author the ease and flexibility in obtaining information and data which formed the main body of this thesis.

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IV: RESEARCH LIMITATIONS AND PROBLEMS:

During the field study, the author encountered a number of problems which hindered the progress of his work.

Where academic research was concerned, the author did not have much information since there was not much reading material available, not even in the state library. Thus, the author had to depend solely on his own limited knowledge which he obtained from the factory X as well as the other governmental and private agencies, which included the Pepper Marketing Board (PMB) and the Chinese Chamber Of Commerce And Trade.

Since this field study is a micro-case study of a factory, much of the information and data had to be obtained from factory X itself. But one must remember that it was not an easy task because factory X was privately owned and as such, everything seemed to be 'confidential.' Many of the factory owners were highly suspicious and hostile to strangers entering their factories to conduct interviews and gather information.

There was also the problem of over-rapport between the author, the factory X owner and the workers. The author was aware of his relationship with the owner of this factory. But he tried not to allow his feelings and emotions to be swayed by the latter. Also, socialization with the workers did not interfere with the author's objectivity and impartiality. The author listened to both sides and tried to be 'neutral,' based on the information he collected.

The composition of the workers in factory X also hindered the author's work in the early stages. The majority of the workers were female and many of them came from the 'kampung' areas. Hence, they were often too shy to talk and mix around with any strangers. Many of them also did not co-operate with the author. They regarded the author as the company's 'spy' or government 'agent' trying to investigate them. Thus, many of them were apprehensive of being questioned for fear that their opinions would be reported to the authorities concerned. However, with the help of the factory supervisors and a few female workers who became good friends with the author, this problem was soon overcome.

Many of the workers were illiterate as well as highly suspicious. Even when the author managed to coax them to talk, many of their answers were too vague and some of them were unable to explain their work procedure. A standardized and formal interview could not be applied in this field study because of this. Besides, the author also discovered that many of the workers either turned away or behaved and answered artificially when he carried a file or a piece of paper around the factory. Moreover, many of the respondents either changed the topic or prefered not to discuss anything at all when the author asked them. It was, therefore, decided that the best method was informal interview and participant observation to gather supplementary information and data.

There was also a language problem faced by the author. The author lacked the proficiency in speaking the local malay language fluently. On the other hand, some of the 'kampung' folks could not really understand Bahasa Malaysia. Often, the translation of the questions into other dialects such as Hokkien and Mandarin might incur the danger of losing their essential meaning. As such, the author was afraid that the answers given by the respondents might not be the true reflection of the questions asked. Such questions included issues like intangible benefits, opinons about the management, job satisfaction, etc. Nevertheless, language problem was solved when a few educated malay workers were willing to assist the author in interpreting the questions and answers.

Another problem was that some of the workers often chose to answer what the author expected rather than to express what they really felt. Therefore, the answers given by them might not be the actual reflections of their feelings. However, observation was used to confirm or verify the information collected.

When the workers were not working, they would prefer to 'stick' to their own peer groups rather than to be left alone. This posed another problem to the author. Interviews could not be carried out when there was a group of people around because the respondent's answer

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would be influenced by the other respondents and vice versa. On the other hand, once they were working, they did not feel like talking when asked by the author for fear of being reprimanded by the supervisors. However, after establishing good rapport with the workers, the author managed to ask questions individually. Also, with the author's participation in the work with the workers, the factory supervisors did not harass them and this enabled the author to obtain information.

The presence of the elders, relatives and parents who were working in the factory also posed a severe problem to the author. As many of them came from the same 'kampung', there seemed to be a social sanction at work to restrict their actions and behavior.Many of the parents did not like their children to talk with the author for fear that the whole family or the whole 'kampung' would be reprimanded by the authorities concerned. Thus, most of the workers prefered to remain silent when questioned by the author. However, intimate socialization between the author and the workers helped to overcome this problem of non-response.

As the majority of the workers were not permament employees, it was difficult to have organized samples. For instance, whenever there was a ceremony in the 'kampung', a number of workers would not turn up for work. Sometimes, the factory would stop the processing of either rubber or pepper due to low supply of these two products or price fluctuations. Thus, a large number of the workers would be temporarily laid off. Also, snice most of the workers did not have long working history in factory X, their answers might not reflect the real picture of the company's policy and their attitude.

There was no specific job for each worker to do too. For example, in time of labour shortage in the pepper reprocessing section, workers from the rubber reprocessing section would have to go over to help. This only disrupted the organized samples. Moreover, the author also found it difficult to interview the workers in their work-site. The noise and heat of the reprocessing plants especially in the pepper reprocessing section hindered the smooth running of the

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CHAPTER TWO

THE WORK ENVIROMENT

2.1 CHARACTERISTICS OF THE FACTORY:

Factory X was privately owned by a Chinese business man. It was set up more than ten years ago as a reprocessing plant of both rubber and pepper. The factory was sited on two acres of land which belonged to the Company.

In the past, factory X was also the largest pepper exporter. But at present, it was concentrating more on rubber for several reasons. Firstly, there is strong competition from two angles. A number of similar factories were established in this area thus increasing competition. Also the recent establishment of the Pepper Marketing Board (PMB) had reduced the profit of this factory.

The Pepper Marketing Board (PMB) was set up to upgrade the quality of pepper so as to boost export. To do this, it had imposed strict supervision and regulation on the exporters with regards to the reprocessing of pepper. It had also levied grading taxes, export taxes and pepper ware-house taxes. These had not only drawn a certain amount of profit from the exporters but also brought inconveniences to them. For instance, if a PMB Grading officer found that the consignments of the pepper exporters did not meet the required grades, then the exporters had to reprocess all over again. This means loss of labour power as well as capital.

Secondly, it would be better to concentrate more on one export item, i.e., rubber so as to pool all the resources to enable the company to capture the market. The strong financial position of factory X had enabled it to get substantial and constant supply of rubber sheets from its agents. Unlike rubber, the supply of pepper was often irregular. In considering these factors, the company therefore, decided to concentrate more on rubber.

Production in this factory was adjusted according to the

demand for its products. As these were primary commodities, they were highly vulnerable to price fluctuations. However, that this company was doing and operating well was evidenced by the setting up of a subsidiary branch in Singapore. This subsidiary branch acted as an intermediatory and a broker. Most of the goods were exported oversea via this branch. In the case of rubber, the commodities were mainly exported to Japan, Hong Kong and Singapore. But pepper was exported to Hamburg (West Germany), Southampton (United Kingdom), Singapore, Malaysia, and as far as the United States Of America. However, due to the delay of money transactions and the loss of weight incurred as a result of shipment, most of the pepper is now exported to Singapore and Malaysia.

In this context, 'reprocessing' does not mean the processing of the raw products. Rather, it means the reprocessing of the already processed products, i.e., it involves the clearing and separating of dirt, dust and other unwanted materials which include sand, stones, wood and the raw parts of the goods. After reprocessing, the rubber sheets and pepper are then graded accordingly. These two products are subject to government supervision prior to being exported.

This factory was divided into two main sections. The largest section dealt with the reprocessing of rubber sheets while the other section was for the reprocessing of black and white pepper. These two sections were separated by warehouses which were used to store goods. As they were located next to each other, the workers from any section could go over to help in time of labour shortage.

Factory X had some of the characteristics of a modern factory. It was bureaucratic in structure and relations between workers and management had been formalized according to the authority hierarchy. Machinery and reprocessing plants were used in the production. However, more than 85% of the work in the rubber reprocessing section was done by human power. Yet, this did not encourage a greater degree of specialization in the form of division of labour. This was because in times of labour shortage at any reprocessing section, the workers had to go over to help. As can be seen, it was flexibility rather than

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specialization of work.

The labour force had also been expanded to cope with the increased production. At the time of the study, there were about 135 workers in this factory; 100 were temporary or daily-rated workers. These temporary workers comprised what we call the 'blue-collar' labour force of the modern industralized state. The majority of this group were the Malays and they were in the production section. Unlike the temporary workers, the 'white-collar' workers were permanent or monthly paid including all the management staff, the Factory Manager, the Production Superintendent and the supervisors. They were mainly occupied with the administrative work.

2.2 THE MANAGEMENT HIERARCHY:

As factory X originated as a family business, it had retained the structure of authority resembling that of a family unit where the father ruled over the members of his family. As the foundation of the family business was built on loyalty and trust among all the members of the family, the progress and stability of the company likewise depended very much on the cooperation of the members of the family who helped to run the Company.

The structure of authority was in the order of a pyramid where the head of the family was the Managing Director. Most of the important posts were also held by the members of the founding family and close relatives. The three most important posts were held by the sons of the founder; the eldest son was the General Manager, the second son held the post of Finance Manager and the third son was the Distribution Manager. Orders were received from the level above and transmitted to the level below.

The Company was divided into two sections; the administrative

and the Production which were located in the main headquarter office and the factory respectively.

At the administrative side, the Managing Director was the 'Boss' or the policy-maker. As the business was speculative and involved a large amount of risk, he reviewed and analysed all the policies after the respective authorities of the various divisions had reported to him. He had absolute power and authority especially with regards to the company's finances and investments. For example, his three sons could not issue cheques unless endorsed by his signature. This procedure was necessary to prevent corruption and malpractices.

Unfortunately, being the most important and influential man in the Company, he was also the man furthest from the employees. He rarely went to the factory for he left all the work in the hands of the Factory Manager and the General Supervisor. This isolation tended to make him overlook the workers' problems. Thus, there was no mutual understanding between him and the workers.

The three managers acted as the Pillars of the Company. This was because their cooperation was needed for the smooth running of the Company. Each manager was assigned to a specific duty but he was responsible only to the Managing Director.

The General Manager was responsible for the overall employment of the workers. He maintained employee records and personnel statistics. He also dealt directly with all the local agents regarding the negotiations of supply of goods. In meetings or conferences, he represented the Company. Thus, one can say that he played an important role for his decisions could also affect the Company's policy.

The Finance Manager was mainly concerned with the financial investments and transactions of the Company. He had good contact with banks since all the major overseas transactions were made through them. As the Company's economic planner and adviser, he also analysed the Company's policies regarding wage-rates, export-taxation, overseas demand, price fluctuations and money transactions. He authorised ohanges in the worker's wage rate after a careful assessment based on the Company's profit and recommendation from the Factory Manager.

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Furthermore, he also decided the worker's annual leave, sick leave, fringe benefits, working hours, etc. One can say that he played a major role in the working life of the factory workers as well as the management staff. Yet he was the furthest away from the former. He seldom went to the factory and the link with the workers was made through the Factory Manager and the Supervisors. As a result, he failed to see the problems of the workers and the difficulties which the Factory Manager encountered with the employees.

Both the General Manager and the Finance Manager were concerned with the administration of the Company. Under them, they had twenty general accounts clerks to assist them in their work. Many of them were distant relatives of the Managing Director.

The Distribution Manager was attached to the branch office in Singapore. He was assisted by a Distribution Supervisor who was also a close relative of the Managing Director. The Distribution Manager had close contact with the Finance Manager for overseas transactions were done by both of them. He dealt directly with the oversea agents and all the exports were sent through him. Thus, unlike the General Manager and Finance Manager who had a more direct role to play in the running of the Company, the Distribution Manager was the furthest away from the main administration of the Company.

Next, the close relatives of the Managing Director occupied the high ranking management posts such as the Factory Manager, General Supervisor and the Distribution Supervisor. Further down the pyramidal structure, the distant relarives took the posts of Production Superintendents and Supervisors. All of them were full time paid employees and they enjoyed certain benefits too. For example, the Factory Manager, General Supervisor and the Distribution Supervisor enjoyed free lodging and the Company's cars. This seemed to be incentives to win their loyalty and honesty. They were obliged to the Managing Director for his assistance rendered to them in time of financial difficulties. For example, not only the Managing Director found them jobs in his factory but he also sponsored many of their children's education.

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At the factory level, the most important person was the Factory Manager, followed by the General Supervisor and the Production Superintendent. These personnel were important because they were the most senior in authority and they also worked hand in hand with the workers. Because of their association with the workers, they could understand the workers for most of the workers' problems and grievances were channeled through them. Yet, they did not have much say with regards to matters (such as wages, sick leave, working hours etc) that affected the welfare of the workers. This was because their super-ordinates such as the three managers, who had authority to review the Company's policy, failed to understand their problems as well as that of the workers. Their residence as well as their office were situated within the factory.

Even though the Factory Manager was the most important and senior man in the factory, he did not share the same status as that of the three managers simply because he was just the close relative of the Managing Director. With the assistance of the General Supervisor, Production Superintendent, Lady Supervisor and the two general accounts clerks, the Factory Manager saw to the overall running and management of the factory itself. He was also responsible for the day-to-day functioning of the factory. The weighing and grading of rubber sheets were part of his job. He issued bills which were to be settled in the main office within two weeks duration. His experience and the trust the Managing Director had in him won him this post. As his residence was within the factory, he was also responsible for the care and security of the site. He acted as a mediator between the workers and the employer whenever there were grievances and complaints. To a certain extent, he had the authority to accept or to sack workers. Also, he decided worker's wage rates and work hours but all these had to be reviewed by the General Manager and Finance Manager. In time of labour shortage, he was often seen working with the workers. A part of his job was to see that there was harmonious labour relations within the factory.

The Production Superintendent also acted as a supervisor in

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the pepper-reprocessing section. He saw to the day-to-day production of rubber and pepper. Like the Factory Manager, the grading and weighing of pepper was part of his job and he was assisted by the General Supervisor and a general accounts clerk. However, all the bills issued by him needed to be signed by the Factory Manager before they were sent to the main office. He had to follow the production table schedule and to see that once a consignment was needed for export, he must be able to meet this requirement. A record of the day-to-day production of rubber and pepper was kept by him after the end of each day and to be handed to the Managing Director. Part of his duty also included the supervising of the loading of goods for export so as to ensure that the consignments were transported to the right ships. Though he was a very experienced man, he did not share the same status as that of the Factory Manager and the General Supervisor because he was only a distant relative to the Managing Director.

The General Supervisor watched over the work of all the male workers in the factory. He saw to the smooth running of the factory's machinery such as the pepper reprocessing plants, rubber compressors, forklifts, lorries and the company's cars. He was responsible to the Factory Manager.

Unlike the General Supervisor, the Lady Supervisor supervised the work of all the female workers in the rubber reprocessing section but not in the pepper reprocessing section because these two sections were apart from each other. She taught new recruits how to handle the pairs of soissors so as to cut efficiently as well as how to differentiate between the various grades of rubber. She had to make sure that no workers wasted the good rubber sheets and to see that all scissors were sharpened. She also acted as a link between the female workers and the Factory Manager. In time of labour shortage, she was seen working side by side with the workers.

The structure of authority can perhaps be better understood from Table 2:I. Basically, there were two aspects to this structural organisation. The administrative side was mainly concerned with the administrative work of the company which included the settling of all

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account bills, overseas transactions, the planning of company's policy, worker's wage rates and working conditions and also its investment expansion. On the other hand, the factory level was concerned with the day-to-day production of goods which were required for export. This sector involved the direct labour work which included all the reprocessing processes, transport and storage of goods and shipments. It also saw to the smooth functioning of all the machineries and supervising of work.

In short, management is that part of the organization which co-ordinated, directed and controlled the activities of all other parts. Both these two levels were inter-dependent on each other. At the factory level, the Factory Manager, the Production Superintendent and the Supervisors got orders and directives from their super-ordinates at the office with regards to the production of goods for export. On the other hand, the management staff at the main office had to be informed by their subordinates at the factory with regards to the various account bills and the total production. Although these two levels performed different functions, they nevertheless shared a similar responsibility of ensuring that the factory run efficiently.

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2.3 THE FACTORY LEVEL:

(a) THE PRODUCTION PROCESS:

The whole organisation in any factory was geared towards achieving greater efficiency in the production. To ensure this, there was an elaborate structure of authority which saw to it that the factory ran smoothly and efficiently.

In this factory, there were two sections of reprocessing. In the rubber reprocessing section, there were elaborate economic divisions. Each division performed its main function and all these divisions were interdependent to each other. Any disruption in any division would upset the production process because these divisions ran like a "conveyor Belt". The difference between this was that instead of being machine - operated, more than 85% of the work was done by human energy. Female workers were employed to perform this task. The reprocessing of rubber sheets involved a number of stages. (refer plates: Stages of rubber reprocessing).

The bulky rubber sheets came in the form of piles and each pile weighed around 80 to 100 katis. These were then carried by the male workers. These rubber sheets came in the form of grades 1, 2, 3, 4 and 5 with "Bullock" forming the lowest grade. Because of their higher market prices, grades 1 and 2 were usually separated. Thus, in a pile of rubber, one could find only grades 3, 4, 5 and "Bullock". As these rubber sheets were too sticky to be separated into various grades as well as this being very time-consuming, the Factory Manager would choose two piles of rubber from the trucks which were brought by the agents. The rubber sheets from the two chosen piles were then separated to get the weights of the various grades. (see plate 2).

The percentage of each grade was then calculated by dividing its respective weights by the total weights of the two piles and multiplying the result with 100%. This calculated percentage of a particular grade was used to represent the total weights of the same grade of rubber sheets (which were not separated) and the prices for each grade were then calculated accordingly. When buying the rubber sheets from the farmers, the agents also applied this "rule". Since the selection of the samples was entirely in the hand of the buyers, a more experienced buyer would benefit for **he** would know how to choose the piles that had the lowest grades of rubber sheets. This could be done by judging the colour of the rubber sheets. Seen from this respect, the Factory Manager played a very important role in determining the profit-level of the company for the grading and weighing of the rubber sheets were entirely in his hand.

The piles of rubber sheets were then carried to a division where the female workers helped to separated the rubber sheets. As the rubber sheets were very sticky and smelly, the job was very taxing and tiring. Fifteen married women peeled the rubber sheets with the aid of a pointed hook (see Plate 4). The job was quite dangerous for the pointed hook could slip off the rubber sheets or they could tear under pressure causing the hook to fly and injure the workers. This division played a very important part in the production process; the

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faster these workers peeled the rubber sheets, the faster the workers in the other sections could reprocess them. A pile of rubber sheets took about ten to fifteen minutes to peel. Immediately after the rubber sheets were separated, they were carried to another division.

In this division, thirty female workers merely cut the dirty or raw parts of the rubber sheets. They were assembled into one line with five workers at a table. This was to enable the Lady Supervisor to supervise the work and to facilitate the handling of reprocessed rubber sheets. Each worker had two pairs of scissors. The dirty parts of the rubber sheets which were cut off were graded as "cuttings" and the raw parts were graded as "Bullock". The former was a better than the latter but both were the lowest grades among the rest of the grades. One could see that there was no waste involved for every single part of the rubber sheets was sold. In fact, this division was important in the sense that any indiscriminate cutting would incur a great loss of profit to the company. The job was taxing too and in order to reduce bruises and accidents, the workers wore woollen hand gloves. The reprocessed rubber sheets were then carried to another division.

The grading of the reprocessed rubber sheets was done by three experienced female workers. Except the "cuttings", these reprocessed rubber sheets were categorized into the various grades. This was merely done by judging the colours of the rubber sheets (see plate 5). The Factory Manager and the supervisions often came to supervise to ensure that all the various grades were categorized correctly. These various grades of rubber sheets were then carried to another division.

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The weighed reprocessed rubber sheets were then piled up into "block" ready to be compressed. There were eight female workers in this division with two persons assigned to every "block" of rubber (see plate 7). A sharp instrument was used to help them in the piling of rubber sheets. These rubber sheets were 'mailed' together and then compressed into the standardized size of a l_{Σ}^{1} ' x 2_{Σ}^{1} ' square (see plate 8). Each "block" of rubber took about three minutes to be compressed. The compressing work was done by two powerful compressors which were operated by two male workers. This was the only division which employed machinery.

The standardized "blocks" of rubber were then painted white by two male workers (see plate 9). The white paint was made from a talc powder which was mixed with pieces of rubber soaked in kerosene. Only rubber "blocks" that were exported to Japan and Hong Kong were painted. This was to prevent the rubber "blocks" from sticking together during shipment. The grade-marks were also painted on them and they were carried by folklifts to the warehouses. The Froduction Superintendent kept a record on the daily production and this record would be sent to the main office.

In the pepper reprocessing section, more than 75% of the work was done by machinery. Twenty-five female workers were employed to work in the three reprocessing plants.

There were two types of pepper; white pepper and black pepper. The Froduction Superintendent and the General Supervisor graded and weighed the pepper brought by agents (see plate 13). The moisture of

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the pepper was tested by a small meter machine and calculated into percentage from the table by the Pepper Marketing Board (PMB). If the percentage of the water moisture was high, then a reduction of weight was taken into account. And if the pepper was too wet to be reprocessed in the plants, it was dried in a huge oven where the hot dry air (generated by burning of kerosene) was driven and forced into the oven by two fans (see plate 14). The drying of pepper might take a few hours depending on the degree of water moisture.

When the pepper was dried, it was ready to be reprocessed. However, the female workers used a specially made wooden sieve to clear and separated dirty materials such as stones, pepper veins, woods, papers, etc (see plate 15). The wooden sieve was made in such a way that pepper could pass through the wire holes and the dirty materials were collected and thrown away. However, this did not prevent the small stones and dust from passing through these wire holes. Thus, the pepper had to be reprocessed by the reprocessing plants.

The pepper was then transported by a long series of cup-like-containers to be reprocessed. Inside the reprocessing plants, the speed of the fans was adjusted in such a way that the strength of the wind would blow and separate the pepper, stones, dust, pepper veins, etc. through different outlets. Heavier and better quality pepper was collected through an outlet into a gunny sack until the sack was completely filled up while the lighter and poorer quality pepper was collected through another outlet (see plate 16). It was then weighed and the sack was stitched together by a few female workers (see plate 17).

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There were four different types of standardized weight for both the black and white pepper; that of good and poor quality of black pepper was 124 katis and 62 katis per standard gunny sack respectively; that of good and poor quality of white pepper was 146 katis and 86 katis per standard gunny sack respectively.

Before reprocessed pepper could be exported, it had to be examined and graded by the pepper Marketing Board officers (see plate 19). A random sample of the reprocessed pepper was usually taken to be tested at the FMB laboratory. After the test, a certificate was issued specifying the grades of the reprocessed pepper. For example, if there were fifty sacks of a particular grade, the FMB would issue fifty certificates to be attached to the sacks. These sacks would then be kept in a special warehouse. Although this warehouse belonged to the company, only the FMB had the full authority to open it. This was to prevent the exporter from cheating by tampering with the graded pepper.

When the exporter wanted to export these pepper, he had to notify the FMB beforehand. The unloading of the pepper from the special warehouse was under the supervision of the FMB. Grading fees were levied according to the grades of pepper. Generally, lower grading fees were charged for better quality pepper. For example, in the case of Grade 1 or Special Black or White Pepper, twenty-five cents was levied on each sack exported, whereas Grade 4 or Course Field Black or White pepper was \$3.00 per sack exported. This was to encourage the exporters to reprocess higher quality pepper. Next, the Froduction Superintendent kept a record of the number of sacks being exported.

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As one could see, there was a big contrast between the rubber and pepper reprocessing sections.

In the case of the rubber reprocessing section, work was mainly done by human power, whereas in the pepper reprocessing section, machinery played a more important part. Thus, the production in the former depended much more on the efficiency of the workers. This, in turn, called for a more efficient supervisory body, a better relationship between the management staff and the workers and better working conditions would enhance the efficiency of the workers.

(b) TECHNOLOGY AND SKILL LEVELS:

Although factory X bore some of the characteristics of a modern industralized factory, its technology and skill levels were comparatively low.

In the rubber reprocessing section, more than 85% of the work was done by human power which was mainly comprised of female workers. These workers were employed because of their cheap labour force and also because they were efficient and adaptable. According to the factory supervisors, female workers could handle the scissors and cut the rubber sheets more efficiently. In spite of their monotonous work, they were also more patient and tolerant. Since the bulk of the work was unskilled, it was easily learnt; for example, within three days of learning, they would be able to cut efficiently and differentiate the various grades of rubber sheets. Many of them also did not have any experience at all. They were either school drop-outs or housewives prior to their job in this factory (refer chapter 3: THE STRUCTURE OF LABOUR FORCE). The majority of them said their job did not require any thought and skill at all. They complained to the author that they were simply wasting their time doing this type of work. Moreover, they said that as they worked longer, they were conditioned to handle their job well.

Despite the fact that more than 75% of the work was machine operated, the level of technology and skill in the pepper reprocessing section was still quite low. The female workers in this section also had common socio-economic background with the female workers in the rubber reprocessing section. The result was that many of them did not have any experience at all. They also said that their job did not require any thought and skill. They could easily learn their job within just a few days. All the three reprocessing plants were modified by local mechanics and had low capacity too (refer 2.3 (c) Total Production of rubber and pepper). Fart of the reprocessing plants were not capable of clearing all the dirty materials such as stones, dust, pepper vein, paper, wood, etc.

The company did not intend to invest in the improvement of its technology and the skill of the workers for several reasons. Perhaps, the most important factor was one related to the family hierarchy. There was a fear of a fight for control once the Managing Director was not around because it meant that the company would be controlled by the three managers. Thus, the company's policy was to earn short-run maximum profits instead of investing which might take many years before

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bearing fruit.

Secondly, modern reprocessing plants such as the reprocessing plants of the PMB were too expensive to purchase and maintain. Therefore, the company had to make use of the existing reprocessing plants despite their low capacity.

Thirdly, the PMB's new reprocessing plants also helped the. exporters and farmers to reprocess pepper by merely charging a certain fee. The main objective of the PMB was to reprocess good quality pepper so as to meet the American Spice Trade Association Standard (ASTA) as it fetched higher price than elsewhere.

However, in future if the company considered it more profitable to reprocess its pepper by the FMB; it would reprocess the pepper there rather than to increase its investment on its technology and the skill of the workers. Thus, until it had been proven profitable to be reprocessed by the FMB, the company would continue to depend on its existing reprocessing plants. (The FMB's reprocessing plants were not in operation when the author conducted his study, so there was no information regarding the company's decision to send its pepper to be reprocessed by the FMB.)

(c) TOTAL PRODUCTION OF RUBBER AND PEPPER:

The total production of rubber and pepper was determined mainly by two factors. Firstly, the company would increase or decrease its production in response to market prices. For example, if the market

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prices of rubber and pepper were favourable and stable, the company would produce more in response to this. Conversely, the company would reduce its production if the prices of these two goods were not favourable and stable. Secondly, in time of the rainy seasons which generally occurred toward the beginning and end of the year, the company would not be able to obtain substantial supply of these goods from its agents. Thus, the company would also step down its production. As the company's policy was to concentrate on one export goods so as to pool all its resources on rubber, the total production of rubber was more than three times that of pepper export.

In the rubber réprocessing section, the workers produced between 150 and 200 "blocks" of rubber daily. On an average month, the company exported between 400 and 450 metric tonnes of rubber. Unless the market fluctuation of prices were great, the company would not keep its stocks for long because it would only lose in terms of interests of capital. The company exported the following grades of rubber; that of Grades 1, 2, 3, 4, 5, "cuttings", "Bullock" and the "latex crepe" (the latex which remained cogulated on the rubber trees after the tapping of rubber trees) which included the "Brown crepe", "C-Blanket Grepe" and the "Balk Grepe". Including these "latex crepe", the company exported over 5,500 metric tonnes (92,400 pikuls or 12,320,000 pounds) of rubber a year. All these grades of rubber were exported mainly to Japan, Hong Kong, Singapore and some to Malaysia.

In the pepper reprocessing section, three reprocessing plants were used to reprocessing the black and white pepper. Each plant could

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produce about seventy bags of pepper daily. The third plant, which was bought from one of the foreign's companies located here, had the capacity to produce more than 100 bags of pepper per day. However, these plants were unable to reprocess standard quality such as that of the ASTA (American Spice Trade Association). The reason was that these plants were not efficient and sophisticated enough to produce this: type of pepper. The company's average monthly export was between 100 and 150 metric tonnes. As the prices of white pepper were much higher, the company produced more white pepper than black pepper. Like rubber, the fluctuation of the prices of pepper was very great and unstable. This was because the company would lose more in terms of its capital interests as well as the storage fees paid to the FMB if it kept its stock for a period of time.

The various export grades of black and white pepper included: (a) Special Black and White Pepper. (b) FAQ Black and White Pepper. (c) Field Black and White Pepper. (d) Course-Field Black and White pepper and (e) Light Berries Black and White Pepper. In average year, the company exported between 1,500 and 2,000 metric tonnes (25,200 and 33,600 pikuls) of pepper. All this pepper was exported to Singapore, Malaysia, Southampton (Britain), Hamburg (West Germany) and The United States of America.

However, both the exports of rubber and pepper are also determined by the export duties which were subject to daily changes. For instance, if the export duties for both products had dropped very

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much in a given month, then the company would try to export more in that month. Conversely, the company would reduce its exports if the export duties had increased greatly. Much depended on speculation in this type of business.

As seen from the above, the company was mainly export-oriented. Its total annual production had increased over the years since its inception more than ten years ago. It had also expanded its overseas markets as far as Europe and the United States of America. The setting up of another subsidiary branch in Singapore served to facilitate its distribution of exports and overseas transactions.

(d) CONDITIONS OF WORK:

In factory X, all the employees had to abide by the rules and regulations agreed upon and set by the company, as well as the association of the Chinese Chomber of Commerce And Trade. However, there were individual differences between the various factories regarding the wage-rates, over-time rates, working hours, fringe benefits, ets.

(i) WORKING HOURS AND SALARY

The working time for the employees was from 8:00 A.M. to 5:00 P.M. with three break-intervals; the morning tea break was from 10:00 A.M. to 10:15 A.M; lunch time was from 12:00 Noon to 1:00 P.M. and the afternoon tea break was from 3:00 P.M. to 3:15 P.M. On average, all the employees worked for $7\frac{1}{2}$ hours a day. Altogether, they worked six

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days or 45 hours a week.

For the permanent workers, their pay ranged from \$220 to \$450 a month. There was no specific annual increment for this group because of the nature of business. In fact, since these workers joined the company when it was first set up, there had only been an annual increment of \$30. Neither did the temporary or daily-paid workers have any standardized basic pay or annual increment. Both the male and female workers of different ages were paid differently depending on the jobs they performed. For the temporary female workers, their daily pay ranged from \$3.50 to \$6.50. But the daily pay of the temporary male workers ranged from \$4.50 to \$12.50. The temporary workers had different numbers of working days. The female workers worked between 20 days and 26 days per month, while the male workers worked between 24 days and 26 days per month. The average monthly income for the former varied between \$80 and \$150, while the average monthly income for the latter varied between \$120 and \$325.

When all the workers were required to work over-time during a working day, they were paid $l_{\overline{z}}^{1}$ times the salary rate for each hour of work. When a worker was requested to work on Sunday, he would get two days pay. According to the Chinese Chamber Of Commerce And Trade, if a worker was requested to work on a gazetted public holiday, he would be paid double which meant he would get three days' pay.

The permanent workers drew their pay fortnightly, whilst the temporary workers drew their pay in every ten days. This was to enable the workers to have some money for their daily expenses.

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(ii) FRINCE BENEFITS:

The company provided free transport for the flactory workers. Company lorries would pick them up at the certain locations around 7:30 A.M. and then sent them back around 5:00 P.M. This was because most of the workers stayed quite far from the factory and they had difficulties in getting their own transport. This free transport was provided to prevent the workers from being absent in times of peak production.

All the permanent workers had l_2^+ months bonus every Chinese New Year. As for the more trusted permanent staff, they could also obtain a certain amount of loan with minimum interest rates from the Managing Director. On the other hand, the temporary workers had a meagre bonus which ranged from \$8 to \$25 depending on the number of years they had been with the company. However, the company gave forty cent "Food Allowance" to all the temporary workers for each day they worked. They were also invited annually to a feast held by the company. This feast was held in conjunction with the 15th day of the 7th month according to the Chinese lunar calendar, also known as the "Hungry Ghost Month". The main function of this feast was to pacify the ghosts which were believed to cause accidents in the factory.

All the employees also benefited from the Employment Provident Fund (EPF) which provided them with some form of income on retirement. Of the $13\frac{1}{4}$ % of this EPF, the company paid $6\frac{1}{4}$ %, while the workers contributed the remaining 7% of their total monthly income. They were also insured by SOCSO and, thus, entitled to accident compensation in times of any mishaps in their work-site.

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(iii) LEAVE:

The permanent workers had an annual paid-leave of two weeks. This did not include the thirteen public holidays in the state. However, the company also granted at its sole discretion, special paid leave for such purposes as attending funeral processes of close relatives or members of the families. Sick leave was also granted if approved by the company's registered medical practitioner. However, there were no specific days granted for hospitalization. Generally, the company did not grant more than two weeks' sick leave. For the female permanent workers, maternal leave was granted upon presentation of a medical certificate from the company doctor. A total of one month's maternity leave with full salary was given.

Unlike the permanent workers, the temporary workers would only get paid medical leave if accidents occurred at their work-site and the medical leave had to exceed more than four days. The temporary workers also did not have any annual paid leave at all. Although the bulk of the temporary workers were married women, the company did not grant paid maternity leave. The only paid leave was the thirteen public holidays in the state.

(iv) OTHER BENEFITS:

Compared to other factories, the workers in factory X had a much better canteen. Many different kinks of food and drinks were served here with reasonable prices. Therefore, workers did not have to travel out to buy drinks or food during the intervals. The canteen also served as a gossiping and resting place for the workers especially during the break times. Gossiping was an important pastime for passing the time.

Several toilets and bath-rooms were also built for the factory workers. The workers could also take their bath here and this tended to refresh them especially when the weather was hot and humid.

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MONTH IN PIKULS	RUBBER	BLACK PEPPER	WHITE PEPPER
JANUARY	9988.29	851.08	1746.31
FEBRUARY	8953.13	571.18	805.57
MARCH	9130.03	958.17	1310.10
APRIL	11,889.265	1055.31	585.68
MAY	8940.73	- 870.37	1208.39
TUNE 8263.46		834.09	819.69
JULY	7721.84	1509.71	1288.00
UGUST 7366.81		927.05	1271.41
SEPTEMBER	7838.5675	1096.54	1202.46
OCTOBER 6008.04		519.89	843.77
OVEMBER 6072.35		2491.59	2028.24
DECEMBER 6562.315		1875.82	861.92
TOTAL:	98,734,828	13,560.8	13,971.54

E 2.2: THE COMPANY 1979'S TOTAL BUYING OF RUBBER, WHITE PEPPER AND BLACK PEPPER.

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FYPES OF RUBBER	PRICE PER PIKUL
R.S.S. 1	\$317.00
R.S.S. 2	\$303.50
R.S.S. 3	\$300.50
R.S.S. 4	\$294.50
R.S.S. 5	\$289.50

TABLE 2.3: PRICES OF RUBBER BY GRADES.

R.S.S. stands for Rubber Smoked Sheet or Grades. Average price for various types of rubber in the month of April, 1980 - Taken from the State's Newspaper. TABLE 2.4: PRICES OF PEPPER BY GRADES.

TYPES OF PEPPER:	\$ PER METRIC TONNES.
WHITE PEPPER	\$4,318.02
BLACK PEPPER	\$2,857.17

TAKEN FROM STATE'S NEWSPAPER, MAY, 1980.

TABLE 2.5: EXPORT DUTIES OF RUBBER AND PEPPER.

COMMODITY	EXPORT DUTIES			
1. RUBBER.	\$ 0.13 ¹ /4	PER. POUND		
2. WHITE PEPPER	\$29.55	PER PIKUL		
3. BLACK PEPPER	\$17.18	PER PIKUL		

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TAKEN FROM THE STATE GOVERNMENT GAZETTE, 1973.

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CHAPTER THREE

THE LABOUR FORCE

(a) THE STRUCTURE OF THE LABOUR FORCE: (1) RACE AND SEX:

In this chapter, we shall examine the composition of the working force in factory X. This is important for two reasons. Firstly, by knowing this labour composition, we will be able to understand the contributions made by each group of workers. Secondly, by studying each individual group, we can pay greater attention to a particular group, for instance, the female temporary workers, who were the worst off of the labour force in this factory. Yet, their contribution was not less important when compared to their male counterparts.

There were 135 workers in this factory; out of which 100 were temporary workers, while 35 had permanent status. The temporary work force, thus, constituted about 74.1%, whereas the permanent work force formed only 25.9% of the labour force (refer Table 3:1 - sex and status of workers in factory X).

There are several reasons why the company employed such a large percentage of temporary workers. Firstly, as the company's exports were mainly agricultural goods, they were highly vulnerable to price fluctuations. In times of low prices, the company would temporarily lay off these workers. Thus, this group acted as a "buffer" against financial losses. In addition, these temporary workers also enabled the company to avoid retrenchment of long-term or permanent workers, hence, increasing the security of the latter.

Secondly, the company sometimes experienced the problem of getting constant and substantial supply of rubber and pepper from its agents. This usually occurred during the rainy season. Thus, unless these workers could be laid off during this period, the company would operate at a loss.

Thirdly, they also provided a relatively cheap labour force. Another reason why there were more temporary workers is that the majority of them were unskilled and, thus, were paid low wages.

We shall now examine the overall total number and percentages of the male and female workers among the three different races.

As can be seen from Table 3:1, the female workers outnumbered the males. The former formed 53.3% of the labour force, whereas the latter formed 46.7%. Out of the 72 female workers, 97.2% were temporary workers, while only 2.8% had permanent status. In the male work force, however, 52.4% were permanent male workers. From these figures, we know that the temporary female workers formed a very important part of the labour force.

Let us look at the racial differences amongst the workers. As seen from Table 3:2, the malays formed the largest portion of the working force, i.e., 52.6%, compared to the Chinese and the Ibans. Out of the 71 malay workers, 95.8% were temporary workers while only 4.2% represented the permanent workers. In contrast, out of the 57 Chinese

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workers, 43.9% were temporary workers, while 56.1% formed the permanent workers. The Iban workers constituted only a negligible percentage of work force, i.e., 5.2%, all in the temporary status.

We will now examine the contribution made by the different sexes within these three races. Unless this is done, our study will never bring to surface the various problems encountered by the temporary workers, especially the female workers.

As can be seen from Table 3:3, out of the 70 temporary female workers, the Malays formed the largest portion, i.e., 71.4%, as compared to the Chinese who comprised 21.4%. The Ibans made up the remaining 7.2%. On the other hand, out of the 33 permanent male workers, the Chinese formed the largest portion, i.e., 90.9%, whereas the Malays formed 9.1%. In contrast, out of the 30 temporary male workers, the Malays constituted 60%, whereas the Chinese formed 33.3% and the Ibans only represented 6.7%.

There are several reasons why there were more malay female workers than the Chinese and Iban female workers. The most obvious reason was that these Malay female workers supplied a relatively cheap labour force. A new female recruit, for example, was paid \$3.50 per day as compared to a new male recruit who would get between \$4.50 and \$6.50 or more a day.

Secondly, the Chinese female workers had become relatively more difficult to find at the present. This is because many of them had left to look for better jobs elsewhere. Moreover, many of them considered the salary offered in this factory too low with regards to the taxing

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work and unhealthy working conditions. In fact, the Chinese female workers formed the largest group in this factory in the past five years. But now, they only represented 21.4% of the female working force.

The Iban female workers who worked here were staying in the town. Because of their low education, they had no alternative but to work here temporarily. Perhaps, the reason why there were so few Iban workers in this factory was due to the fact that many would-be job seekers prefered to stay and work in their own 'kampung' after considering. these low wages. It might also be that many of them sought better job prospectives elsewhere. Thus, the only easy way to recruit these Malay female workers was from the near-by 'kampung'.

Despite the low wages offered by this factory, many malay 'kampung' girls still continued working here. There are several reasons for this. Firstly, the areas where these 'kampung' folks lived were frequently subjected to flooding, which rendered the domestication of animals and agricultural cultivation of crops impossible.

Secondly, many of them also found it difficult to depend solely on their meagre salary derived from laundry work. In the past few years, they could earn about \$80 or more. But now, as more and more people used the modern washing machines, their earnings, thus, dropped very much to about \$25 a month. The only way left open to them was, thus, to work in this factory.

Thirdly, these kampung folks were very poor with large families and as such many of these girls had to stop schooling in spite of the government free schools. Instead, they came to work to support their

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families. These school dropouts also enlarged the malay female working population.

On the other hand, the management seemed to take in more of the Chinese permanent male workers. As the malay female workers formed the largest group among the temporary work force, the Chinese male workers represented the largest group among the permanent work force. All the Chinese educated workers were employed in jobs like general accounts clerks, supervisors, the Production Superintendent and the Factory Manager while others served as lorry drivers and folk lift drivers. As the company expanded, it needed to recruit these workers so as to cope with the factory and office work. For these reasons, this group of workers was paid on monthly basis and they also enjoyed other fringe benefits too.

As one can see, the temporary female workers had contributed a substantial share in the production of economic wealth in this factory. Yet, they did not enjoy the same benefits which the permanent workers were entitled to. Like other factories, it was the nature of one's work and services which determined one's status position and wage-rate. Emphasis was on the indispensability of one's service rather than solely on one's experience.

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(2) STATUS AND SEX BY AGE GROUPS:

Table 3:4 shows the total numbers and percentages of the workers'

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status and sex by age in factory X. This is important for three reasons.

Firstly, the study of these various age groups between the male and female workers is closely related to the worker's experience and the treatment of workers by the employer. Secondly, a better understanding of these age group, would enable us to relate this to the problems of school leavers, who have found their way to this factory. Thirdly, the study of age differences also reveal to us some of the main problems faced by the workers such as non-cooperation among the young and old with regards to collective bargaining power and the formation of worker-representation. This, in turn, had affected the worker's socio-economic welfare and the security of their jobs.

As seen in Table 3:4, the age group of 15 and 25 represented the largest group, taking up 43% of the working force. The second largest group was between the age of 48 and 58, constituting 31.1%. Out of the 58 workers found in the former age group, 98.3% represented the temporary work force. The temporary female workers in this age group formed 72.4%. This also explained why accidents occurred more frequently among these temporary female workers. The reason is that the majority of these workers were young school-dropouts and many of them were exposed to working in factory for the first time.

On the other hand, out of the 42 workers between the age of 48 and 58, 47.6% belonged to the permanent work force. These permanent male workers were employed mainly because of their education and experience. However, this is not to say that experience, education and seniority in age were the main factors to qualify a permanent worker. There were, for

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example, 52.4% temporary workers found in this age group who had long working experience. Yet, they were temporary workers too.

Also, it was not just education that determined one's status but rather the type of education one received. There were, for instance, a large number of workers aged between 15 and 25, who had either Form three or Form five education. But this did not ensure them to become permanent workers too. Thus, what was important was a combination of two factors - the type of education, i.e, Chinese education and long experience and skilfulness - which qualified one to be a permanent worker.

The more dynamic work force aged between 26 and 47 constituted about 25.9% of the work force. They were the smallest age group of the labour force. Despite their small number, these workers were the ones who agitated for better wages, but failed because of non-cooperation and the lack of understanding among the rest of the workers. The younger workers were either too innocent or the older workers were too immobile. This had also led to social conflict between them. The reason why this group was small was because many of these male workers sought better jobs elsewhere. They prefered to leave their jobs rather than to accept low salaries. The handful who stayed were mostly skilful workers such as lorry drivers and forklift drivers. These workers were mainly the Chinese with only a few malay permanent workers.

From the figures mentioned above, perhaps, one can say that the temporary female workers were most vulnerable to industrial accidents and hazards. Many of these young workers were not covered by SOCSO because they were still below their working age, i.e, below 16 years old.

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The figures also reflected the company's unfavourable terms of wages and other fringe benefits because the more dynamic workers had left the factory to work elsewhere. The rest of the work force was either too young or too old.

(3) RACE AND EDUCATION:

Table 3:5, shows the total number and percentage of the worker's level of education by race. This study showed that the type of education determined one's status, and not just education alone. By understanding this, we will also know the type of policy the management adopted regarding employment and status of one's work. The level of worker's education was also closely related to their lack of consciouness with regards to the importance and significance of workers-representation.

As can be seen from Table 3:5, the worker's level of education was low; 31.1% of the workers had no education at all, 29.6% with just primary education, 38.5% with lower secondary education and only 0.7% had Form five education. Out of the 42 workers who had no education, the malays formed the largest group, i.e, 78.6%. The malays also constituted 55% of the workers with primary education.

In contrast, the Chinese represented 61.5% of the workers with lower secondary education, whereas the malays only formed 28.9% and the Ibans constituted only 9.6% of this group. However, a clarification must be made with regards to the education received by the workers.

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This is because all these workers came from different streams. All the malays, for instance, except one came from the malay schools. On the other hand, the Chinese workers came from the Chinese schools while the Ibans from the English school.

The high degree of illiteracy also explained why so many of these workers were unskilled and, hence, employed as temporary workers. The permanent workers were mainly those with Chinese secondary education. Not surprisingly, these were mainly the Chinese male workers who formed the largest permanent work force. Even though 38.5% of the work force had lower secondary education, the malays and Ibans were not employed as the "white collar" office clerks.

In a Chinese firm like this, their education failed to earn them a reasonable job but instead, they also joined the same rank, with those who had no education, as temporary odd workers. Even a Form five malay girl had joined this group too. Where the Company's records and accounts were mostly written in Mandarin, only those Chinese educated would be able to comprehend them.

Ferhaps also, the high degree of illiteracy also explained why the workers had a very limited knowledge about trade Unions and, thus, rendered the formation of worker-representation difficult, if not impossible. This had indirectly affected their socio-economic welfare since collective bargaining was very weak in agitating for better wages, working conditions and fringe benefits.

With more and more school dropouts, the level of education in this factory was bound to increase. However, in this Chinese firm, all

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those recent school leavers, who received either Malay or English education, were bound to end up as temporary workers. This was especially true where many of them had lower secondary education. Perhaps, the more skilful workers were in a better position even though they had little or no education at all. This was because their service was needed for the greatest advantage of the factory. Hence, they were employed as permanent workers.

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(b) THE PERSONAL BACKGROUND OF THE MALAY FEMALE NORKERS:

This section examines the personal background of the malay temporary female workers. The study is focused only on the malay temporary female workers because they formed the largest labour force. They were also the worst off as compared with the rest of the working force. Besides, a comparison could be made between the unmarried girls and married women fairly easily since both groups came from the same 'kampung'. Also, there was a problem in selecting sufficient samples from the other races because of the small number of workers. In addition, the author also felt that research should be made on this particular group so as to illuminate some of their problems.

Thirty respondents were selected from a total of fifty workers. Fifteen unmarried girls were selected by random sampling (using lottery system), while the other fifteen married women were all included (univeral sampling) because of the small number of respondents in this group. Informal interviews were conducted and questions asked concerned mainly worker's personal background.

The study of the personal background of these workers was important because it was felt that unless one probed and studied their problems, one could not grasp the real situation of the total work force. Thus, in this study, we looked at their length of service and exposure to the working environment, their ages when they first started working, their real incomes and financial burdens. In addition, we also tried to look at the association between their income, age, education and working experience.

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The data on all this information will be shown and the inter-relationships between these variables will be examined and correlated where possible.

Table 3:6 shows the respondents' ages, education levels, ages when first started working and periods of time served in factory X. Respondents 1 to 15 represented the unmarried malay female temporary workers while respondents 16 to 30 represented the married malay female temporary work force.

(i) AGE LEVEL:

As can be seen from Table 3:7, out of the 30 respondents, 16.7% were working illegally, i.e, they fell below 16 years old, whilst 43.3% were above 40 years old. The age difference between the two groups was indeed large.

(ii) EDUCATION LEVEL

The overall level of education is relatively low. Out of 16

who had no education, 18.8% were unmarried girls whilst the married women formed 81.2%. None of the married women had ever completed primary six too, while more than 53% of the unmarried girls had lower secondary education.

As pointed out earlier, many of these yound respondents did not have the opportunity to complete their lower secondary education because their families could not support them in spite of free government schools. Instead, they worked in this factory so as to earn some pocket money for themselves as well as to support their families. Respondents 2, 3, 10 and 11 left after primary six because their parents told them that it was more important for boys rather than girls to pursue higher education. Coupled with financial problems and inconducive environment at home, many of them lost interest in their studies. Respondents 1, 4 and 7 failed Form three and respondents left Form five before sitting for her M.C.E. (Malayan Certificate of Examination). None of the respondents had the opportunity to complete upper secondary education. Thus, they took up the low paid factory jobs.

In our society, paper qualifications decide the kind of job a person gets and the nature of his job decides his pay. Moreover, even though some of the respondents had secondary education, they could not apply their knowledge as much as the "white collar" employees because the latter received Chinese education which was of practical use in this firm.

(iii) AGE WHEN FIRST STARTED WORKING IN FACTORY X:

The majority of the unmarried girls started working in factory X at an early age. About 46.7% of this working force constituted "illegal employees", i.e, below sixteen years old. The reason was because most of these workers were school leavers who either stopped schooling or failed their examinations. Respondent 10, for example, started working here at the age of thirteen-and-half after she left her primary six.

Not only did these yound girls have to discontinue their education but they were also forced to seek work because of their poor family background. Thus, almost immediately after they stopped schoolong, they had to find work irrespective of the nature of their work and pay. Many of them, i.e, 40%, had worked in other factories such as samills, rubber, soft drinks, and textile factories before joining factory X. They left their former jobs because the jobs were taxing and were poorly paid with unhealthy working conditions. They were, for example, paid between \$2.50 and \$3.00 per day.

Unlike the unmarried girls, the married women started working at factory X at a very much later age. Formerly, all of them were housewives. However, some of them also made cakes, did laundry work, assisted their husbands in taking care of 'sempans', etc so as to supplement the family income. Financial difficulty arose when they had too many children to support and also with their husband's low salaries, they could not make ends meet. Thus, they came out to work in the factories.

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(iv) LENGTH OF SERVICE:

The length of service of these respondents ranged from one month to eleven years; 43.3% of the respondents had worked for at least three years in this company though they were regarded as temporary workers. Respondents 28 and 29, for example, had served in this factory for eleven years and ten years respectively. Yet, they were still paid on daily basis.

It was quited unlikely that all these respondents would leave their present jobs. They had given two reasons when interviewed. Firstly, as all of them were from the same 'kampung', they would only quit their present jobs if there were vacancies for all of them in another factory with better salaries and working conditions. Each group had its own social network and, therefore, would not work elsewhere even with slightly better salaries and working conditions unless there were enough vacancies for all.

Secondly, it was learned from the interview (as well as from the management) that many of these married respondents were the mothers of the unmarried respondents. The former wanted their daughters to work with them because it would be "safer" and more convenient when going to the factory every morning. It would also be cheaper for they could have their meals together rather than to eat separately in different factories. This also explained why a number of unmarried respondents worked here for as long as five years.

Similarly, the married respondents said that they would work as long as the management and their own age allowed them. Moreover, they

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regarded themselves 'unfit' to work elsewhere.

(v) PATTERN OF OCCUPATION:

The types of job performed by these respondents had a close relationship to the types of hazards and accidents they were exposed to in the factory. While the nature of work determined the salaries they received, it bore no relation with hazards and accidents they were exposed to.

The unmarried respondents were all "odd-workers" and, thus, they were paid a standard wage scale which ranged from \$3.50 to \$4.50. Sixty per cent of them were in the rubber reprocessing division, (i.e, cutting rubber sheets), while forty per cent worked in the pepper reprocessing section. The former were subjected to hand and finger injuries, while the latter were exposed to dirt and dust whilst reprocessing pepper.

However, all the married respondents worked at peeling the sticky rubber sheets. They were also subjected to hand, finger, leg and stomach injuries in the process of peeling rubber sheets by using a sharp pointed hook. As their job was very taxing, smelly and dirty, they were paid slightly more at the initial recruitment at a rate of between \$4.50 and \$6.00. Unlike the married respondents, who only worked in their division, the unmarried respondents sometimes had to work in either the rubber section or pepper section in times of labour shortage.

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(vi) REAL INCOME AND FINANCIAL BURDENS:

This section examines the financial status of the respondents in this factory in a situation where there is still no law about a minimum wage-rate.

As can be seen from Table 3:9, not only did the married women work on Sundays in factory X, they also took up part time jobs such as selling cakes, (respondents 20 and 25) and Ice-Cream (respondent 16) in factory X, sewing clothes for textile factories (respondent 19), washing clothes for Chinese families (respondent 26) and washing bottles at soft-drinks factories (respondent 30). Some helped their husbands to paddle 'sampans' on week-ends (respondents 23 and 18) when there was no work in factory X, while the others (respondents 17, 28 and 29) helped take care of their grandchildren and also performed household chores since they stayed with their daughters.

However, the unmarried girls contributed more than half of their salaries to their families. All of them did not take up any part time jobs. The majority of them had relatively larger families and, thus, they were helping to support their parents, brothers and sisters.

As one can see, the married women had a greater responsibility to their families; they worked to help their husbands to support the family. They also did household chores and, at the same time, took up Part-time jobs to supplement their low salaries. Some of the married women (respondents 17, 28 and 29) came to work in the factory X because of the deaths of their husbands. They worked not only to support themselves but also to help their sons or daughters especially if they were staving with them.

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(vii) CORRELATIONS BETWEEN MORKERS' AGES, EDUCATION LEVELS, EXPERIENCES, PATTERNS OF WORK AND INCOME LEVELS.

In order to make this data clearer, the workers' real or net income was seen against each respondent's financial burden, i.e, the number of persons she had to support or the amount of money contributed to the family. This is tabulated in Table 3:9. Secondly, we shall also examine whether there is any relationship between the type of work performed and the wage rate paid. It would also be useful to compare the respondents' experience or years of service with her income level to see if there is any positive relationship between seniority of service and the wage level. Finally, the respondent's wage is also seen against her age, to see if there is any relationship between the two.

As can be seen from Table 3:9, the income levels of the respondents were relatively low. The average monthly income of the unmarried girls was less than \$130, whereas the married women's average monthly income was about \$155. The difference between these two groups was greater when one examined the average monthly real income of them. The reason is that, beside working overtime in factory X, the married women also took up part-time jobs to supplement their low salaries. Respondents 5 and 11, for example, earned extra \$40 to \$50 per month and \$25 per month respectively.

There is some relationship between the types of job Performed by the workers and their level of income. The work performed by the married women was not only taxing and smelly, but it was dirty too. The young unmarried girls would never do this type of work, i.e,

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peeling the sticky rubber sheets, even though the wage rate was slightly higher. This is because they believed that it would be difficult to get spouses if they did this type of job. Respondent 8's daily pay, for example, was \$3.50, whereas Respondent 21 got \$3.80 a day.

However, the figures also show that some positive relationship existed between the income level and the length of service of the respondents. It is more distinctive when one examines this relationship within each group itself, i.e, either among the members of the married group or unmarried group. Respondent 1's daily pay, for instance, was \$4.80 when compared with respondent 8, who only got \$3.50 a day. This was because the former had worked three years in this factory, while the latter had only served for two months. Seniority of one's service does bear a positive relationship to one's income level. Respondent 1's daily pay was \$4.80, whereas respondent 28's daily pay was \$6.50.

There is no postive relationship between income, age and education. In this case, the older respondent need not necessarily earn a higher income than a younger respondent. Respondent 10, for instance, had a monthly income of \$139.20, whereas the monthly income of respondent 21 was \$116.80. Similarly, respondent 8 who had Form five education earned an average monthly income of \$108.40 as compared with respondent 2, who only had Frimary Six education but earned \$144.80 per month. Also, the majority of the married women who had no education at all earned a much higher income than those younger respondent who had secondary education.

However, all these did not seem so clear cut because the

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company did not really follow a systematic way in analysing its own policy regarding wage-rates, overtime rates, etc. Rather, one's wage-rate was determined by the nature of one's job and the supply and demand of that particular skill at a particular time.

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SEX:	NO: OF MALE	%	NO. OF FEMALE	%	TOTAL:	%
TEMPORARY:	30	47.6	70	97.2	100	74.1
PERMANENT:	33	52.4	2	2.8	35	25.9
GRAND TOTAL:	63	46.7	72	53.3	135	100

TABLE 3.1; SEX AND STATUS OF WORKERS IN FACTORY X ..

TABLE 3.2 - RACE AND STATUS OF WORKERS IN FACTORY X.

STATUS: RACE:	TEMPORARY	%	PERMANENT	%	TOTAL:	%
MALAYS:	68	95.8	3	4.2	71	100
		(68)	20 67.4	(8.6)	0.4 U	(52.6)
CHINESE:	25	43.9 (25)	32	56.1 (91.4)	57	100 (42.6)
IBANS:	7	100 (7)	0	0 (0)	7	100 (5.2)
TOTAL :	100	74.1 (100)	35	25.9 (100)	135	100 (100)

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SEX & STATUS PERMANENT TEMPORARY PERMANENT TEMPORARY 00 % % % RACE FEMALE FEMALE MALE FEMALE MALAYS 18 9.1 0 60 3 0 50 71.4 CHINESE 30 90.9 15 100 10 33.3 21.4 2 IBANS 0 0 2 6.7 5 7.2 0 0 TOTAL: 2 100 33 100 100 30 100 70

TABLE 3.3: SEX, STATUS AND RACE OF WORKERS IN FACTORY X.

TABLE 3.4: STATUS AND SEX OF WORKERS BY AGE GROUP IN FACTORY X.

STATUS & SEX	AGED 15-25	%	AGED 26-36	5/0	aged 37-47	ý	AGED 48-58	%	TOTAL NO:	%
TEMPORARY: FEMALE: MALE:	42 15	72 . 4 25 . 9	10 3	47.6 14.3	6	42.9 14.3	12 10	28.6 23.8		51.9 22.2
TOTAL:	57	98.3	13	61.9	8	57.2	22	52.4	100	74.1
PERMANENT: FEMALE: MALE:	1 0	1.7 0	0 8	0 38.1	1	7.1 35.7	0 20	0 47•6	2 33	24.4
TOTAL :	1	1.7	8	38.1	6	42.8	20	47.6	35	25.9
GRAND TOTAL:	58	43	21	15.6	14	10.4	. 42	31.1	135	100

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EDUCATION	NO EDUCATION	%	PRIMARY 1-6	%	FORM 1-3	6/0	Form 4-5	<i>%</i>	DOTAL NO:	%
MALAYS	33	78.6	22	55	15	28.9	1 [#]	100	71	52.6
CHINESE	7	16.7	18	45	32	61.5	0	0	57	42.2
IBANS	2	4.7	0	0	5	9.6	ò	0	7	5.2
TOTAL:	42	31.1	40 -	29.6	52	38.5	1	0.7	135	100

TABLE 3.5: EDUCATION AND RACE OF WORKERS IN FACTORY X.

NOTE: 1. ALL THE MALAY WORKERS WERE FROM MALAY SCHOOLS EXCEPT ONE" WHO IS FROM ENGLISH SCHOOL.

2. ALL THE CHINESE WORKERS WERE FROM CHINESE SCHOOLS.

3. ALL THE IBAN WORKERS FROM ENGLISH SCHOOLS.

RESPONDENT	PRESENT AGE	EDUCATION LEVEL	AGE WHEN FIRST STARTED WORKING	AGE WHEN FIRST STARTED WORKING IN FACTORY X.	NO: OF YEARS SERVED IN FACTORY X.
1	20	FORM 3 (MALAY)	16 <u>1</u>	16 <u>1</u>	3 YEARS
2	20	PRIMARY 6 (MALAY)	15	16	32 YEARS
3	19	PRIMARY 6 (MALAY)	14	16	2 IRS. 2 MTHS.
4	15	FORM 3 (MALAY)	15	15	5 MONTHS
5	21	NO EDUCATION	15	18	MORE THAN 2 YRS
6	15	FORM 1 (MALAY)	142	142	4 MONTHS
7	15	FORM 3 (MALAY)	14	14	7 MONTHS
8	20	FORM 5 (ENGLISH)	20	20	2 MONTHS
9	18	NO EDUCATION	16.	17	MORE THAN 1 YR.
10	15	PRIMARY 6 (MALAY)	13늘	13 <u>1</u>	1 YR. 7 MTHS.
11	31	PRIMARY 6 (MALAY)	17	26	5 YEARS
12	17	FORM 1 (MALAY)	15	17	3 MONTHS
13	17	FORM 1 (MALAY)	15 -	15	1 YR. 2 MTHS.
14	19	FORM 2 (MALAY)	15	15 .	5 YEARS

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RESPONDENT			AGE WHEN FIRST STARTED WORKING	AGE WHEN FIRST STARTED WORKING IN FACTORY X.			
15	15	NO EDUCATION	14	14	1 YR. 3 MTHS.		
16	40		-	- 40	1를 MONTHS		
17	57	"	soria -	54	3 YEARS		
18	55	11	-	53	2 YEARS		
19	38	PRIMARY 1 (MALAY)	33	37	1 ¹ /2 YEARS		
20	45	NO EDUCATION		43	2 YEARS		
21	46	u	6	46	1 MONTH		
22	48	п	6 Franci	44	4 YEARS		
23	50			47	3 YEARS		
24	42	п	0	41	10 NONTHS		
25	41	н	32	38	3 YEARS		
36	49		100	45	31 YEARS		
27	53	u	-	50	3 YEARS		
28	58	п	-	47	11 YEARS		
29	55	u	31	45	10 YEARS		
30	34	PRIMARY 1 (MALAY)	30	30	4 YEARS		

AGE LEVEL NO: & %	NO:	ħ
Below 16	5	16.7
17 - 39	12	40
40 AND ABOVE	13	43.3
TOTAL:	30	100

TABLE 3.7: AGE DISTRIBUTION OF RESPONDENTS IN FACTORY X.

TABLE 3.8: EDUCATION DISTRIBUTION OF RESPONDENT ACCORDING TO MARITAL STATUS IN FACTORY X.

RESPONDENTS	NO EDUCATION	%	PRIMARY EDUCATION	%	SECONDARY EDUCATION	%
MARRIED:	13	81.2	2	33.3	0	0
UNMARRIED:	3	18.8	4	66.7	8	100
TOTAL	16	53.3	б	20	8	26.7

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RESPONDENT NUMBER:	AVERAGE MONTHLY INCOME. (INCLUDING OVERTIME + S.A)		TYPES OF PART-TIME JOBS (\$)	AVERAGE MONTHLY REAL INCOME.	FIN AN CIAN BURDEN :
1	\$144.80	\$19.20		\$134.90	\$ 70 - 75
2	\$144.80	\$19.20		\$134.90	65 - 70
3	\$125.20	\$16.40	- ~ ~	\$116.80	50 - 60
4	\$108.40	\$14.00		\$101.10	50 - 55
5	\$139.20	\$18.40	Anter al mary la	\$129.70	55 - 65
6	\$108.40	\$14.00	Part of another	\$101.10	50 - 55
7	\$108.40	\$14.00	And the second sec	\$101.10	45 - 55
8	\$108.40	\$14.00	-	\$101.10	45 - 50
9	\$136.40	\$18.00	-	\$127.20	65 - 70
10	\$139.20	\$18.40	terre si anti se ponte	\$129.70	70 - 75
11	\$150.40	\$20.00	-	\$140.20	75 - 80
12	\$108.40	\$14.00	iper entitie ment in	\$101.10	40 - 45
13	\$136.40	\$18.00 -	sould per month.	\$127.20	50 - 55
14	\$144.80	\$19.20	higher searching the times	\$134.90	75 - 85

TABLE 3.9: WORKERS' AVERAGE MONTHLY REAL INCOMES, TYPES OF PART-TIME JOBS AND FINANCIAL BURDENS.

RESPONDENT NUMBER:	AVERAGE MONTHLY INCOME. (INCLUDING OVERTIME + S.A)	OVERTIN (\$)	IE TYPES OF PART-TIME JOBS (\$)	AVERAGE MONTHLY REAL INCOME.	FIN AN CIAJ BURDEN :
15	\$125.20	\$16.40	anges and the or	\$116.80	50 - 60
16	\$122.40	\$16.00	selling ice-cream in factory X earned \$12.00 per month. Helped look after grandchildren.	\$126.30	4
	AU/	10.0	Estate entret to the	-2-1	
17	\$139.20	\$18.40		\$138.80	3
18	\$156.00	\$20.80	Helped husband to paddle sampan.	\$145.40	4
19	\$144.80	\$19.20	Helped sewing clothes in textile factory - earned \$40-\$50 per month.	\$174.90 to \$184.90	6
20	\$156.00	\$20.80	Helped selling cakes in factory X - earned \$40-\$50 per month.	\$185.40 to \$195.40	6
21	\$116.30	\$15.20	andra warely house - P PF - Dimension Pres-	\$108.90	2
22	\$178.40	\$24.00	All officer and Lane-Th	\$166.50	3
23	\$164.40	\$22.00	Helped husband to paddle sampan.	\$151.20	5
24	\$144.80	\$19.20		\$134.90	6
25	\$144.80	\$19.20	Helped selling cakes in Factory X-earned \$20-\$30 per month.	\$154.90 to \$164.90	4
26	\$148.40	\$21.20	Helped washing clothes earned \$25 per month.	\$173.00	5

37 \$148.00 4

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RESPONDENT OVERTIME TYPES OF PART-TIME JOBS AVERAGE FINANCIAL AVERAGE MONTHLY NUMBER: (\$) (\$) MONTHLY INCOME. (INCLUDING BURDEN: REAL OVERTIME + S.A) INCOME. 3 Helped look after 28 \$26.00 \$189.60 7 \$190.00 grandchildren. Helped look after 29 \$26.00 \$177.00 5 \$190.00 grandchildren. 30 Helped washing bottles \$196.50 6 \$24.00 \$178.40 in soft-drink factory to - earned \$30-\$40 per \$206.50 month.

- # S.A stands for "SPECIAL ALLOWANCE" \$10.40 for all the respondents who work 26 days.
- FINANCIAL BURDEN: Represents either amount of money contributed to family (Respondent No: 1 to No: 15) or number of persons to be supported or jointly supported (respondent No: 16 to No: 30)
- (a) AVERAGE MONTHLY REAL INCOME = AVERAGE MONTHLY INCOME + PART TIME EPF INSURANCE FEES.
- (b) IN CALCULATING EFF, the "SPECIAL ALLOWANCE" AND "PART-TIME" ARE NOT INCLUDED BUT THEY ARE ADDED TO THE MONTHLY INCOME.
- (c) RESPONDENT No: 17 and No: 28 DO NOT CONTRIBUTE 7% OF THEIR MONTHLY INCOME TO EPF BECAUSE THEY ARE OVER THE AGE OF MEMBERSHIP.

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CHAPTER 4

RELATIONS BETWEEN MANAGEMENT AND WORKERS

4.1 INTRODUCTION

As a whole, the relationship between the management and the workers in this factory could be characterized as that of a "masterand-servant" relationship. The management treated the workers as mere labourers who were paid to work and, thus, they had no say whatsoever in the running of the factory. Such an attitude of the management towards the workers was perhaps the direct result of the company's traditional individualism, which assumed the existence of the inalienable natural right of employers to have full control of the workers. Perhaps also, with no labour past, the owner of the factory failed to understand the real problems of the workers.

On the other hand, the relationship between the management and the workers was not a direct one. The management staff in the main office did not understand or were perhaps, indifferent to the responsibility of understanding the difficult problems of human relations in the enterprise they owned.

The continued separation of the actual owners such as the Managing Director and the managers, from the operation of the plant and their primary concern with the financial aspects of enterprise had resulted in their complete dependence upon the active management for information regarding employment, production, etc. Though the Factory Manager, Production Superintendent and supervisors were thoroughly conversant with the problems of the workers, they had, in many instances, only limited authority to make the adjustments necessary to peaceful and harmonious industrial relations. They could not act independently because their superordinates could not comprehend their intention and motivation.

The aim of this chapter is to examine in detail the relationship between the management and workers and the manner in which such problems were resolved or handled.

In this factory, there seemed to be on the one hand, obstinate reactionary attitude of employers towards change and enviroment of the workers. For example, the company's unrelenting antagonism to the involvement of the workers in trade unions, the refusal to see the logic and inevitability of worker-representation in the form of collective bargaining and the company's own unfounded suspicions and fears gave rise to clevarages between the management and the workers. Nor could the management escape responsibility for that considerable volume of problem and conflict which had emerged more or less as a direct result of their own preoccupation with the technical problems of production and distribution, to the almost total neglect of the human factor in industry business.

On the other hand, there was also the lack of understanding by the employees as regards the problems met by the employers.

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The majority of the workers did not know anything about the company policies, plans, operations, expenditure, etc. It was likely that if these workers were adequately informed about these, they could have been more productive. In fact, many of the workers did not feel a sense of belonging to this factory. As a result, they were quite indifferent to the management.

The third party of importance in this factory were the supervisors. In the eyes of the workers, their supervisors did not have the leadership quality and capacity. The failure of these supervisors to assist the workers in channeling their grievances to the management rendered social obligations between them impossible. Thus, the workers did not believe in reciprocating their supervisors by complying with their requests and orders when doing their work.

The norms of allegiance and respect for the supervisory body was non-existent because of a lack of consensus among these workers. This was evidenced by the fact that the workers only worked when the supervisors were around to supervise. The workers did not seem to trust their supervisors because they were the relatives of the factory owner. Since the management did not seem to care much about their welfare, and since the supervisors failed to represent them to voice out their grievances, the workers generalized that the supervisors were as mean as the factory owner.

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On the administrative level, the company blamed the supervisory body for not being able to enforce stricter supervision which had led to inefficiency in production. In fact, many of the management staff saw their superior's authority as legitimated by traditional values of the Managing Director rather than by legal contract which was legitimated by values that had become institutionalized which demanded compliance. According to the supervisors, it was social obligation to the Managing Director that had tied them down to their jobs in this factory. Little did the company know that the fault was theirs that had resulted in this prohlem. The blame from both the company and the workers demoralized the supervisors so much so that they too became indifferent towards their duties and responsibilities. All these further resulted in misunderstanding among the management themselves as well as the workers.

The problem faced by the supervisory body was to find ways of extending the scope of their influence over the subordinates beyond the narrow limits of formal authority. The inability of the supervisory body to control the workers not only led to lack of discipline among the workers but it also created intricated Problems between the management and the workers. This problem could never be overcome if the management did not come to the factory to analyse the problems encountered by its management staff and the workers.

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The management must bear in mind that they must be able to understand the role of the employee and not merely treat him as a part of his production force. Social conflicts between the management and the workers could never be overcome if the former adopted a definitely antagonistic attitude which rendered impossible a rational analysis of causes and an amicable settlement of disputes. Without this fundamental understanding, the problems of human administration could not be solved and conflict between the management and the workers might culminate into industrial unrest and violence.

Admittedly, the problems of labour relations are more difficult to solve than are the technical problems of production, distribution and exchange of services, etc. But with an enlightened personnel management which work on mutual understanding with the workers, a science of human engineering can be achieved to result in cooperation, efficiency and peace in industry and business.

4.2 CAUSES OF PROBLEMS;

How These Problems Were Resolved In the Past And Present

The problems in this factory arose mainly due to the poor Working conditions and the subsequent dissatisfaction with the existing wages, working conditions, over-time rates, fringe benefits, accident compensation, leave, etc.

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More than 85% of the workers expressed great dissatisfaction over these. The new female recruits were paid \$3-50 per day, which might left them with no saving to support themselves if they were to be temporarily laid off from work for a few days. Many of the "pioneers" (those who had worked here since the factory was set up) were discontented with their annual increments which were considered rather small in view of the present inflationary rates and the long periods they had served in this factory. For example, a "pioneer" woman was paid only \$2-50 when she first worked there more than ten years ago. Today, her daily wagerate was less than \$6-50 a day.

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Increments, according to her, were irregular and sometimes, there was no increment at all in a year. For instance, there was only an annual increment of less than \$15 since the past two years, while prices of consumer goods had soared manifold. Even the management staff which included the Factory Manager, the supervisors and the Production Superintendent as well as the general accounts clerks were dissatisfied with their annual wage increments which, according to them, had amounted to only \$30-00. The first phase of this increment was in 1975 with an increment of \$20-00 after working for a few years. Then the second phase came in 1978 when it was \$10-00. The company explained that it was due to the low profits that compelled it to delay this increment. However, it appeared to be contradictory since the company had ^{exp}anded tremendously recently with the setting up of a new ^branch in Singapore. The management further angered the workers when it withdrew the daily forty cents "Food Allowance", which was given to all the workers irrespective of whether they worked or not. But due to the problems of absenteeism which was becoming very common among the young workers, the company had decided to give this special allowance only if the workers turned up to work. Workers who had a number of dependents to support pointed out the indiscrimination and short-sightedness of the management in implementing such a policy. They argued that the young workers who absented themselves had no other reasons other than to enjoy themselves. But for the others, their reasons were solely due to family problems.

The management must reconsider this point because it meant reducing \$12-00 per month special allowance. The majority of the workers were living from hand to month and this special allowance meant a lot not only to them but also to their dependents. This \$12-00 was used to pay their children's school transport fees, electricity, water, etc. When this policy was implemented in April, 1980, many workers voiced out their grievances to their supervisors and the Factory Manager. The supervisory body could not do anything because they were not in a position to convince their super-ordinates. What they could do was to pretend that nothing was going to happen and the workers, thus, had to accept it. But this was far from true as discontentment was rife among the workers.

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The majority of the workers prefered to work over-time in the factory in the hope of earning extra income to supplement their small salaries. But because of the small amount they could get from their over-time hours, they prefered to stay at home or went for alternative work such as fishing, sewing clothes, washing bottles, etc. after their job in factory X. By taking up these jobs, they could earn more than the over-time they got in factory X. For example, many of the Malay workers could catch a few katis of fish and prawns by fishing one or two hours every night.

In contrast, the workers who worked over-time in factory X from 5-00 P.M. to 8-30 P.M., got between \$2-50 and \$3-30. But since the company did not subsidize their dinners, these workers had to spend about \$1-00 or more, which left them with savings of between \$1-50 and \$2-00 or even less. On average, they got about \$20-00 per month from working over-time in this factory. In anticipating that the workers would not turn up to work over-time during the peak seasons, the management had specifically stipulated that all the workers were required to work at least three nights a week and new recruits were only accepted provided that they agreed to this condition. Many of the workers considered this unjustifiable.

The persistence of certain undesirable features of the Working environment in the pepper reprocessing sections which had a deteriorating effect upon the health of the workers was another cause of friction between the management and the workers.

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The management argued that there as no side effect if one inhaled the air when reprocessing the pepper. Thus, there was no need to have preventive masks or seek medical check ups regularly. But the workers complained that in reprocessing the pepper, they not only inhaled dirt and dust but also their eyes were sometimes infected due to the 'hotness' of the pepper. Therefore, they wanted preventive measures to safeguard their health.

Nevertheless, the management treated this problem as unfounded on the grounds that no one had ever suffered from any serious diseases such as tuberculosis. Little did the management realize that all these workers never had any medical check ups. Besides, many workers did not work long enough to contact any such diseases. It was an open secret that many workers left their jobs because of this unhealthy working condition.

Similarly, the workers in the rubber reprocessing Section complained that the management did not take any preventive measures to reduce accidents. For example, the workers had suggested to the management the use of woollen hand gloves to prevent accidents and bruises as a result of holding the pairs of scissors for too long a time. But the management did not agree to buy these hand gloves. Thus, as a precaution against accidents and bruises, the workers had to buy their own hand gloves themselves. In addition, the unhealthy enviroment with poor ventilation and crowded space had led the workers to regard the factory as an imprisonment.

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This had also psychologically dampened the worker's productivity and loyalty.

Another cause of the problems between the management and the workers was the security of the workers' jobs. Many of the workers were not members of the Employment Provident Fund (EPF) because they were two old to become the members. They expressed great dissatisfaction as compared to the others who had benefited from this scheme. On the other hand, many of the new recruits Were not immediately registered as the members of the EPF, while others were too young to be registered, i.e., below the age of sixteen. All these workers expressed great fear and discontentment over this matter. Similarly, many of the underaged workers were not covered by Socso against accidents. The company did not lose anything for it did not have to contribute any fund to the EPF and Socso. It was those workers who were not covered by Socso and EPF that lost the most if accidents occurred to them. Moreover, in times of accidents or illness, the vagueness of the company's policy regarding accident compensations and medical leave also annoyed the workers. All the workers earning below \$100-00 had to pay forty cents per month to Socso, whereas others who earned \$150-00 and above had to pay eighty cents or \$1-20 for medical benefits and for accident compensations. However, the workers would only benefit these if accidents occurred on the working site.

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Medical leave would be given upon presentation of a certificate from the company's doctor. But the workers would only get paid sick leave if it was more than four days.

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All the workers said this was unfair because usually the company doctor only gave them less than three days of medical leave when they had accidents. Thus, they would not get paid sick leave and instead, they had to force themselves to work, otherwise they would not get their daily pay. For example, one female worker fell sick one morning but she still continued to work because she would be paid half the day's wage if she went back before 10.30 A.M.

Many workers also expressed great dissatisfaction on the medical benefits given to them. For instance, despite they paid for the medical fees, they were not entitled to free medical treatment if they fell sick after their work although the cause of their sickness was due to their work.

The management also did not explain the details about accident compensations to the workers. What was worse, the workers were called up to the Socso office instead of to the management office to settle accident compensations. For example, a female worker had a serious accident when she was reprocessing pepper. Her three fingers on her right hand were nearly cut off by the speeding fans. She had over two weeks Paid sick leaves but her accident compensation was only \$7-50. In fact, many workers did not turn up to claim the compensations for two reasons. Firstly, they did not know where the Socso office was situated. Secondly the amount of compensation was too small. In view of the trouble they had to go through to claim it, they, thus, preferred not to.

Another cause of the problems between the management and the workers was the transport fees. The company provided free transport to those workers staying outside the town. Most of the workers who used the company's lorries were the Chinese and some Ibans and malays too. However, the majority of the malay workers did not use the company's lorries because they were staying across the river and as such, they used 'sampan' or small boats. Each day, they had to spend about twenty cents on 'sampan' fees and on average, they spent about \$4-00 a month. They were dissatisfied because the company did not subsidize or pay their transport fees. The kampong malays accused the management of favouring the chinese only. Suspicion of favouritism only led to further conflicts and problems not only between the company and the workers but also amongst the Workers themselves. There were reasons that reinforced the Suspicions of the malay workers. Firstly, it had come to the knowledge of the malay workers that the company gave the chinese higher (but not necessarily better) wages. The company said that this was because the chinese workers were more energetic as reflected in their work performance. Secondly, the management seemed to be more responsive to the

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the company gave them higher wages to prevent them from leaving their jobs.

The temporary workers were not happy with the management not because they were not given 1½ months bonus but because their annual bonus or "an-pow" was too meagre, which ranged from \$8-00 to \$25-00. The workers considered this amount too small in view of their long service in this factory, while the workers in the other factories were getting higher bonuses. Many of the chinese workers prefered not to accept this bonus because they said this amount was too little to buy a pair of shoes or a new dress for the Chinese New Year. This had embarrassed the management too.

Furthermore, many of the workers who had served very long in this factory as well as some of the management staff also expressed dissatisfaction over their job prospects. There was no prospect of promotion or no scope to increase one's skill and challenge one's capacity to allow the workers to prove their capabilities. Many workers, thus, considered themselves merely wasting their time working in this factory.

The problems and social conflicts were not merely confined to the factory workers but also the administrative staff. The majority of the staff also complained about their low salaries and other fringe benefits. Many of the workers, for example, could not have their full two weeks annual paid

leave every year.

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Instead, they had to take turns to enjoy this leave which took a number of years before they could have their full two weeks leave.

Some of the staff were also discontented with the favouritism the company had for certain staff members. But because of their obligations to the Managing Director, their old age and lack of much education, they had to stay on. The undefined authority given to these personnel further aggravated the problems between the management and the workers. Not one of these personnel dared to make decisions independently. The Factory Manager, the supervisors and the Production Superintendent, for instance, always differed with each other regarding the worker's working conditions and wages.

The fact that these personnel were related to the Managing Director made them defined their authority according to the degree of closeness and favouritism from the Managing Director rather than according to the legal authority of their status. The undefined authority tended to confuse the workers, for they did not know who to turn to with their complaints and grievances. Because of the indifferent attitude of these personnel, the workers did not respect them. The workers even disregarded the orders of their supervisors frequently. As a result, there was not much discipline in the factory

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The industrial problems and social conflicts were the consequences that arose from the discontentment of the workers over the company's policy. With the company's continued emphasis in making maximum profit, the management tended to overlook these problems. Moreover, with the limited collective bargaining power of the workers, there was very limited negotiation between the management and workers. Problems were left to be solved by themselves which, unfortunately, was not possible. The Labour Department also did not play a significant role in alleviating the problems faced by the workers. Therefore, the workers resorted to a more subtle ways of protest to express their grievances and dissatisfaction.

4.3 HOW THE WORKER'S DISSATISFACTION WAS EXPRESSED

There was a lack of mutual and cooperative understanding between the management and the workers, and the almost complete absence of adequate machinery for the peaceful adjustment of Srievances. This compelled, either consciously or unconsciously, the workers to resort to several action which, in the long run, would affect the company adversely.

The workers in this factory did not join trade unions; beside, there was no worker representation in this factory.

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The company which was free (as they thought so) from the necessity of dealing with these bodies often contented that as aconsequence, their plants were not infested with unrest. The management, however, should not have forgotten that the workers were not unaware that their rights and interests were being infringed upon. The workers were not immune to news of industrial strikes which occurred everywhere. Moreover, the company had forgotten that the problems of industrial unrest could not only be measured in terms of observable manifestations such as strikes and boycotts. Many of the dissatisfied workers frequently used a more subtle form of protest, no less real because it Was concealed from the management. The workers often found their expression through soldiering on their jobs, conscious by practising inefficiency, indifferent towards wasting of materials, neglecting and abusing machineries and equipment and other forms of sabotage.

Indifferent wastage occurred when the workers, instead of only cutting thedirty and raw parts of the rubber sheets, also cut the good rubber sheets and sometimes mixed the good grades of rubber sheets with the lowest grades. Similarly, instead of throwing away only stones, dust, pepper veins, wood, etc from the pepper, the workers also threw away a portion of pepper. Also, these workers did not switch off the electricity even though they were not using the reprocessing plants. Conversely, in the rubber reprocessing section, the workers would simply malhandle the scissors and other instruments.

Another common practice of inefficiency by the workers was by loitering around or spending more time gossiping and going to the toilet. They usually started their work late and stopped early. The author calculated that the total time lost as a result of this was 1 1/4 hours, which was more or less equivalent to the work done to reprocess at least twentythree bags of reprocessed pepper and approximately twentyfive "blocks" of reprocessed rubber. Also, the majority of the workers did not help the other workers when they were free. They all had the same opinion that by working harder, the company would gain more without them getting a fair share.

Sometimes, the worker's dissatisfaction was brought to the open when some of the workers openly argued with their supervisors. In some instances, the arguments led to voilence between the workers and the management staff. For example in 1977, a group of eight lorry drivers started a fight with the Factory Manager and the general accounts clerk when the management refused to raise their salaries and threatened to report them to the Managing Director. Due to this fight, the drivers were sacked.

Many of the chinese workers also left their jobs when the management still did not listen to their repeated appeals for the increase of wages. For those workers who

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could not leave their jobs because of the risks involved in finding suitable jobs elsewhere and the numbers of dependents they had to support, their dissatisfaction was also expressed through insinuations and sarcasm towards the supervisors. For example, the workers always teased and called their supervisors the "heirs" of the Managing Director. Sometimes, very serious sarcasm resulted in arguments and quarrels between the supervisors and the workers. However, the management did not bother this for they considered this a joke.

A large portion of the workers also expressed their dissatisfaction by disobeying the rules and regulations set up by the management. For instance, though gambling was prohibited in the factory, many of the workers still indulged in it, in the hope of getting easy money as well as to pass their leisure time. The factory Manager had constantly warned the workers that they would be sacked if they were caught gambling.

However, the large number of workers involved in gambling rendered this threat ineffective for several reasons. Firstly, the management would blame him (Factory Manager) if there was a shortage of workers as a result of expulsion. Secondly, there was also a short supply of workers who would like to work in this factory where the job was taxing and the pay was low. Thirdly, the management would also question his capacity for failing to stop the workers from gambling. The only alternative left to him and the supervisors were to shout

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at the workers when they were gambling. As no action was taken against them, the workers were not afraid to gamble. Gambling was demoralizing both to the workers as well as the management. Even during working hours, workers prefered to gamble when they had finished their work than to help the others.

One of the greatest problems faced by the management was worker turn-over and absenteesism. Must of the workers usually did not turn up to work during the peak seasons when the company wanted to increase its production to meet the oversea's demands. Despite warning from the management, the workers continued to absent themselves on the pretext that they were not feeling well. Since the workers could take leave without pay for not more than three days, the management could not expel them when they turned up to work within the stipulated period. Many of the workers avoided Working over-time or on public holidays by working half day or the day before the public holidays. This was to prevent the supervisors from calling them since the management could only decide whether or not to increase its production at the end of the day. All these steps were taken by the workers to express to the management their dissatisfaction over their jobs.

As one could see, these so-called "peaceful" sabotage was by no means less deleterious to the management than actual strike and boycott.

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4.4 OBSTACLES TO THE FORMATION OF WORKER-REPRESENTATION

Worker-representation is a broad term used variously to designate numerous forms of employee-employer dealing including the company union, industrial association and representation, cooperative association, etc.

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In factory X, there was no worker-representation since there was no union to represent the workers. There was no collective bargaining power to enable them to negotiate with the management regarding wages, working conditions, fringe benefits, etc. There were several reasons why workerrepresentation was not formed in this factory although the majority of the workers were discontented with their jobs and the management.

The majority of the workers were not inspired to join trade unions simply because they were not encouraged by other union bodies. In this region, for example, there were only seven tradeunions but these were formed by the government and semi-government servants. The workers associated these trade unions with the educated aristocrats and considered themselves not qualified to join any. Since there was no model that they could follow, the workers did not comprehend the significance of trade unions.

Perhaps, the greatest obtacle to the formation of Worker-representation came from the management itself with its Obstinate and negative attitudes. The reasons why the management opposed this were clear. Such institutions interfered with individualistic control of industry. Besides, negotiations of collective agreements with labour organizations necessitated dealing with outside agents, who were often unfamiliar with the internal problems of the company and the security of whose positions depended upon their ability to stir up trouble which might affect the smooth running of the management. Also, the management had seen the unpleasant experiences in other industries in the past and present. The management argued that for the trade unions to interfere unnecessarily in the internal affairs of the company without a constructive attitude toward better quality and higher production was inexcusable. Thus, the management was firmly committed to see that no workers in the factory were allowed to join any union body.

The company issued stern warnings of expulsion if any workers were found to involve in union bodies. The management staff such as the Factory Manager and the supervisors were also advised to keep an eye on the workers. This included "black-listing" workers who were involved in strikes and boycotts or even spreading propaganda against the company or elsewhere. For instance, if a worker was found to have created trouble or was involved in union bodies, the supervisors would inform all the factories around the vicinity.

Perhaps also, the formation of the employer's

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association (Chinese Chamber of Commerce and Trade) made it easier to keep all the members factories informed. Thus, the workers were scared to be involved in union bodies because once they were sacked by the management, there was a possibility that they might not find any jobs in the other factories.

Furthermore, as the supervisors were related to the factory owner, the workers were suspicious of espionage by these "detectives." They were scared to discuss sensitive matters such as strikes and boycotts openly or in groups. This also explained why the workers resorted to more subtle ways of protest.

The management's threat and warnings hindered the formation of worker-representation in this Factory. However, the blame could not be solely attributed to the management for the workers themselves were partly to be blamed either for their sheer ignorance. Except a handful of the workers who had some ideas about trade unions, the bulk of them either had very little knowledge or had no knowledge at all. Their indifferent attitude towards worker-representation is due to a number of reasons.

To those who knew trade unions, their unpleasant past experiences with them had made them wary. Many of these workers, for example, had joined trade unions in the year 1962 but they were arrested and interrogated by the government for propagating communist doctrines and ideologies. They said

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that they had gained nothing at all for the unions never helped them other than boycotting. Besides, they had to pay fees every month and the strikes had also caused them wage losses and this indirectly affected their families. Trade Unions, according to them, were merely a political body which only benefited their leaders. Thus, these workers prefered not to be involved with them.

The high degree of illiteracy also hindered the formation of unions. The female workers did not believe in strikes. Many of the married women either considered themselves too old to get involved or believed that society did not permit them to strike. According to them, their main responsibility was towards their families. Their immobility was an obstacle to worker-representation and this, in turn, had indirectly affected their socio-economic welfare too. Unlike the married women, most of the young Girls knew nothing about trade unions. This was because many of them had just recently dropped out from schools. Like the married women, they also beleived that girls were not in a Position to join unions. After all, they argued, they would Get married and then they would have to think about their families rather than trade unions.

In factory X, the workers' leaders were commonly found among the eldest male workers. This was especially true among the malay folks who worked here. These group leaders

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played an important role in the determination of group functions, behavior and morale. Among this group of workers, there seemed to be stronger incentives to comply with group standards in order to prove themselves worthy of acceptance. Cohesive ties made them a source of strong social support which was unlike the Chinese workers, who often argued with the supervisors. The **Majority** of the malay workers rarely expressed their grievances **openly** and many of them said that they had to be contented with their jobs. The reason was that many of them had parents working in this factory. These parents and elders prevented their children from getting involved in union matters and restricted them from quarreling with the management due to their fear of having their whole families being expelled from their jobs.

Furthermore, the majority of the "pioneers" did not want to get involved in unions. The long period for which they had served in this factory had caused them to become attached to the company. As they considered themselves too old to get involved in unions and since the company still allowed them to carry on working, these workers did not favour anything that migh incur the management's wrath. Their attitude had, to some extent, caused discontentment among the Young workers. But while the older workers would not leave their jobs, the young workers, especially the Chinese, were willing to if they could find better jobs elsewhere.

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The lack of cooperation and mutual understanding among the workers was another serious obstacle to union formation. Relationships were merely superficial; selfishness and suspicion prevailed among them. There was no unity among the Chinese and the malays due to cultural differences. Besides problems with language, social interaction among them was very circumscribed too. The nature of their work was such that the malays only worked with their own malay friends and the Chinese with theirs. There was no effective communication among these workers except in greeting each other. The Chinese workers blamed that the malay workers were always indifferent towards the proposal of worker-representation. Hence, the Chinese workers did not want to represent the whole working force in collective bargaining for better wages and conditions of work. They felt that if they could succeed, this also would benefit the malay workers. But if they incurred hostility of the management in the process, they would be expelled while the malay workers had nothing to lose. For this reason, there was not the slightest hope that any such worker-representation would be formed in the near future. In certain cases, the Chinese workers did succeed in persuading the management to raise their salaries but this was only done without the knowledge of the other workers.

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The nature of the employment also created disillusionment among the workers which obstructed the formation of workerrepresentation. The bulk of the workers did not see any need to form unions simply because they were just temporary workers. Many of them said that they were not going to work in this factory for a long period and, thus, there was no urgent need to form any union organization. After all, they argued, they would find jobs elsewhere if they were dissatisfied with their present jobs.

There was still another group of workers who would not strike or favour worker-representation. This was because they were obliged to the Managing Director for the financial assistance rendered to them in times of financial difficulties. Many of these workers were grateful for the loans the company had given them. The different factions of workers, thus, rendered worker-representation impossible.

Perhaps, equally guilty was the uninformed Labour Department. The government officers rarely visited the factory to probe the problems faced by the workers or to enforce existing rules and regulations. According to the workers, the last visit by these government agents was in 1977. Nor did they ever encourage the workers to join trade unions so as to strengthen their collective bargaining.

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In short, it is likely that the workers in this factory would have formed worker-representation if they had knowledge of unions, and not merely associated unions with strikes and boycotts. It would also be possible for them to join unions had there been generous offer from any of the trade unions found in this region. With this backing of strike funds, material and moral assistance, these workers would be able to come to a reasonable compromise with the management. Without providing all these, there is no way that the workers will join unions or form worker-representation. Considering all the factors mentioned above, it will probably take a long time for an union body to materialize.

4.5 IS THERE ANY POSSIBILITY FOR WORKER'S PARTICIPATION AND SUGGESTION?

The more subtle ways of protest which are not reflected in observable manifestations such as strikes and boycotts in factory X, reminds all concerned that workers, who are relatively free politically, are unlikely to remain industrially bound. The lack of a union body only intensifies the problems faced by the Workers. This is because there is no proper outlet where the workers Can bring the matters such as working conditions, wage-rates, etc. to the attention of the management. Discontentment among the Workers is expressed in more subtle ways such as the wastage of materials and by conscious inefficiency.

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The company was not unaware of this problem as it was manifested by the workers leaving their jobs for work elsewhere. Led by interest in itself alone, the company had desired to achieve certain cherished ideas and direct industrial processes to its own advantage. The fact that the workers formed an indispensable factor in the production of wealth had constantly reminded the company that unless the management gave reasonable wages and working conditions, there was no way to stop the workers, especially the chinese employees, from leaving their jobs. On the other hand, the management must be able to explain to the bulk of the malay workers why the chinese workers deserved better pay. Unless this was done so, dissatisfaction among the malay workers could not be overcome, which would ^{further} lead to increased absenteeism.

Although there was no union body to represent the workers, not all the workers' demands went unheeded. Negotiation was in the form of individual representation, i.e., an individual represented himself in all matters of employment relations. All the problems of industrial relations were adjusted individually between the supervisors and the workers. Generally, the representated persons were workers who had served very long in this factory and they had also earned themselves the reputation being honest and energetic. Their message was then conveyed to the higher level of management by the Factory Manager or the General Supervisor. Also, the

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company could not totally suppress the workers' negotiations for increased wages in view of the higher wate-rates in other factories and the government's recent policy of fixing a minimum wage-rate. All these served as a driving force for the workers to help themselves against the management.

As mentioned above, it is highly possible for the workers to participate in the course of management regarding their socio-economic welfare if they can over-come the problems of absenteeism and inefficiency which had rendered negotiations impossible in the past. These problems cannot be solely due to the antagonistic attitude of the management. Part of the blame is also attributed to the workers themselves, who psychologically believed that they are merely "useless, incapable, inefficient and unintelligent," as many workers described themselves. They micht not realize that by believing they were so, they had unconsciously practised inefficiency which, in turn, had annoyed the management. Unless they have proved themselves hardworking and deserving, the management would never consider their appeals and negotiations.

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CHAPTER FIVE

CONCLUSION

5.1 SOME OF THE MAIN FINDINGS

The author set out in this study to examine the socioeconomic welfare of the workers in factory X.

We find that the majority of our factory workers have little education and no skills. This seems to have compelled them to take up manual jobs in factory X. Workers' socio-economic welfare is affected, either directly or indirectly, by many factors such as the poor working conditions (low wage-rate, little fringe benefits, etc), low education and no skills, poor family back fround, lack of collective bargaining and cooperation among themselves, the obstinate attitude of the management towards worker-representation, as well as the passive role played by the government and private agencies.

With the rapid growth of industrialization, we also find that more and more young people, particularly the school dropouts, turn to factories for work. Because of a background of poverty and their commitment towards their families, they have to start working at a young age so as to support their families, Since many of these young workers have no experience or knowledge of handling factory machinery and tools, they are, thus, susceptible to accidents and hazards. Also, as many of them are below sixteen years old ("illegal work force"), they are not covered by SOCSO and EPF. Thus, when serious accidents occur, they will stand to lose. On the other hand, although they form a relatively cheaper supply of labour force, they can perform as well as the adult workers. Yet, they are not entitled to the same treatment as the latter.

Factories throughout this region are employing more and more female workers because they provide a relatively cheaper supply of labour force. Despite the indispensability of this labour force in the production of wealth, the majority of them are regarded as a temporary work force. They work under social circumstances where there is no law to institute a minimum wage-rate. They are paid according to the number of days they work and this puts them at a disadvantage because of the low wage-rates they get. Besides, they do not enjoy the fringe benefits that the permanent workers do. The majority of these workers, for example, are only entitled to paid sick leave if their medical leave exceeds four days. As they are often given only three days of medical leave, many of them have to work inspite of their illness because they cannot afford to rest without pay.

We also find that the married women are badly hit since they have to support their dependents as a result of their husband's low income. But because of the low salaries they get from their jobs, these married women have to take up

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part-time jobs. At the same time, they have to do household chores and to take care of their children too. This has serious implications on their health and safety for overwork and strain can lead to greater physical and mental fatique. All these will, in turn, affect their alertness, making them susceptible to accidents and ill-health.

The poor working conditions and environment as well as the indifferent attitude of the management towards the complaints of these workers, thus, give rise to conflict between the management and the workers.

Generally, workers express their grievances by a more 'peaceful' way. For instance, they consciously waste resources and time during their working hours. This is not easily detected by the management without stringent supervision and observation. They resort to this sort of action because there is no proper channel where they can voice out their grievances. They are disillusioned by their supervisors who are helpless to convey their problems to their superordinates.

Partly due to the management's threat to sack all those who are involved in any union's activities and also due to the lack of cooperation amongst the workers themselves, the formation of any form of worker-representation is made impossible. The lack of proper communication between the management and the worker has only led to further conflicts, which in some cases, resulted in violent fights between them.

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Eventually, many workers, especially the Chinese leave their jobs to work elsewhere.

The author also finds that the majority of the workers do not desire any control of the workshop as long as the employer provides them with a decent wage scale, reasonable hours of work and fairly safe and comfortable conditions of employment. However, the Company's interest in short-run profit making has almost completely overwhelmed its desire to profit from the cheap labour force. This has led the management to overlook the plight of these workers.

The fact that these workers, who form an indispensable factor in the production of waelth, do not openly express their grievances, does not necessarily imply that they are contented with their salaries and working conditions. Conflict is always there and unless this is solved in a proper way, a harmonious relationship cannot be achieved.

It must also be remembered that the management is not solely to be blamed. The problems of absenteeism and ineffiency seem quite rampant among some of the young workers. During ocassions of festivities, for instance, they refuse to work even if it is the peak production season.

Furthermore, there is no mutual cooperation among the workers themselves. This has given rise to a selfish and self-centered attitude where the workers will seldom help their workmates even though they are free. Unless the workers themselves can overcome this, the management is in no way willing to consider their appeal.

Equally guilty are the govermental and private agencies such

as the Labour Department and the Chinese Chamber of Commerce and Trade. Being passive and complacement, they do not realise that by failing to enforce the rules and regulations to safeguard the workers, the factories' owners will not, in any way, improve the working conditions and enviroment of the worksite.

The problems of the conflict is not merely confine to the management and the workers but to the management and its own staff too. The family-hierarchical

system of the organisation of the defining authority among the various relatives who hold different posts. The vagueness of this structure of authority gives rise to conflict among themselves. They cannot act independently because each of them is given very limited power from their superordinates. Their mainfunction, thus, is to see to the smooth functioning of the factory and its production rather than to understand or alleviate human problems. All these have further intensified the conflict between the management and the workers.

5.2 RECOMMENDATIONS BASED ON FIELD STUDY:

(a) FORMATION OF WORKER REPRESENTATION AND RECOGNITION OF TRADE UNIONS:

In factory X, the Company's business has almost increased to the point where the employer no longer is in constant touch with his working force. From a practical point of view, worker-representation, either in the form of individual or group representation, either in the form of individual or group representatives, is necessary as a means of communication between management and workers. Since there is a distressing lack of good working relations between the management and workers, there is, thus, an urgent need for some form of joint organisation which will bring management and workers close together.

It must be remembered that it is through this workerrepresentation that the workers came to know the better side of the management. Through this process of 'education', it can lead to better understanding of problems that concern both the employer and the workers. If the workers are given, for instance, an oppartunity to examine costs, discover the enormous wastes due to inefficiency and, directly or indirectly, through their representatives, suggest ways of improvement, they will take a more active interest in the economical and efficient operation of the plant. On the other hand, if the management could know the difficulties faced by the workers in earning their living, they could help the workers.

Trade Unions are a symbol and an insurance, through legitimate peaceful pressure, of the right of the workers to be consulted. The workers must join unions to increase their collective bargaining. The advantage of collective bargaining is that it permits the compromise of divergent interests rather than the suppression of grievances. However, it must be remembered that unless these workers organize themselves, the objective of social change will fail to materialize.

One of the main concerns of Trade Unions is the working climate of the workers for poor ventilation, filthy crowded spaces and

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a lack of a proper rest room not only dampens the worker's spirit and, hence, their efficiency but it also increases their susceptibility to accidents. Trade Unions, for instance, can help the workers to learn safety measures against accidents at work since many accidents occur as a result of worker's ignorance and carelessness in handling their work.

Thus, it has been suggested that the existing Trade Unions should offer membership generously to all the factory workers so as to enable the workers to come to a reasonable bargain with the employers.

(b) THE ROLE OF MANAGEMENT:

Alternatively, the management of any factory or industry can strive to mantain harmony between themselves and the workers. Workers must not be treated as mere labourers who are paid to work and hence, they have no say in whatever decisions are made by the management. A worker must be recognized as having a right to security in his work and his rights must gain value with the years. If he loses his job, he must be entitled to some compensation.

It is important that the Factory Manager, as well as others responsible for the management of enterprises, look closely at the far-reaching effects of disharmony between the management and the workers. The primary responsibility of the personnel department is to maintain industrial peace so as to create a socially conducive enviroment capable of increasing economic production. To achieve this, the management (especially the General Supervisor and Factory Manager who are in

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constant contact with the workers) must view practically and realistically 'labour problems' and not suppress grievances of the workers.

Neither is it practical to ignore or pretend that there is no problem or complaints at all. Suppression of the worker's grievances can ultimately lead to open conflict and this, in turn, leads them to resort to damaging ways of protest such as mild sabotage. Unless this is found out early, it will cause a great loss to the Company.

Since there is a lack of understanding between the management and the workers, the former should at least encourage the latter to form worker-representation so as to bridge this gap. Also, the management should not give stern warning if the workers want to join trade unions. The rights of these workers must be recognized. Cooperation by consent is much more effective than cooperation through force and fear. Harmonious relationship between the management and the workers can be achieved if both understand one's own role.

Though the problems of employer - worker relations are difficult, they are not formidable ones. An enlightened personnel management can help to develop the labour force to its potential and to substitute industrial peace for industrial strife, cooperation for antagonism.

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(c) THE ROLE OF THE STATE GOVERMENT:

The role of the state goverment can also have a direct impact

on the welfare of the workers. Its policy, for instance, can have direct consequences on the workers' wage - rates, working conditions, union movements, etc.

The Government Labour Department should play a more active role at helping the workers. From the information collected from the workers in factory X, it was found that many workers were highly suspicious of the officers of the Labour Department. The reason was that many of the workers who were questioned by these officers were nearly sacked by the management and threatened too. According to the workers, these officers only came two or three times a year unless complaints were reported to the Labour Department.

More frequent checks should be taken and a closer rapport should be established between the Labour Department and the workers. This will alleviate workers' fears and suspicions and make them feel free to report to the Labour Department officers whenever their rights are violated by their employers.

Likewise, the state government must take steps through purposeful legislation to enact minimum wage rates as well as to allow strike freedom so as to increase the strength of the workers' collective bargaining. The minimum wage rates must be able to give them a greater financial security which not only guarantees their families basic survival but also without them restoring to working part time jobs which can have ill effects on thier health.

It is understood that certain laws have already been enforced to safeguard female workers such as the three - month

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maternity paid leave. However, unless this is followed by stringent action, this law can be easily breached by employers. For instance, the Company can lay off temporary workers within ten days' notice. The pregnant women are, therefore, at the mercy of their employers. The stated three-month maternity paid leave is, thus, only valid on paper but not in practice. Unless there is concrete law to overcome this injustices, workers can never acquire socio-economic emancipation. In short, the social legislation must be accompanied by strict implementation.

In view of the present inflow of large numbers of young school dropouts into modern factories, the government must plan for long-term strategies such as vocational and technical institutions to absorb and train them to acquire some skills. This will enable them to find suitable jobs that are reasonably paid instead of wasting their resources in factories that stress more on machinery rather than skilled labour. It is not enough just to enact laws to safeguard these young people from exploitation. What is more important is that these laws must be actively enforced. Also, in view of poor family background, the government should give loans to needy students to enable them to complete their education. Unless all these measures are taken, there is no way to prevent these school leavers from entering factories.

Another field the government must look into is workers' accident compensations and job security. It is not enough just to have all the workers covered by SOSCO and EPF, but workers should also be able

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to get accident compensations without delays and conveniences. In addition, accident compensation and EPF should be made very clear to the workers to avoid unnecessary anxiety and suspicions.

It is also recommended that the Ministry of Labour And Manpower set up a special department devoted completely to research and investigation of industrial problems. Information and data collected, in the long run, can contribute substantially to the benefit of workers in all fields.

5.3 SOME SUGGESTIONS AT FACTORY LEVEL

(i) ROLE OF THE WORKERS:

Since the workers are the ones who are exposed to factory machinery and other instruments, they are, thus, susceptible to all sorts of industrial hazards. They must take the initiative to look after their own welfare and interest. To achieve this, they must resolve their differences and arrive at some form of agreements aimed at uplifting their socio-economic status. They can, for example, build their own associations and elect representative leaders to agitate for better working conditions and other things.

With better organisation, they can also look after their own safety and health. This can be done by presuading the employer to give free regular medical check-ups as well as to introduce safer machinery in the work- site. The workers, especially the new recruits, must have 'safety conciousness' instilled in them.

In addition, the workers must not think that they are useless, unintelligent and incapable people. Rather, they should regard themselves as a very important factor in the production of economic wealth. Inferiority complex, as a psychological problem, would only expose them to various economic exploitation. They should also realize that Trade Unions are not only for educated people but also for all the workers. Futhermore, they should not believe that Trade Unions merely exist to strike and, thus, endanger the livelihoods of the members. In fact, a conscientious Trade Union can help its members to achieve a better standard of living.

(ii) SAFETY MEASURES AND GOOD WORKING CONDITIONS:

The factory work-site should have several divisions where machinery, good and other equipment are kept safely and where noisy areas are isolated from others through the use of partitions. Workers must be given necessary protectors such as hand gloves, masks or uniforms where their work deems all these indispensable. All the machineries and tools have to be checked regularly too to prevent accidents from happening. The unwanted wastes such as pepper veins should be disposed in a proper place and not simply dumped into the nearby river.

Without proper ventilation and lighting, work-site is

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unhealthy and dangerous. Fluorescent lights should substitute the light - bulbs which are too hot in a poorly ventilated work site. If possible, fans should be placed at each work - site to improve air circulation. Both the management and the workers must **cooperate** to keep the worksite clean and safe. The management, for example, should employ a part - time or full - time labourer to clean the toilets, bathrooms and the surrounding compound. On the other hand, the workers must be taught to be more civic minded and to use the facilities provided to their maximum advantage.

(111) MEDICAL FACILITIES:

There must be adequate first aid treatment in factories. For instance, the first aid box at the work - site must always be adequately equipped and up - dated to handle accident casualties. In addition, there should be a proper sick room for emergency cases while waiting for the ambulance. The Company should also make available a company car and the use of a telephone at any time to anticipate occurrences of accidents.

In a factory of more than a hundred workers, a few workers must be adequately trained to enable them to provide first aid to injured workers. This can be done by allowing them to attend first aid courses offered by the Red Cresent Society.

(QV) TECHNOLOGICAL CHANGES:

The level of technology can affect many aspects of the worker's life including psysiological and psychological levels. In factory X, for example, the "primitive" work process such

as the pepper processing plants require female workers to help clear off pepper veins, stones, paper and wood. In the process, they are exposed to dust and dirt which may be harmful to their health. This "dirty" can be done away with if better reprocessing plants are used such as the machinery purchased by the PMB. Instead of using scissors to cut the . rubber sheets, it is also possible to implement modern cutting tools powered by electricity.

Also, the so-called "human conveyor belt" can be replaced by "machine conveyor belt" which helps to carry the reprocessed rubber sheets from one division to another. Forklifts and other machinery should be made full use to carry haevy things. The sharpening of scissors should also be done by machinery instead of mem. This will not only quicken the work and increase the productivity, but also conserve human energy.

Perhaps, what is more important is to provide some technological skills to workers so as to improve their capabilities and hence, their produtivity. This will instil new confidence in the workers. In the long run, it will not only benefit the workers but the company too.

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(V) SUPERVISORS - WORKER RELATIONS:

Emphasis should be placed on the relationship between the supervisors and the workers. Without fundamental understanding, there

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can be no cooperation between them and the whole structure of authority will collapse. This, in turn, will give rise to conflict and ill - discipline in the factory.

The inability of these supervisors to act independently has, in the past, given rise to problems with the workers in factory X. Since the supervisors are the closest to the workers, it is logical that they are able to understand the worker's problems much better than their superordinates. The supervisors must be approachable at any time and they must not be arrogant. This, in turn will bring about a relationship between the supervisors and the workers where both assist each other's work.

It is important that the personnel management in a factory must always strive for harmony, for it is this virtue that guarantees peace in all industrial business.

5.4. RESEARCH WEAKNESSES:

The main weakness of this research lies in the fact that this thesis is only based on a microcase study of a particular factory. Although the author also obtained secondary information and data (such as working hours, wage - rate, etc) from two other factories to substantiate his findings and for the purpose of comparison, it is felt that comparative studies on this research should be widened to cover some other aspects too. This is to allow a more substantial comparison to be taken before certain trends can be formulated to

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explain certain findings such as accident figures and the migration of rural people to the factories.

The author also realized the weakness of having to deal with physiological aspects of the workers. For instance, he could not probe into the physical and mental capacities and limitations of the workers within such a short period of time. What is recorded is based on what has been observed and reported by the workers themselves.

study Though this/is incomplete, it is hoped that it will stimulate other researches to enter into this field where the potential remains untapped.

5.5 THE FUTURE: NEED FOR MORE RESEARCH.

More researches should be carried out on all aspects of the industrial workers. There are still many questions left unanswered. For example, how could the management be sure that exposure to certain chemical dust and air is not harmful to the body? What about the young people? Would this have harmful effects on their growth in later years? What about the women? Are they more sensitive than men to occupational hazards? Is it true that it is because of the Company's weak capital Capitalization that resulted in the exploitation of workers? Or is this merely a pretext rather than fact? All these call for more dynamic research to get accurate answer.

Perhaps, a new field of science should be introduced in view of the industrialisation which will affect the socio - economic - political welfare of the people in this state.

Ergonomics, i.e, a new multi - disciplinary science involving specialists and professionals in various fields such as psychology, physiology, economics, sociology, anthropology, industrial physics and engineering and others, is very useful for studying of man in relation to industry. For example, it can study the work efficiency and productivity of man and the types of environment that are best for workers.

Ergonomics research should be introduced and incorporated into the industrialization plan. With this Ergonomics research findings, short - term and long - term strategies can be formulated to overcome industrial problems.

In short, Ergonomic research holds a promise of better working conditions for factory workers. It will also help to generate the production of economic wealth which, in turn, will benefit the society as a whole.

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