

GENERAL LEVEL AND STRUCTURE OF WAGES AND SALARIES.

While there have been other motives, the main concern of an Union in practice is to raise the return that Union members get ^{for} a day's work. The Union does try to raise the status of the worker through consultation; it does attempt to improve his amenities, safety and health at work. But these are never regarded as being as important as bargaining to raise wages.

We have already examined the conditions of service and fringe benefits that are contained in the collective Agreements. To obtain a clearer perspective of the worker in his employment, it is necessary to examine the general level and structure of wages and salaries in the Agency Houses.

In passing it ought to be recognised that the salary scales shown in the schedule are rough estimates arrived at upon examining the Agreements. Most of the Agreements do not include a schedule of salary scales for the various occupations. Instead, each of the Agreements has incorporated the salaries and wages of the workers at the time the Agreement was signed and the increases that have been brought about as a result of the Agreement. It becomes difficult therefore to ascertain the beginner's salary for the various occupations. The wages and salaries mentioned include increments that have been given to the employees prior to the Management's recognition of the new salary scales. Further, inter-Company and intra-Company comparisons of the salaries and wages structure is limited by the fact that prior to Union-Management negotiations, it was not unusual to find a great difference in pay between two employees doing the same work in the same Company.

Then, salary increments depended on efficiency and merit, and to a certain extent, on the "whims and fancies" of management. To worsen matters, two or three Agreements even make no mention of the occupations. Only serial numbers are used to represent the different employees.

The general level of the salaries can be noticed from the schedule of salary scales.¹⁸ It is interesting to note that all employees are monthly-rated. Vernat Eastern Agencies Ltd., had one labourer on a daily-rated basis, but he was transferred to the monthly-rated basis. The occupations of the employees may be divided into four broad categories—clerical staff, sales staff, technical staff and non-clerical staff.

The non-clerical staff, being at the same time non-skilled, are obviously the lowest paid, starting at relatively lower salaries. An interesting point is that they appear to have benefitted more than the employees in the other categories. Under this new scheme, the non-clerical staff are guaranteed a basic wage of around \$100 and have also been assured an annual increment of \$10. Formerly, this had been the sector of employment which the Management found easiest to exploit.

18 To avoid confusion, we have not made any distinction between the terms wages and salaries, but have used them as synonymous terms, i.e. to mean the earnings of an employee per month, excluding overtime, bonuses, commissions and allowances.

As unemployment and under-employment exist on a considerable scale it would not have been difficult for employers to obtain workers at a lower level of wages, especially as the work involved requires little skill. The Agreements protect the employees from such exploitation. Inevitably, owing to the nature of their work, the rewards in the form, of annual increments are lesser than those granted to the employees in the other three categories and thus tend to widen the gap between the salaries of an unskilled worker and a skilled or clerical employee with increasing years of service.

An analysis of the salaries of the clerical and the technical staff reveals certain interesting facts. It reveals an area of potential conflict. On the clerical side, the salaries range from \$150 for a junior clerk, telephone operator, receptionist etc., to \$400 and above for a senior cashier or a secretarial assistant. In the case of the technical staff, the salary structure begins at a lower level - \$100 for an apprentice - and ends at about \$375 for an engineer.

This is indeed surprising, because the technical occupations require more skill than the clerical work, Further, technical employees have to undergo a long period of apprenticeship. Yet if a clerical employee's income is still on the same level as that of a technical employee, or even better, then where is the incentive to go through a long period of training?

The salaries of salesmen range from \$150 right up to \$500 and even above. It may be pointed out that outdoor salesmen are normally better paid.

Observations on Inter-Company Salary Structure.

An examination of the Agreements also shows that, as far as possible, the Union has tried to have uniform salary scales for the different Companies., but it must be pointed out that there are certain striking differences as well. It is noticeable that later Agreements, like those of Mansfield & Co., Ltd., and Cooper Brothers Co., have much more attractive salary scales. For example, Mansfield & Co., Ltd., has divided the clerks into three grades:-¹⁹

Grade C - 200 - 15 x 12 years to \$380

Grade B - 360 - 20 x 7 years to \$500

- 500 - 25 x 2 years to \$550

Grade A - 525 - 25 x 11 years to \$800

This scale is much higher than that provided by other Companies. Moreover, here the maximum an employee can receive is also very high. Even Copy Typists start with \$260 while Telephone Operators start with a salary of \$280.

19 The designation "Clerk" includes staff formerly known as Cashiers, Assistant Cashiers, Cashiers Clerks, Senior Canvassers and Canvassers.

Of course, such high salaries may be due to the fact that each employee has got greater responsibilities., but even then, the scales are much better than in other Companies. Cooper Brothers & Co., also shows more interest in the welfare of the workers than the other Companies. The annual increments that are granted are also larger than those granted by other Companies. In certain Companies, the Salesmen appear to occupy a higher status than the clerical workers. For example, in Lindeteves-Jacoberg (Far East) Ltd., a Salesman on probation started with a salary of \$500. Similarly, William Jacks & Co., (S) Ltd., also pay their Salesmen very well.

An unusual fact in Vernat Esatern Agencies Ltd., is that the highest-paid employee, according to the Agreement, is a Store-keeper, who received \$530 after the introduction of the new scheme. On the contrary, some of the employees of the Anglo-Thai Corporation Ltd., are very poorly paid. Two Gardeners receive only \$40 and \$50 each while two of the Watchmen receive \$45 and \$65 each. Also, one of the Clerks receives only \$60. Finally the annual increments which the Corporation grants to the Clerical Staff are only \$15 each.

Yet another peculiar situation is found in Diethelm & Co., Ltd., where an employee who began service in 1937 was only receiving \$100 at the date of Agreement while another who began service in 1947 was receiving only \$115. Further, there is no mention that these employees had left the Company's employment at any time after beginning service. Such mention is made in the case of three employees who left the Company's service temporarily for one reason or another.

Increments.

It may be noted that the increments that the workers obtain annually are now automatic.

Formerly increases were at the discretion of Management, based on an individual's performance and his value to the Company, but the Union has been able to get the Management to abolish increments on the merit basis. An annual increment undoubtedly lacks the incentive features which are supposed to lie in the merit increases. It may even give rise to laziness and inefficiency on the part of some employees. However, it is a more satisfactory system for workers as a whole. At least there would not be an uneven salary structure.

The only exception to this general rule is found in the case of Cooper Brothers & Co., which reserves the right to withhold ~~to~~ an annual increment from an employee, if in its opinion the employee in question does not merit such an increment. Of course, the Firm has to give notice in writing to the employee of its intention, with reasons, to withhold the increment three months before it is due. The Union may of course, request the Firm to discuss the particular circumstances of the case. Cooper Brothers & Co., also retains the right to award an additional increment to an employee ^{if such an employee} possesses higher skill or ability than other employees within the grade.

Bonuses

In most of the Agreements under study, the issue of bonus was not mentioned. It is significant that a claim for bonus was found only in the later Agreements. However, in two of the earlier Agreements²⁰ it was stated that the Company agrees to continue paying bonus in accordance with past practice.

This suggests that the question of bonus is still a prerogative of Management. In later Agreements, the Clause on bonus was elaborated. Bonus is only paid to employees who have completed twelve month's consecutive service.²¹

Harrisons & Crosfield & Co., Ltd., and Cooper Brothers & Co., have some provisions whereby employees with less than twelve months' consecutive service may receive bonus. Cooper Brothers & Co., pays bonus on a pro rata basis for such employees. Mansfield & Co., Ltd., has even made bonus provisions for an employee who leaves the Company's service other than in cases of dismissal for disciplinary reasons. Such an employee is 'eligible for the payment of bonus where applicable for any incomplete year of service on a pro rata basis up to the date of his departure from the Company's service'

Most Agreements make no mention of the actual amount to be paid as bonus. The Central Agency Ltd., however, grants a bonus of one month's salary while Cooper Brothers & Co., pays an annual bonus of 10 $\frac{1}{2}$ % of the annual salary which is defined as "monthly emoluments including bonus, overtime payments, commissions and allowances."

21 Guthrie & Co. Ltd., stipulates that staff eligible for bonus "are all monthly-rated employees excluding salesmen or any other employees whose terms of service include the provision that he shall receive commission instead of bonus" Employees on probation do not qualify for bonus in Mansfield & Co., Ltd.