Singapore Police Stand Guard as SMRT Bus Drivers Halt Work

Shamim Adam and Sharon Chen Bloomberg, 27 November 2012

Singapore police stood watch at a workers' dormitory as bus drivers from SMRT Corp. (MRT) skipped work for a second day after a wage dispute, in a rare public display of labor discord in the island nation.

About 60 bus drivers didn't turn up for work this morning, some with valid medical reasons, SMRT, Singapore's biggest subway operator that also runs bus services, said in an e-mailed statement. SMRT said yesterday that 102 of its drivers, all from China, didn't report for duty.

"We continue to keep our communications open with the service leaders," SMRT said, referring to the drivers. The company is "also working with the relevant authorities to find an amicable resolution," it said.

Strikes in Singapore are rare and unions have limited scope for industrial action as the government encourages consultative relations between employers and employees. Labor protests in the 1950s led to riots and deaths and the government subsequently changed the legal framework to reduce "adversarial and confrontational" industrial relations and promote investment, according to the Ministry of Manpower.

"By taking matters into their own hands the drivers have clearly crossed the line," the city state's acting Minister for Manpower Tan Chuan-Jin said in an e-mailed statement. "The government views these disruptions very seriously. We have zero tolerance for such unlawful action because disrupted essential services not only affect the workers in the industry, but also affect the daily life of all in the community."

Illegal Strikes

Strikes are illegal for workers in essential services, unless they give the employer 14 days' notice of the intent to go on strike and comply with the requirements of the notice, the minister said in the statement.

Police are currently investigating "this illegal strike," he said. "There are rules and laws to follow, and we will let the investigations run their course."

Five police vehicles and at least six policemen were seen outside the workers' dormitory in Singapore's Woodlands area, in the island's north. No arrests have been made, a police spokesman said by phone, after the Today newspaper reported earlier in the day the drivers would be detained. Reporters weren't allowed to enter the dormitory to speak to the drivers.

No Incidents

The main concern for the police is maintaining law and order and there have been no incidents, the spokesman said, declining to be identified by name because of policy.

The drivers' protest, which affected some bus services yesterday, highlights the island's reliance on foreign labor. Complaints that a surge in overseas workers is depriving locals of jobs and driving up home prices helped opposition parties achieve record support in last year's general election. There are 3.3 million citizens and 2 million foreigners in a country that's smaller than New York City.

"The resentment is really towards foreigner policies, as opposed to foreigners," said Leong Chan-Hoong, a research fellow at the Institute of Policy Studies in Singapore who has studied cross-cultural psychology. "We understand that there's a need, whether it's an economic need or the demographic need, to have immigrants, to have transient workers to complement the local workforce. At the same time Singaporeans are also not pleased with how we managed that influx in the past 10 years or so."

Pay Increments

SMRT said the workers who protested yesterday were unhappy with their salary increments after recent adjustments made by the company. Talks between management and the drivers ended at about 6 p.m. yesterday, the company said in a statement late yesterday, when it said the employees would return to work today.

"We regret that they chose to express their unhappiness about their salaries in this manner, especially when our lines of communication with them are always open," it said in the Nov. 26 statement.

The labor disputes are the latest challenge for SMRT, which was named the world's best metro operator in 2009. It has had to contend with public dissatisfaction after subway service failures in 2011 and was fined the maximum S\$2 million (\$1.6 million) penalty for two breakdowns in December that were the most disruptive since it began operations in the late 1980s.

The shares have dropped 4.5 percent this year, compared with a 13.9 percent increase in the benchmark Straits Times Index (FSSTI) of stocks.

Previous wage disputes between employers and workers in the city state have involved pilots from the national carrier Singapore Airlines Ltd. After protests by Singapore Air pilots over lower pay, Singapore changed its labor laws in 2004 to allow trade union executives to negotiate and agree to wage agreements without the approval of its members.