

Ex-union leader Phey Yew Kok gets 5 years' jail for CBT

He admits to 12 of 34 charges; in all, he misappropriated more than \$450,000

Elena Chong and Seow Bei Yi

Phey Yew Kok, once Singapore's most powerful unionist before absconding after being charged with criminal breach of trust, has been sentenced to five years in jail, finally bringing to a close a criminal trial which began in 1979.

Yesterday, the 81-year-old former National Trades Union Congress (NTUC) chairman and People's Action Party (PAP) Member of Parliament, half-blind and hard of hearing, cut a frail figure in the dock as he pleaded guilty.

His lawyer later said Phey was well aware of his abuse of trust, which was something he was "very ashamed about and sorry".

Clad in a white T-shirt and brown trousers, Phey admitted to 12 of 34 charges, including 10 counts of criminal breach of trust involving \$243,878. In all, he misappropriated more than \$450,000 over a period of six years.

Deputy Presiding Judge Jennifer Marie said in her brief grounds of decision that instead of valuing and safeguarding the trust given to him, Phey saw fit to exploit it.

"The facts reveal that Phey, like a serial criminal, systematically and with deliberation over a period of



(Right) The first public photo of Phey since he went on the run in 1979, and (left) Phey in a 1973 photo at a meeting with the press on the opening of Singapore's first cooperative supermarket. PHOTOS: SINGAPORE POLICE FORCE, ST FILE



six years, perpetrated these offences. He had no qualms in trying to evade detection and had the temerity to instigate his staff to fabricate false evidence," she said.

"His remorse, belatedly, does not displace the serious and aggravating nature of his offences and I attach little significance to this," said the judge, adding that his conduct deserved the "utmost censure of the Court".

It was front-page news when he was hauled to court to face charges in December 1979.

But the even bigger shock came when he failed to show up in court on Jan 7 the following year. He had fled Singapore on Dec 31, 1979, by taking a train to Kuala Lumpur, where he flew to Thailand. He remained a fugitive until his surrender at the Singapore Embassy in

Bangkok on June 22 last year.

No other criminal has ever remained at large for as long as he has, said Deputy Public Prosecutor Tan Kiat Pheng.

It was also revealed yesterday that as a fugitive, he could not stay in one place for long, and had to take up odd jobs, such as pig farming and hawking.

As his health got worse, it became harder for him to find a job. In those 35 years, Phey, who has three grown-up children and two granddaughters, never saw his family. According to his mitigation plea, he surrendered because he did not want to die in a foreign land, and wanted to make amends with his family.

None of his family members was present in court yesterday.

The bulk of the offences were

committed when he helmed the Singapore Industrial Labour Organisation (Silo) and the Pioneer Industries Employees' Union (PIEU).

As general secretary, he had de facto power and control over the running of the two unions and their finances. "Such was the accused's position that he was seen, as union members put it, as a union 'god'," said DPP Tan.

The prosecutor accused him of treating a joint Silo-PIEU staff fund as his own "private slush fund" and "repeatedly dipping his hand into the cookie jar for his own benefit".

Phey also invested funds from Silo and PIEU in Forward Supermarket, later renamed Save-Well Supermarket, without the approval of the Finance Minister.

To supply Save-Well with goods, he, together with three others,

clandestinely siphoned \$210,859 worth of goods from the Silo Multi-purpose Cooperative Society.

His co-accused had previously been given jail terms of between four and 12 months each.

He used his position as the MP for Boon Teck to launder the goods through the PAP Boon Teck Branch. As MP, he was also accused of misappropriating funds meant for an education centre for three- to five-year-olds in his constituency. When he was being investigated in 1979, he instigated Silo general treasurer Yoon Mei Yoke to fabricate false evidence in an attempt to exonerate himself.

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Phey 'led a miserable life' and lived in fear while on the run

He took up odd jobs such as pig farming, had no regular income and worried about getting caught every day

Seow Bei Yi

Little was known of how Phey Yew Kok had spent his days since fleeing to Kuala Lumpur on New Year's Eve in 1979 – until now.

Yesterday, Phey, now 81, pleaded guilty to 12 charges and was sentenced to five years in jail, backdated to June 23 last year.

In mitigation, Senior Counsel Chelva Rajah said Phey "led a miserable life" away from his family during 35 years on the run.

In Thailand, the former chairman of the National Trades Union Congress (NTUC) and former MP for Boon Teck had no identity card, passport or regular income.

Each day, he worried about being arrested. Unable to stay in one place for long out of fear of being recognised, he took up odd jobs such as pig farming, hawking and cleaning grease traps to support himself.

But as he got older, finding a job became increasingly difficult.

He started losing vision in his right eye over 10 years ago and did not have enough money to seek medical attention.

His last job, said Mr Rajah, was as a watchman for a godown, but it grew difficult for him to stay on as

he began losing sight in his left eye, along with his sense of hearing.

Now, he is completely blind in his right eye and unable to see out of the top half of his left eye. He also suffers from severe hearing impairment. But the jail term is not expected to adversely affect his health.

He is "not the same man" who left Singapore over three decades ago, said his lawyer.

Phey, who is married with three children, had decided to surrender himself at the Singapore Embassy in Thailand on June 22 last year, in the hope of spending his last days with his family rather than in a foreign land.

Being away during his children's formative years, he hopes to mend relations with them, according to his lawyers. He also wishes to meet his two granddaughters.

Phey stood alone in court yesterday, flanked by two guards. He listened with a solemn, unchanging expression as the charges were read. None of his family members was seen in the gallery.

He was represented by Senior Counsel Rajah, partner Chen Chee Yen and associate Andre Teo of Tan Rajah & Cheah.

In mitigation, his contributions to the fledgling labour movement were also highlighted.



Phey Yew Kok in court yesterday. His lawyers said he regrets absconding and is "ashamed and sorry" for what he did. ST ILLUSTRATION: MANNY FRANCISCO

In 1970, the NTUC set up the Singapore Industrial Labour Organisation (Silo) to win over industrial workers from left-wing unions. Phey was chosen to head it and the Pioneer Industries Employees Union (PIEU), which was set up to woo factory workers in Jurong.

His fluency in Teochew and Hokkien and Chinese education background helped him communicate effectively with blue-collar workers in the Jurong Industrial Estate.

Former president and unionist

S R Nathan wrote in his memoirs that under Phey's leadership, Silo and PIEU "developed a reach well beyond the expectations of earlier NTUC leaders".

Phey's lawyers said that, with hindsight, Phey regrets absconding and is "ashamed and sorry" for what he did. His actions have let down the union movement "which he was wholeheartedly committed to".

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He misused funds to pay for house, generated fake invoices

Elena Chong
Court Correspondent

Phey Yew Kok used misappropriated union funds to pay in part for a new house, a district court heard yesterday.

With full control over the running and finances of two of Singapore's biggest unions, the Singapore Industrial Labour Organisation (Silo) and Pioneer Industries Employees Union (PIEU), Phey, now 81, committed a myriad of offences from 1973 to 1979, such as generating fake invoices so he could transfer money into his personal bank account.

At least \$60,000 went to fund the purchase of a house in Lorong

Ong Lye. Phey alone managed the Silo/PIEU Staff Fund, set up to give monetary awards to permanent employees who had completed five years' service or loans, and its accounts.

Contributions to the staff fund came from a part of the monthly salaries of the employees in the two unions.

In February 1974, Phey negotiated a scheme with Singapore Bus Services on behalf of Silo under which SBS would contribute \$1 million annually for incentive payments to bus workers.

SBS would pay \$250,000 to Silo every quarter and that money would be used to distribute incentives in the form of cash, goods and vouchers from the Silo Multipur-

pose Co-operative Society (Silo MPCSL) to the bus workers.

By January 1975, SBS had paid \$750,000 into Silo's main bank account, of which \$680,081 had been used in incentives, leaving a surplus \$69,919.

On Feb 24 that year, Phey directed a fake invoice to be issued by the Silo MPCSL supermarket division to Silo, stating that \$40,000 was required to buy vouchers for bus workers. Instead, the money was deposited in the staff fund account. A cheque was then issued from this account to Phey, who deposited it into his personal bank account. He later used the money to pay for the house and lawyer's fees for the purchase.

That same day, Phey directed an-

other fake invoice be issued from the Silo MPCSL supermarket division to Silo for \$25,000, purportedly as reimbursement for purchase of vouchers issued to bus workers.

The \$25,000 cheque was similarly deposited into the staff fund account and Phey later withdrew it and used it to pay for his house.

In January 1976, under his direction, a cheque for \$15,000 was made out to his wife from the staff fund account and deposited into her personal account.

Phey also misappropriated \$6,000 from Silo that was purported to be a loan to the assistant general secretary of Silo to buy a car. When he was questioned by the Corrupt Practices Investigation Bureau regarding this, he asked the general treasurer of Silo to falsify a receipt to corroborate his story.

Deputy Public Prosecutor Tan Kiat Pheng said Phey adopted multiple methods, such as layering of transactions, in committing the offences to make them hard to detect.

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Phey, who ran as the PAP's candidate in Boon Teck, celebrating his victory in the 1972 General Election. Four years later, he stood for re-election and won. ST FILE PHOTO

Swift rise to power and fall from grace

Former chairman of the National Trades Union Congress (NTUC) Phey Yew Kok was once described as a "god in the labour movement" and enjoyed a meteoric rise to power.

In the 1970s, he helped to create a united front for workers, also strengthening the foundations of tripartism.

But soon after becoming NTUC chairman in 1979, he was investigated for malpractices and fled after being charged with misappropriating union funds.

Now 81, Phey pleaded guilty to 12 charges yesterday after living 35 years as a fugitive.

- Phey grew up in poverty and worked to support himself through school.
- He was an English teacher for two to three years before joining the Malaysia-Singapore Airlines as an accounts clerk.
- 1966: He became treasurer of the Singapore Air Transport Workers Union (Satu).
- 1968: He became president of Satu.
- 1964: He was seconded to NTUC as an industrial relations officer.
- 1970: He became president of the NTUC at age 35, and was the youngest to hold the post.
- 1970: He was also elected general secretary of both the Singa-

pore Industrial Labour Organisation (Silo) and Pioneer Industries Employees Union (PIEU), which represented a total of around 80,000 workers.

- 1972: Phey contested the general election as a candidate of the People's Action Party and became the Member of Parliament for the constituency of Boon Teck. He successfully stood for re-election four years later.
- 1979: He became NTUC's chairman.
- 1979: The Corrupt Practices Investigation Bureau (CPIB) started investigations against Phey for malpractices in Silo and PIEU.
- 1979: He was arrested and charged in December, and released on bail of \$100,000 with two sureties.
- 1979: On Dec 31, Phey absconded to Malaysia and, eventually, Thailand.
- 2015: On June 22, he surrendered himself at the Singapore Embassy in Thailand.
- 2015: On June 23, he was repatriated to Singapore and has since been held in remand.
- 2016: Yesterday, he pleaded guilty to 12 charges, with 22 remaining charges taken into consideration for sentencing. He was sentenced to 60 months in jail, backdated to June 23 last year.

Seow Bei Yi

Toh Yong Chuan
and Joanna Seow

The conviction, and sentencing, of former National Trades Union Congress (NTUC) chairman and MP Phey Yew Kok closes a chapter in Singapore's union and political history, said unionists and former MPs who knew him.

"Whether you are a parliamentarian or not, you have to answer for your actions," said Mr Chan Chee Seng, 84, who was Senior Parliamentary Secretary for Social Affairs when Phey jumped bail in 1980.

Phey was elected MP for Boon Teck in the 1972 General Election. He was still an MP when he fled Singapore in 1980.

His Boon Teck seat was subsequently contested and won by the People's Action Party's Liew Kok Pun in the 1980 General Election. The former single-seat constituency is now part of Bishan-Toa Payoh GRC.

Unionists told The Straits Times that the case showed the importance of having union leaders with integrity.

"He was before my time, so I've no recollection of him," said retired NTUC president John De Payva, 67. "In general, union leaders need to be honest. The level of integrity has to be high."

Before Phey's arrest by the Corrupt Practices Investigation Bureau in December 1979, he was one of the most powerful union leaders in Singapore, holding the post of NTUC chairman and heading two large unions and their supermarket chains.

His meteoric rise started in 1966, when he was elected treasurer of the Singapore Air Transport-workers Union (Satu), his first union leadership position.

In March 1970, the NTUC set up the Singapore Industrial Labour Organisation (Silo) to win over industrial workers from left-wing unions.

Phey was hand-picked to head the union because of his ability to organise workers.

A month later, he was elected NTUC president at the age of 35, the youngest to hold the post.

Later that year, he was also elected secretary-general of the Pioneer

Industries Employees Union (PIEU), which was set up by NTUC to woo workers in the factories then sprouting up in Jurong.

After Phey fled Singapore, the NTUC sent in teams to take over Silo, PIEU and Satu. NTUC also rewrote union Constitutions to entrust power to elected committees and not individual leaders, to prevent charismatic leaders like Phey from having free rein.

Mr G. Muthukumarasamy, general secretary of the Amalgamated Union of Public Daily Rated Workers, said Phey had disappointed union leaders.

"He shouldn't have taken union money and left," said the 65-year-old, who met Phey in the 1970s as a young union leader. "The sentence is long, but what is wrong is wrong."

When contacted on the phone last night, Phey's son, Mr David Phey Teck Ann, who works in a lifestyle magazine group, said: "It is inconvenient to talk. I do not have any comment."

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