

THE ROLE OF CIVIL SOCIETY IN LABOUR POLICY

Key Partnerships and New Paradigms

1. Definition of Civil Society

Non-state actors, including non-government organizations, community-based organizations, academic institutions, trade unions, cooperatives and other formal, voluntary, independent and intermediary organizations are important components of civil society as well as citizens – individually and through their multiple associations at the local level. (Commonwealth Foundation: Citizens and Governance, Civil Society in the New Millennium Project). For the purposes of this discussion, I include trade unions for the following reasons:

- ?? trade unions are non-state actors which draw their membership from the wider civil society
- ?? they are not part of the private sector
- ?? they have a specific historic role and set of responsibilities related to their representation of workers in the employed labour force
- ?? their members are citizens/workers, who through their relationship with capital have a critical and special role through the sale/exchange of their labour for wages in the production of goods and services in the economy.

2. The Global environment

The globalization of the world economy, through the dramatic increase in world trade and in foreign investment by transnational companies, is changing the world of work, and the world in which we live, at an increasing pace. Working conditions and unions' bargaining strength are undermined by intensified competition which threatens even basic human rights which are aimed at preventing repression, discrimination and exploitation at the workplace. Sustained long-term growth depends on increasing purchasing power of workers. However, workers' rights, trade unions and even democracy itself are endangered by powerful forces prepared to sacrifice workers (human capital) in the drive for maximum profits and market share, as countries and companies compete by forcing wages down and depressing employment conditions rather than by striving to improve overall productivity.

3. Sustainable development vs. adjusting to market forces: not either or but both!

In order to confront the multiples challenges presented by the current global environment in which some adjustment to market forces is necessary, the desirable approach must be one which promotes a holistic development process that integrates the interrelated processes of economic, social and ecological development in a sustainable way. The four components of sustainable development are identified as the economy, society, the environment and good governance, the last being critical to ensuring that the costs of the adjustments that do have to be made are shared as equitably as possible among all sectors of society. (A Framework for Local Sustainable Development Planning in Jamaica).

4. **Tripartism – The Current framework for labour legislation and labour/employer relations**

Tripartism can be defined as “the institutional arrangements for consultation and/or negotiation between representatives of workers, employers and governments in the formulation of public policy on social and economic issues, and at the national level is enshrined in a number of ILO Conventions and Recommendations. The ILO itself notes that the main goal of social dialogue which is a critical tool in the tripartite process “is to promote consensus building and democratic involvement among the main stakeholders in the world of work”. It is therefore critical to achieving the objective of promoting opportunities for women and men to obtain decent and productive work in conditions of freedom, equality, security and human dignity. The essence of tripartism, then, is to ensure effective negotiation or consultation between, or among, governments, workers and employers, on issues of common interest relating to economic and social policy.

5. **Main stakeholders in the Tripartite Model**

In the Tripartite model, the social partners are government, trade unions and the employers. As advocates of social partnership, trade unions have sought for an accommodation of the interests of capital and labour, while advocating for recognition of workers’ rights and the right to trade union representation. As one of the social partners, trade unions have also exercised important influence through the general political process with respect to policy making on economic and social issues, and in the formulation and implementation of labour market policies. The historic role and importance of trade unions in Caribbean societies in this regard cannot be underestimated.

6. **Representativeness of the Tripartite Model in the current environment**

However, the following data invites us to consider whether social partners as currently understood are adequate either for:

- ?? fulfilling that critical role of labour policy i.e. working towards full employment through economic and social policies that can adapt to rapid changes in the world of work (the current reality of the world of work); or
- ?? achieving the objective of promoting opportunities for women and men to obtain decent and productive work in conditions of freedom, equality, security and human dignity.

Data from Jamaica

- *Only 20-25% of Jamaican labour force is represented by trade unions
- ?? Percentage of the employed labour force in Jamaica is 85%
- ?? Approximately 53% of the employed labour force is informal (recent IDB-GRADE study)
- ?? The informal sector is estimated to be 43% of GDP (recent IDB-GRADE study)

We can identify at least 4 categories of “working people”:

- ?? those in the employed labour force represented by trade unions (minority)
- ?? those in the employed labour force not represented by trade unions (majority)
- ?? those working in the informal sector, and

?? many persons whose multiple income-earning activities would place them in both the formal and informal sectors

One question that must therefore be addressed: Can the tripartite model with the three presently identified social partners adequately represent these various categories of working people?

What of the member of the unemployed labour force? Where are they? Do they constitute the majority of persons working in the informal sector? Or the persons employed to the many own-account small and middle sized business operators? Or young women employed at minimum wage or less to the wholesale enterprises now so common in Jamaica?

If these persons are not counted within the dwindling membership of the trade unions, how do their voices get heard at the table? Who represents their interests? Political parties seem not to be the preferred option, judging from the demonstrated lack of interest in and cynicism about the major political parties and the formal political system.

The actions of citizens, i.e. mostly working people – individually and through their associations – are being carried out in many ways in local communities and neighbourhoods. Many actions are informal, relate to concrete social and economic local needs, and are sustained through their own resources, energies and commitment. Sometimes, unfortunately, energies are diverted into illegal, anti-social, maybe even violent activities. Driven by their own creativity and will to survive, such activities sometimes become formalized into organizations, but sometimes they do not. These actions may be hard to count and maybe their impact is hard to measure, but they are the essence of civil society.

How does social dialogue built on the tripartism model serve the needs of these citizens, individually or through their associations, when the majority of them, according to the data, or not in the “formal economy”, recognized as workers represented by trade unions? Or put another way, how can trade unions as presently structured and organized ensure that when they sit at the table, their voice will be representative of the diverse interests and needs of non-state actors, not represented by the private sector or trade unions? Should they presume to be able to do this? There is a clear need for a process which is driven by a partnership or partnerships which recognize and give voice to the distinct roles and responsibilities of the government, civil society including trade unions and the private sector.

7. Partnerships of Convenience vs. Strategic Partnerships

In identifying an approach which will address this situation, a clear role emerges for a state through its various institutions that performs multiple roles in this process: provider, facilitator and promoter.

- ?? provider of basic needs and services
- ?? facilitates both citizen action and citizen participation
- ?? promotes and implements policies and laws that assure human rights and social justice for all citizens ([within the context of their CULTURE & ENVIRONMENT](#)).

At the present time, the playing field is NOT level. An honest assessment will acknowledge the unequal relations of power that now exist between the three “recognized” social partners. A social

partnership which seeks to address this imbalance will see a responsive government determinedly promoting the full and continuing participation of citizens in dialogue through partnerships which are characterized by their inclusiveness and broad-based representation. Therefore, we have to forcefully resist **Partnerships of Convenience** which:

- ?? pay lip service to the full and participatory involvement of citizens and their organizations
- ?? manipulate the interests and genuine concerns/needs of citizens to meet short-term partisan, sectoral or big business agendas
- ?? are not respectful of the opinions and experiences of citizens of all walks of life, but
- ?? lead to further divisiveness, hostility, distrust, and lack of confidence in the systems and institutions of governance.

Instead we have to determinedly promote **Strategic Partnerships** which take account of the political, economic, social and industrial relations culture of Jamaica. These Partnerships will:

- ?? require the state to be a determined promoter and facilitator of citizen action and participation in decisions on macro-economic and social policy related issues.
- ?? acknowledge and respectfully utilize the capacities and experiences of all non-state actors, including trade unions and other civil society organizations and the private sector
- ?? acknowledge the particular role of tripartism with trade unions as the main actors in the domain of terms and conditions of employment and collective bargaining
- ?? acknowledge the particular role of other non-state actors (not trade unions or the private sector) in representing the interests and concerns of the most vulnerable (citizens) groups through the work of non-government organizations, community based organizations etc.
- ?? ensure that through social dialogue, more women are parties to the decision-making process, and that gender discrimination is eliminated at both personal and institutional levels.
- ?? Provide the framework for deciding how the burden of adjustment should be shared, and how to apportion the risks inherent in all decisions of economic policy.

For sometime, trade unions have found it more effective to organize joint representation by two or more unions for workers in a particular sector, for example, the bauxite and mining industry. Similarly, it is the responsibility of NGOs, CBOs, coalitions and networks of community groups to organize and mobilize among themselves, to be able to build consensus positions around issues which affect their membership. Additionally, these civil society organizations have, without hesitation, to be transparent, and open, demonstrating the highest levels of accountability to the members and the wider society. There obviously has to be the development of a structure encompassing those NGOs, CBOs and networks which will adequately represent specific groups (e.g. Women, youth) or carry out educational and advocacy activities on specific themes (debt, trade, environment), and work towards building consensus positions at the community and local levels.

NGOs, CBOs, coalitions or networks which demonstrate their representative capacity have a clear role in any Strategic Partnership. Their insights, analyses and policy recommendations informed by research as well as life experiences of people in communities can only complement the representation function brought to the table by the trade unions through their own particular role. The historic role of trade unions in the context of tripartism naturally remains, as does the important role of the trade unions in the overall national policy making architecture. In the current macro-

economic policy environment, the private sector's approach is determined by its role as the engine of growth in the economy.

8. Whoever has a seat at the table has an effect on the outcome: The broader issue of governance in labour markets

There is a need then for trade unions and other non-state actors to work out a process to bring their respective strengths and capacities into "strategic partnerships" to confront the forces at work in the global environment. Globalization creates growing pressure for the convergence of policies, and in the debate as to what sets of policies are compatible with good governance and sustained economic growth, broad-based strategic partnerships representative of the wider civil society represent the good governance approach to the exercise of power in the design and implementation of policies, and in the management of a nation's economic and social resources. This is also described as the good governance paradigm.

Issues that can be addressed in the framework of strategic partnerships, so that the policy outcomes have the benefit of social dialogue through broad-based representation of civil society, include, but are not limited to the following:

Labour market policies - Wage adjustments can no longer ignore that the economy is open. Such adjustments will affect the competitive position of Jamaica, and have therefore to be decided in relation to adjustments made in countries trading with Jamaica, as well as on the basis of increases in labour productivity. Given the diverse nature of the groups of working people described earlier, the framework of strategic partnerships rather than tripartism presents a more wholistic and inclusive approach to getting public understanding of the issues, of identifying the specific measures to stimulate sustained rises in productivity, and to measure trends in productivity at the national level, the sectoral level as well as the workplace. (Assuming increased productivity is not only about reducing wages and laying off workers, and recognizing the critical role of small and medium-sized businesses to provide employment).

Social Protection - The financing of social protection has obvious macroeconomic as well as microeconomic implications in terms of the schedule of benefits and overall labour market conditions. A rise in employment rate would greatly contribute to the financial viability of the social security system, and this must include particular measures to facilitate the access of more women to the labour market. Contributions to social security represent a cost that needs to be accounted for in the overall competitiveness of the economy. Broad-based social dialogue through a strategic partnerships about the challenges the country (not the government or private sector only) faces in making these kinds of decisions is critical in deciding how the burden is to be shared, and how to produce a system that is sustainable.

Trade and Workers' Rights - Unfair labour practices have become an increasingly important element in the competition between countries for the expansion of their export markets. It is now also clear that increased trade does not automatically lead to better working conditions and a better quality of life, because few employers volunteer pay rises, and in some sectors unions cannot bargain effectively as investors (foreign and sometimes local), blackmail with the threat of relocating their business to a trade union-free location. Close collaboration between trade unions and other civil society organizations using education programmes through strategic partnerships to

mobilize citizens in communities will reach workers and employers in the informal sector. Public consciousness and understanding about labour laws and workers' rights will improve, strengthening the trade union's case in collective bargaining, and stimulate government to adequately enforce labour laws. This is one way of ensuring that increased trade means not only more jobs but decent wages and working conditions, and therefore higher standards of living.

9. Some Challenges Inherent in this Approach

This approach has its challenges. These include, but are not restricted to:

- ?? lack of trust between the social partners
- ?? inadequate capacity of many civil society organizations, including trade unions
- ?? continuing impact of partisan politics
- ?? the failure of many persons to see beyond the next elections and to work towards short, medium and long term goals
- ?? need to identify resources to support the development and maintenance of the partnership process
- ?? Fear of co-option by the government or private sector, on the part of some civil society organizations.
- ?? Cynicism on the part of many persons as a result of the failure of past attempts.
- ?? The dependence of the Jamaican economy on external markets and its vulnerability to external shocks

10. Social Dialogue: Part of the solution or part of the problem?

The ILO notes that "social dialogue echoes the needs and aspirations of its constituents. Its relevance depends on whether all segments of society can make their voices heard". What would be the minimal conditions for a fruitful dialogue between government, the private sector/employers, trade unions and other civil society organizations? Such conditions would have to lead to a negotiating agenda in which all groups have a stake, and in which all can obtain some results. In the framework of a strategic partnership, negotiation is about exchanging ideas and proposals with a view to a mutually agreeable outcome. Where the playing field is NOT level, as in our case, trade unions likewise all other civil society organizations have a specific responsibility to their various constituents to present their most persuasive argument, and to commit to making the voices of all segments of society heard – at the table.

There really is no choice. Social dialogue cannot be the problem. Sectoral, class or race interests cannot take precedence over the interests of the majority of working people. The natural tendencies of the globalization process are to deepen social and economic inequalities between and within countries. Social dialogue in the framework of strategic partnerships can be a force in shaping a new environment in which civil society, including trade unions, uses globalization to create new linkages locally, develop and learn from the multiple experiences of working people from different sectors, and face the challenges honestly and openly as equal social partners.

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