

ILO/Japan/Germany Tripartite Regional Meeting

On Social Dialogue in Asia

Bangkok, 21-23 February 2001

INFORMATION NOTE

Introduction

In the three and a half years since the onset of the Asian financial crisis, both the practice of social dialogue and the recognition it receives have risen in the region. This more participatory approach has been a significant feature of countries' attempts to repair the economic and social havoc wrought by the crisis. An ILO report on social dialogue observed that in some countries, new tripartite mechanisms have been created (the Republic of Korea, Malaysia, the Philippines, Indonesia and Singapore). Some of these have included government participation at the highest level (Republic of Korea and Malaysia), while the agenda has stretched well beyond labour issues to take in a range of macroeconomic policy questions. These stronger tripartite initiatives reflect a general movement towards openness and wider participation in economic and social policy choices. While this has occurred to varying degrees, the direction has been consistent. While developments leading towards democratic reform appear to be part of a longstanding trend in the region, the crisis has produced new impetus.

In spite of the progress made during the last few years, there is still degree of concern about the sustainability of social dialogue. As the resurgence of tripartite initiatives was closely related to crisis management through tripartite cooperation, one of key questions was whether some of urgent needs to keep channels of dialogue open would diminish, with a return to growth. This concern appears not to be groundless, because the institutions, upon which formal social dialogue is based, tend to be weak: collective bargaining coverage is very limited in most countries concerned (smaller than trade union representation which, itself, is often very weak), and trade union membership, often fragmented by competing trade union organizations in some countries, has been further weakened by the effects of globalization. It is also true that the culture as well as institutional frameworks of social dialogue has not firmly taken root in many countries. In this regard, it is important to consider these issues from a broader political and social perspective, and to ask, what would be the appropriate role of the machinery and procedures of social dialogue within the broader national political structures of democratic participation and decision-making?

In common with their counterparts in other parts of the world, social partners in Asian countries face challenges as they work towards finding ways in which social dialogue mechanisms can reach workers who are usually outside traditional channels of representation. As well as workers in the informal sector, a growing number of workers with 'atypical employment' contracts are barely covered by traditional representation channels. Even so, there is no doubt that social dialogue at the national level remains an important means by which social partners can reach beyond their

membership based to address a wide range of social and economic policy issues affecting working people. If social dialogue is to be a comprehensive and inclusive forum, the process must ensure that the voices of workers who are outside the normal spheres of social partners' membership are heard, and social agreements take appropriate account of those workers' concerns.

This meeting, with financial support from the Government of Japan, will offer high-level tripartite delegations an important opportunity to discuss a range of issues. These include: ways in which recent progress towards strengthening social dialogue can be made sustainable; and ways in which social dialogue can be made as inclusive as possible, taking into account the varied interests and concerns of working people. In particular, high-level tripartite participants from the Asian region will be able to draw useful lessons from these experiences as they work towards forming strategies and policies for strengthening social dialogue.

Objectives

The meeting will bring ILO tripartite constituents from 10 Asian countries together with high-level tripartite delegations from Japan and Germany. The meeting will aim to

- Examine the current state of social dialogue in participating countries;
- Identify challenges and policy issues posed by globalization and in particular by the Asian financial crisis;
- Identify possible barriers to further development of social dialogue, by examining the capacity of the barriers actors, institutional arrangements, structures, processes, practices and outcomes of social dialogue; and
- Propose measures for the reform of social dialogue policies and practices from the perspective of each of the tripartite partners.

Major issues to be addressed

To achieve the stated objectives, participants will discuss the following key issues:

- Sustainability of social dialogue at the national level. Questions have been raised, as noted earlier, as to whether the momentum that has been building in terms of social dialogue can be sustained with economic recovery. This is an important point at which to examine tripartite initiatives in the countries concerned - and to see whether they have begun to take root in areas beyond their role in crisis management. The role of social dialogue needs to be examined within the broader national and political structures of democratic participation, together with extent to which social dialogue has been

institutionalized at various levels within economies. *Institutions for national social dialogue process*. Legal provisions, institutional structures and links with other levels of industrial relations will be examined with a view to identifying factors which contribute to sustainability and further development of the social dialogue process. *Social agreements formation*. Social dialogue's outcome is the social agreements that social partners reach on a range of social and economic policy issues affecting the labour market - agreements which may be formal or informal, legally binding or advisory. By looking at factors that have contributed to the relative success and failure of social partners' efforts to achieve social agreements in each country, participants will identify policy measures that lead to more successful outcomes.

- Inclusiveness of social dialogue. One of the challenges social partners face is finding ways to ensure that social dialogue can accommodate the increasingly diverse interest of workers - in particular, those workers who are generally outside the traditional channels of representation. These workers include those with precarious employment as well as those in the informal sector, and women are over-represented in both categories. This meeting will examine how the voices of those workers can be heard, and decisions that the social dialogue process has produced at national level that may have affected these workers. In addition, innovative attempts to include these workers and their organizations in the dialogue process will be examined.

Country paper

Each country is invited to prepare a brief country paper on social dialogue for the Meeting in collaboration with the social partners. The country paper should describe the development of social dialogue with a particular attention given to the recent changes *before and after the economic crisis*. The country should give brief but comprehensive information on issues as follows:

1. Evolution of social dialogue before and after the financial crisis:
 - legislative framework for national social dialogue
 - Institutions for social dialogue: composition and competence of tripartite bodies
 - Secretariat for social dialogue bodies: their functions and composition
2. Functions of social dialogue mechanisms before and after the crisis:
 - Frequency of the dialogue
 - Range of issues covered by the dialogue

- Achievement of social dialogue: how social partners have been successful in reaching agreements and/or consensus, and how agreements have been translated into government policies and legislation.
3. Parties in social dialogue
 - Assessment of distinctive contributions of each of the three constituent voices to the process and outcomes of the social dialogue.
 4. Key impediments to social agreement formation in each country
 - The country paper is expected to identify impediments to social agreement formation. Impediments could be various such as: weakness in legislative provisions; parties' capacity (organizational structures and strength) to take part in the dialogue; weakness of industrial relations structures; lack of co-operative industrial relations culture, and; other factors.
 5. Inclusiveness of social dialogue
 - The country paper is expected to describe how social partners accommodate interests and voices of those workers, usually outside of traditional representation channels, - i.e. workers with precarious employment as well as workers in informal sector – through social dialogue. If there is partnership between traditional social partners and other organizations representing those workers, please describe actors involved, process and outcomes of the partnership.
 6. Evaluation of the social dialogue
 - Finally, the country paper is expected to evaluate the potential and actual contributions made by social dialogue and agreements, and propose policy measures to further develop social dialogue to maximize its contribution.