

Colloquium on “Global Labor Standards: Can We Get From Here to There?”

With Professor Anil Verma from Toronto University as guest speaker, ILAPI held its first colloquium on the above subject on 16 February 2005 at the ILO SRO in Manil. Prof. Verma’s presentation, based on his article carrying the same title, was followed by responses from representatives of the social partners, academe and participants.

The following proceedings contain:

- Abstract of Prof. Verma’s Article “Global Labor Standards: Can We Get From Here to There?”**
- Programme of the Colloquium**
- Summary of the presentation, responses and discussions**
- Conclusions**
- Definitions and References**
- List of Participants**

The colloquium was attended by some fifty participants representing government, employers’ and workers’ organizations, NGOs and academe.

Global Labor Standards: Can We Get from Here to There?
By Anil Verma¹

Abstract

This paper analyzes weaknesses becoming apparent in current approaches to the development of an international regime for better labor standards. The analysis suggests that the impact of international efforts remain limited due to two main problems: limited reach of the North-South divide over how best to regulate labour standards. To overcome these weaknesses, it suggests a two-pronged strategy. First, it recommends that the process of developing codes of conduct be replicated within every ILO Member Country at a national level. This would give national and sub-national governments a much larger role to play in supporting the international efforts. Moreover, it would internalize the labour standards debate within each country to the point where better labour standards would not be seen as an external imposition by developing countries. Second, the analysis recommends pursuing process standards in place of the familiar substantive standards. Each nation would commit to a process (of monitoring, consultation, capacity building, etc.) to improve standards but would establish its substantive standards through a sovereign internal process rather than submit to an internationally externally-imposed standard.

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Colloquium on “Global Labor Standards: Can We Get From Here to There?”

16 February 2005
ILO SRO Manila

PROGRAM

- 9.00 Invocation Ms. Corazon Alfonso
Secretary, ILAPI
- National Anthem
- Welcome Remarks Mr. Werner Konrad Blenk
Director, ILO-SRO Manila
- Introduction of Guest Speaker Dr. Gert A. Gust
President, ILAPI
- 9.25-10.00 **“Global Labor Standards: Can We Get From Here to There?”**
Professor Anil Verma, University of Toronto
- 10.00-10.30 Open Forum
- 10.30-10.45 Coffee Break
- 10.45-11.45 Responses
- Director Hans Leo Cacdac, BLR-DOLE
Cedric Bagtas-Dy. Secretary General, TUCP
Antonio Asper, Vice-President, FFW
Atty. Miguel Varela, Chairman of the Board, ECOP
Dr. Maragtas Amante, Professor, UP SOLAIR
- Moderator: Mr. Temesgen Samuel
- 11.45-12.15 Open Forum
- 12.15 Closing Remarks Ms. Nieves R. Confesor
Former DOLE Secretary
Chairperson, National
Peace Process
Professor, AIM

Mr. Temesgen Samuel
Master of Ceremony

SUMMARY OF PRESENTATION, RESPONSES AND DISCUSSION

WELCOME REMARKS

ILO Manila Director Konrad Werner Blenk warmly welcomed the guests and participants of the First Colloquium on Global Labor Standards. He expressed his gratitude to the participants for gracing the occasion and congratulated the Officers of the ILAPI for having organized the Colloquium. He also thanked Professor Anil Verma for the knowledge and expertise that he would impart in the Colloquium.

SUGGESTED REVISION:

Mr. Werner Konrad Blenk, ILO Subregional Director for South-East Asia and the Pacific warmly welcomed the tripartite constituents, guests and participants of the First Colloquium on Global Labour Standards. He acknowledged the presence of Professor Anil Verma who has worked with the ILO in the past and well-known internationally.

In his welcome address, he recognized the contribution of the ILO Association of the Philippines (ILAPI) and congratulated them for having organized the Colloquium. To fulfill a very important role, he stressed the need to start with finding a common voice and addressing issues together.

Labour standards as Mr. Blenk cited is one of the distinguishing features of the ILO, making it very unique together with tripartism. Sharing his earlier discussion with Professor Verma, he agreed that labour standards is also a change in values system and one could look at it on different perspectives. He cited the ratification as an example in which if a country decides to ratify, there are corresponding obligations. Mr. Blenk mentioned that labour standards are at the same time models of organization. Thus, changing the values system is important.

In closing, Mr. Blenk highlighted that employment should come with rights, social protection and social dialogue. "We are all involve to promote decent work in reality to all countries we work", as he said.

INTRODUCTION OF THE GUEST SPEAKER

Dr. Gert Gust, ILAPI President, gave a brief background on Professor Anil Verma's career as a University Professor at the Center of Industrial Relations at the University of Toronto, Canada.

PRESENTATION: PROFESSOR ANIL VERMA'S "GLOBAL LABOR STANDARDS: CAN WE GET FROM HERE TO THERE?"

Professor Anil Verma of the Centre for Industrial Relations, and Rotman School of Management, University of Toronto, Canada, presented the New Directions on Labor Policy in the Context of Globalization. He cited approaches that will lead to a set of principles that could be used to develop a global set of rules for ensuring better labor standards for all workers. He said that the impact of international efforts remains limited due to two main problems: limited reach and the North-South divide over how best to regulate labour standards. To overcome these weaknesses, he suggested a two-pronged strategy. First, the process of developing codes of conduct to be replicated within every ILO member country at a national level. This would give national and sub-national governments a much larger role to play in supporting the international efforts. Moreover, it would internalize the labour standards debate within each country to the point where better labour standards would not be seen as an external imposition by developing countries.

Second, the current initiatives in improving labor standards that span global production chains are mired in the north south debate over whether labor standards should become a condition of trading privileges. In this way, Professor Verma said we need to find ways to situate the labor standards debate within the context of each country or else it will remain primarily a policy instrument of division and polarization and thus fail to achieve its potential as multilateral initiative for bringing about significant change.

Professor Verma also mentioned three (3) steps in developing forms of labor regulation such as: developing the standards, monitoring compliance and providing remedies when compliance is wanting. The first step can be difficult but in general has not proven to be a big problem in the case of labor standards. Most parties, given a specific economic, social and technological and political context, are able to agree on set standards. The second step, monitoring compliance, brings us to the issue of monitoring which is contentious and it may take some time before more widely acceptable solutions are developed. The third step in a regime of labor standards is the most contentious. This is to provide for remedies and sanctions for non-compliance of standards. In contrast to the other steps, there is almost no agreement on the issue of sanctions, the parties should need to develop ways to deal with practical issues, Professor Verma said.

In his lecture, Professor Verma introduced the soft law approach in advancing labor standards. It is important to demonstrate that these concessions can be justified in the interest of achieving larger objectives. This can be done by moving away from substantive labor standards to procedural labor standards. While "hard law" to some is the only way to ensure better outcomes that is, to enact laws for monitoring its enforcement at both national and international levels.

Another means would be to develop labor regulation through the pattern of international treaties.

Professor Verma further enumerated new strategies for public policy by pursuing process standards. Each nation would commit to a process (of monitoring, consultation, capacity building, etc.) to improve standards but would establish its substantive standards through a sovereign internal process rather than submit to an international externally-imposed standard.

In this connection, Professor Verma emphasized the new role for national governments, as far as unions and NGOs were concerned there was wide scope for competition and collaboration at sectoral, temporal, functional and/or transnational levels.

RESPONSES

ATTY. HANS LEO CACDAC **Director, DOLE-Bureau of Labor Relations**

In his detailed analysis of Prof. Verma's paper and presentation, Atty. Cacdac pointed out the following:

- A risk of diluting labor standards and a "race to the bottom" against the background of SEA – mainland economic procedures
- The links between labor rights and the business environment within the framework of the PLC and ILO Conventions
- Limited progress, so far, in harmonizing labor policies in the context of economic integration within ASEAN
- The scope for corporate codes of conduct in the Philippine economy characterized by a relatively small corporate sector and a vast number of micro- and small enterprises.

Regarding the way ahead, Atty. Cacdac drew attention to:

- A considerable scope for promoting a wider application of standards through social dialogue, tripartism, quick reaction (and prevention) teams and
- The potential of Philippine values of "pakiksama" (togetherness, community) and "buhay na matiwasay" (peaceful living)

Mechanisms to ensure compliance with labor standards had been put in place through the "Labor Standards Enforcement Framework", providing for

- Self-assessment in the basis of standard checklists by establishments with at least 200 workers, as well as unionized establishments with certified CBAs regardless of the number of workers
- Inspection of workplaces with 10 to 199 workers and
- Advisory services in workplaces with less than 10 workers and those registered as Barangay Micro-Business Enterprises (BMBEs).

Introduced in 2004 by DOLE, the Framework is designed to strengthen and complement existing mechanisms of labor inspection.

ATTY. MIGUEL B. VARELA
Chairman of the Board, Employers Confederation of the Philippines

Atty. Varela considered that the paper of Professor Verma comes at the right time. He cited what is the most important and encouraging in Professor Verma's approach is his road map to make global labor standards operational in as many countries as possible.

Atty. Varela added that it appears Professor Verma's formula for addressing these challenges is to develop labor regulation that goes through three steps; (1) developing labor standards, (2) monitoring compliance; and (3) providing for remedies when compliance is wanting.

He noted that monitoring compliance with the standards can only be meaningful if transposed in the context of the individual country situation. For the Philippines, monitoring compliance with the core labor standards of the ILO poses no problem as they form integral part of our labor laws, particularly the Labor Code which provides for an institutional system of monitoring and enforcement.

The provision of remedies and sanctions in the event of non-compliance with standards, can only be exemplified in the context of the specific country situation. He gave as an example our country's ratification of ILO Convention 182 on the Worst Forms of Child Labor.

He expressed agreement with Professor Verma that a sovereign internal process of developing labor standards is better than prescribing international codes.

He also mentioned that the author's emphasis on the distinction between process and substance is very informative.

Lastly, Mr. Varela expressed optimism on the idea of focusing more on the process of developing standards within a particular country, which may produce results.

MR. CEDRIC BAGTAS
Secretary General. Trade Union Congress of the Philippines

Mr. Bagtas commented that Professor Verma's paper is good and that he made an excellent presentation.

Mr. Bagtas said that the sovereign internal process like ratification, the evaluation of existing gaps and potential gaps for compliance as well as the corresponding laws and regulations in relation to ILO Conventions are already in place in the Philippines.

The following points were also included in Mr. Bagtas' response to Prof. Verma's presentation:

- The requirement for compliance with global compact is not appropriate in the Philippine setting.
- Implementation of national instruments should be worked out by the tripartite instruments.
- There can be no meaningful social dialogue when unions are inactive and weakened. The social dialogue is in peril. Unions and freedom of association are increasingly under attack.
- Process standards should be within the framework of substantive standards – particularly the ILO Core Conventions. There is no support from trade unions for a process to denigrate internationally-determined and agreed labor standards.
- Unions represent the employed as well as the unemployed. TUCP, for its part, has programs for employment generation and employment facilitation, for its members, displaced workers and unemployed persons.
- Trade unions in the Philippines, including TUCP, have worked with the NGOs and other POs (people's organizations) of their choice for decades.
- The TUCP has worked with the informal sector extensively.

MR. ANTONIO ASPER
Assistant to the President, Federation of Free Workers (FFW)

Mr. Asper pointed out that the graphs presented in Prof. Verma's paper provide a very good guide for action. Moreover, Prof. Verma's proposals appear workable in the Philippine context.

However, Mr. Asper pointed out the following gaps in the paper:

- The work situation in the informal sector is not satisfactorily explained in the paper, but was comprehensively discussed during Prof. Verma's presentation.
- The work of the unions has not been covered/included in the paper, but was discussed in the presentation.
- The paper and presentation of Professor Verma missed out on the role of the WTO and the IFIs (international financial institutions) in promoting labor standards.

DR. MARAGTAS AMANTE
Professor, UP-School of Industrial Relations

According to Dr. Amante, the challenge of moving forward in promoting labor standards has to contend with the lethargy, lack of capability and other constraints facing national institutions of employers, government and workers. On the other hand, the civil society sector is emerging though the voices of the NGOs, but it is important to ask the question whether these civil society voices are sustainable, and will not face the same constraints as the "traditional" institutions of tripartism. The way forward then is a recognition of these new voices, in addition but not in substitution to the traditional institutions. There might be other potential forces which could also be mobilized through supplement or reinforce the voices of the traditional tripartite institutions: the churches (has to contend with the limitations between state and church); the local governments (municipal, city, provincial governments in particular); the academic institutions; the professional associations involved with employers and management; and even the police and the military whose outlook could be mobilized and transformed to promote and protect global labor standards.

We need to take a hard look at one important phenomenon: the sense or value of corporate social responsibility of multinational corporations and their national partner employers, where there is a diversity of will and strength to promote global labor standards, which should make good business sense as they deal with their customers who are conscious about blood, sweat and tears in the commodities, products and services they consume, in Europe, the United States and the rest of the western world.

CLOSING REMARKS

Ms. Nieves R. Confesor, former DOLE Secretary and Chairperson of the National Peace Process, congratulated the Association for the successful outcome of the Colloquium. She said that the presentation is highly commendable and that she

would distribute copies of Professor Verma's paper to her colleagues in the National Peace Process.

CONCLUSIONS

The participants of the colloquium, including ILAPI members, representatives of the government, employers' and workers' organizations, academe and NGOs concluded and agreed, that:

- Global labor standards, in particular ILO's core standards, are universal in nature and do not conflict with regional or national values and traditions.
- Global labor standards are not negotiable but must be applied with care in different settings.
- A vast majority of workers remain outside protection and safety nets of global and national labor standards.
- Traditional mechanisms for the promotion of labor standards like tripartite consultations can be strengthened through a broader social dialogue.
- Leaders of the social partners are well familiar with labor standards but general membership and stakeholders need to be sensitized on the importance and relevance of global and national labor standards.
- Fuller convergence between global and national labor standards can be achieved through legislative measures, efficient application, advocacy and training.
- The ILO Declaration on Fundamental Workers Rights (1998) is an internationally accepted agreement for the promotion of global labor standards in times of globalization.
- The Country Programme on "Decent Work for All " provides a suitable framework for the promotion and wider application of labor standards.
- Labor standards are not only everybody's rights but also everybody's responsibility, including social partners, labor and management, academe and civil society.

The promotion and wider application of core global and national labor standards is irreversible but successful outcomes will depend on action by stakeholders, individually and collectively for example by:

- Filling gaps in existing legislation (i.e., on non-discrimination on account of age, sexual preferences, ethnic origin);

- Extending protection coverage to vulnerable groups and the informal sector (domestic workers, home workers);
- Eliminate divergence in application of global and national standards (i.e., provision of national interest);
- Sensitize judiciary, administration and corporate sector to issues related to core standards (i.e., equality and non-discrimination in employment);
- Strengthen dialogue on core standards through established mechanisms (tripartism, TIPC) and new forms of consultation;
- Develop materials with clear messages on the relevance and application of core standards;
- Enlist educational institutions (colleges and high schools) as vehicles for a wider outreach of advocacy and training;
- Encourage corporate sector to establish “big/small brother relationships” with SMEs; and
- Establish monitoring systems to measure progress in the application of core standards.

DEFINITIONS AND REFERENCES ON LABOR STANDARDS AND GLOBALIZATION: DECENT WORK FOR ALL

Definitions

Global Labor Standards – Internationally accepted policy guidelines in labor and social policy guidelines on labor and social policy embodied in ILO Conventions and Recommendations and similar international agreement.

Globalization – Free international flow of investments, capital and trade to achieve efficient international division of labor based on comparative advantage. According to its proponents globalization will promote economic growth and improve living and working conditions everywhere; its critics are vocal in drawing attention to the social implications as negative side-effects on employment and income, especially the less educated and productive people.

Decent work – Human activity carried out in conditions of freedom, equity, security and human dignity i.e. under conditions of ILO's "case" standard promoted through ILO's Declaration on Fundamental Workers' Rights of 1998.

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