

INTRODUCTION

Despite its universal formal condemnation, discrimination remains a persistent global practice, with new, concealed and more subtle forms emerging. Outlawing discrimination at work has so far failed to eradicate the practice, which not only leads to a waste of human talent and resources but also threatens social cohesion, political stability, poverty reduction and economic growth.

This special issue of the *Review* on discrimination is based on a selection of background papers originally prepared for the ILO's latest global report following up the 1998 Declaration on Fundamental Principles and Rights at Work.¹ The articles in this issue consider the conceptual and theoretical dimensions of discrimination, together with equal opportunity practices in small and medium-sized enterprises (SMEs), discrimination in the informal economy, and the effectiveness of collective bargaining and minimum wages as tools for combating discrimination at the workplace.²

Manuela Tomei's review of the concepts of "discrimination" and "equality" in the opening article highlights the complexities of interpreting these two interrelated notions and formulating remedial measures for combating discrimination – including indirect hidden and multiple discrimination – in employment and occupation. The article encourages a balanced and pragmatic approach to promoting equality by recognizing that not all apparent distinctions based on personal characteristics constitute discrimination. The author concludes with an argument for combining three conceptual models of equality through simultaneous commitments to individual and social justice and workplace diversity.

¹ See ILO: *Time for equality at work: Global report under the follow-up to the ILO Declaration on Fundamental Principles and Rights at Work 2003*, Report of the Director-General (Report I (B)), International Labour Conference, 91st Session, 2003, Geneva.

² The article by Manuela Tomei and the perspective by Janine Rodgers and Jill Rubery were prepared specifically for this issue of the *ILR*. All other contributions are updated and abridged versions of background papers.

The right to collective bargaining and the elimination of discrimination in respect of employment and occupation are both enshrined in the ILO's Declaration on Fundamental Principles and Rights at Work. Against this background, the article by *Adelle Blackett* and *Colleen Sheppard* argues for the removal of structural obstacles to realizing the full potential of collective bargaining as a tool for promoting equality. Indeed, the authors view collective bargaining both as part of the problem and as part of the solution to inequality and discrimination at work. Accordingly, measures for improving access to collective bargaining for all categories of workers, combined with a broadening of the collective bargaining agenda from its traditional economic concerns (such as wage setting) to social issues, could indeed make it a more effective tool for promoting equality. To that end, the ILO's standard-setting and advocacy roles, together with national legislation, have an essential part to play not only in combating discrimination, but also in countering the spread of social exclusion caused by the legacy of Fordist production methods and the growth of information-technology-driven service industries in today's context of rapid globalization and economic restructuring.

The next article, by *Barbara Harriss-White*, shows that the State systematically discriminates against workers and enterprises in the informal sector, which is alarming given that the informal economy has been growing rapidly across the globe. In Africa, for example, the informal sector accounts for 90 per cent of all the new jobs created over the past decade.³ The author's evidence from India and Nigeria also shows the discriminatory nature of the identity-based social regulations – as opposed to state regulations – that govern the markets for labour, products and services in the informal economy. But remedial action can be taken even where States discriminate systematically against the vast and rapidly growing informal-economy workforce.⁴ Although the results of limited experience of class-based organized action and market liberalization in combating workplace discrimination in the informal economy are mixed, success stories from two developing countries point to potentially positive approaches to fighting discrimination.

In the fourth article in this issue, *Virginie Pérotin*, *Andrew Robinson* and *Joanne Loundes* provide empirical evidence from Australia and the United Kingdom on the positive effect of enterprise-based equal opportunities practices on worker productivity. To SMEs in particular, this should serve as an inducement to adopt such measures (SMEs account for a majority of enterprises worldwide). It is indeed

³ See ILO: *Decent work and the informal economy*. Report VI to the 90th Session of the International Labour Conference, Geneva, 2002.

⁴ Innovative policy approaches to extend the coverage of social security to informal-sector workers in poor countries have recently been documented (see Wouter van Ginneken: "Extending social security: Policies for developing countries", in *International Labour Review* (Geneva), Vol. 142 (2003), No. 3, pp. 277-294).

remarkable that SMEs in Britain and Australia have in some instances adopted such practices even in the absence of regulatory requirements or trade union pressure (SMEs being less unionized), although legislation may help to promote equal opportunities practices in SMEs.

While highlighting the value of theoretical models of racial discrimination for the design of empirical studies, the last article, by *Marco Fugazza*, argues for an extension of such studies to detect the transmission mechanisms of inequalities and identify the root causes of discrimination.⁵ Multi-dimensional policies could then be adopted to counter subtle, hidden and indirect forms of discrimination (e.g. discrimination in housing and mortgage markets), which are historically the product of biased institutional structures and attitudes which cannot be reformed by legislation alone. Advocacy and social debate informed by statistical data and empirical evidence could help to bring down discriminatory structural barriers through broader social involvement.

An article in an earlier issue of the *Review* had concluded that a minimum wage could contribute to poverty alleviation without having any negative effect on the level of employment.⁶ Now, the “Perspective” in this issue of the *Review*, by *Janine Rodgers* and *Jill Rubery*, highlights the potential of minimum wages for enhancing the well-being of vulnerable groups subjected to discrimination, although complementary policies are needed as well to tackle discriminatory practices in areas such as hiring, promotion, training, etc. It is heartening to note, however, that compliance with minimum wage regulations does extend to SMEs and the informal economy, thereby facilitating the deployment of minimum wages as a policy tool for combating discrimination against workers outside the organized sector.

⁵ While many people may indeed suffer from multiple discrimination, the authors caution against the illusion of double discrimination when, for instance, women from a racial minority group suffer to a lesser extent from discrimination as suggested by some evidence from the United States labour market.

⁶ See Catherine Saget: “Poverty reduction and decent work in developing countries: Do minimum wages help?”, in *International Labour Review* (Geneva), Vol. 140 (2001), No. 3, pp. 237-269.