



The International Labour Organization's (ILO) Bureau for Employers' Activities (ACTEMP) and the ASEAN Confederation of Employers (ACE)

**EXPERTS MEETING ON THE LABOUR MARKET
CHALLENGES IN AN INTEGRATED ASEAN ECONOMY**

The Royale Chulan Hotel, Kuala Lumpur, Malaysia

Friday, 9 May 2014

With ASEAN Economic Community (AEC) fast approaching, businesses need to be prepared for the opportunities that the freer flow of capital, goods and services, and people will bring. While the transformative process is underway in labour markets across the region, there are significant challenges.

After more than two decades of rapid development, the entire East Asia and Pacific region is beginning to experience moderating economic growth, often coupled with lagging productivity and slower gains in living standards than people have grown accustomed to. The region *still* has the second highest share of workers outside of wage and salaried employment.

Demand for high-skill labour is growing faster than supply, while demand for low-skill labour remains weak. Average monthly wages adjusted for inflation nearly doubled in Asia during the previous decade and hikes in minimum wage are being seen across the region. Rising inequality is additionally creating tensions in many countries.

Labour market institutions and policies also have not kept up with the changes in business practices and technologies that are defining what kinds of jobs will be created and where they will be located. Creative destruction in the business sector has outpaced the ability of labour market institutions to adapt quickly enough, causing significant dislocations.

In rising to these various challenges and opportunities, the performance of the business community is critical. Businesses and Employers' Organizations (EOs) are key stakeholders in the ASEAN integration process and it is imperative for them to both understand the direction of the changing workplace and employment patterns in the region *and to influence it*.

The principle effect of the AEC will be to transform the way in which the ASEAN region regulates the movement of goods and services, capital, and skilled labour. It is imperative that EOs and their constituents have effective strategies in place to manage the impact of the AEC's objectives as it affects human resource demands and employment patterns.

As ASEAN Ministers scale up their engagement and collaboration, the voice of employers in the region, through the ASEAN Confederation of Employers (ACE) needs to be stronger, more visible and more relevant to ensure a successful ASEAN integration.

To better understand the factors that are driving change, the ILO's Bureau for Employers' Activities (ACT/EMP) and the ASEAN Confederation of Employers (ACE) are convening an meeting of the Presidents and Chief Executives of the national employers' organizations from the 10 ASEAN member countries along with Senior Representatives from Leading Malaysian enterprises; technical experts from the World Bank, International Labour Office, the International Organization of Employers (IOE), Manpower, and Emerging Markets Consulting (EMC). This meeting will provide an overview of the challenges in labour markets across the region and a discussion on what they mean for businesses and their representative organizations.

The meeting will be focused around three reports and what they mean for Employers Organizations:

1. The main findings from a new ACT/EMP Report "*The Road to AEC 2015: challenges and opportunities for Employers and Business Organizations*" will be presented. This report is the culmination of extensive research and consultative work in 2013 on the preparedness of business for ASEAN integration and specifically how EOs can play a role in meeting the challenges that come with it. It further draws upon survey work commissioned by ACT/EMP in 2013 on the role of Employers' Organizations in Matching Skills and Increasing Mobility across the ASEAN Region.
2. The main findings of the World Bank's Regional Report "*East Asia Pacific At Work: Employment, Enterprise and Well-Being*" will be presented by the report's Lead author. This report grapples with issues that are of greatest urgency in the countries of East Asia Pacific. The economic and demographic changes in this region, as well as its nascent engagement in labour and social protection policies, affect the demand for and supply of work in ways that are distinct from those in countries elsewhere. The report also contributes to what is still a relatively small body of empirical evidence showing the impact of policies on employment in East Asia Pacific and proposing options for reform.
3. The last report will be on ACT/EMP's global work on the future of work and how the employment landscape is evolving and some of the extreme challenges that it presents and will present.

Key discussants will be asked to respond to each of these reports and we hope this will facilitate an engaging set of conversations. Additionally we will have a stock taking session on the employer component of the regional TRIANGLE project which deals with labour flows in the region. The meeting will ultimately seek to identify key advocacy priorities and strategies for EOs in the region as AEC 2015 approaches

The ILO Bureau for Employers' Activities (ACT/EMP)

The Bureau for Employers' Activities of the ILO (ACT/EMP) is a specialized unit within the ILO Secretariat. Its task is to maintain close and direct relations with employers' organizations in member States, to make the ILO's resources available to them and to keep the ILO constantly aware of their views, concerns and priorities.

ACT/EMP's mission is to foster well-functioning employers' organizations, which are crucial in shaping an environment conducive to competitive and sustainable enterprises that can contribute to socio economic development.

ACT/EMP maintains close contacts with employers' organizations in all ILO member States. It also runs a Technical Cooperation Programme, which provides assistance to employers' organizations in developing and transition countries.

The ASEAN Confederation of Employers (ACE)

ACE was established and represented by Employers' Organizations in ASEAN, to optimize liaison, co-operation and representation in the fields of labour and social legislation, industrial relations and practices. The principal objectives of ACE are

- *To foster the solidarity and development of Employers' Organizations in the region.*
- *To safeguard and promote the interests of ASEAN employers.*
- *To collate and disseminate information on legislative changes and general developments in the fields of labour, social and economic matters, which are likely to affect the interests of employers.*
- *To foster closer relations and co-operation between and among the members, and to render mutual assistance in matters of common interest.*
- *To maintain closer relations and co-operation with regional and international organizations having similar aims and objectives.*
- *To promote harmonious industrial relations, help maintain peace, and encourage improved productivity.*
- *To co-ordinate the views of members and to represent their views at regional and international levels*

AGENDA

The meeting will be moderated by Ms Sharanjit Leyl, Anchor of the BBC's Asia Business Report

8.30 - 09.00 Registration

9.00 - 9.30 Opening Remarks

Speakers

- **Tan Sri Azman Shah Dato' Seri Haron**, President, International Organisation of Employers (IOE); Chairman, Confederation of Asia Pacific Employers (CAPE); President, ASEAN Confederation of Employers (ACE); and President, Malaysian Employers Federation (MEF)
- **Mr Roy Chacko**, Senior Advisor, Bureau for Employers' Activities of the ILO (ACT/EMP)

9.30 - 11.00 Session 1: ACTEMP Report: *"The Road to AEC 2015 challenges and opportunities for Employers and Business Organizations"*

ACT/EMP will present its report on "The Road to the AEC 2015" which provides an analysis on the preparedness of the business community for ASEAN economic integration in 2015. The report synthesises the results of extensive research and consultative work undertaken in 2013 and additional survey work commissioned by ACT/EMP and undertaken by Emerging Markets Consulting.

Speakers

- **Mr Gary Rynhart & Ms Jae Hee Chang**, Employers Specialists, ILO Bangkok
- **Mr Hetal Petal**, Manager and Head of Office Laos PDR, Emerging Markets Consulting (EMC)

EO Discussants

- *Mr Edgardo G. Lacson* President of Employers' Confederation of the Philippines (ECOP)
- *Mr Stephen Yee*, Assistant Executive Director and Director (Training), Singapore National Employers Federation (SNEF)

Company Discussants

- *Mr Palaniappan Joseph, Deputy Director, Panasonic Air-Conditioning Group, Malaysia*
- *Mdm Nora Abd Manaf, President, Malaysian Commercial Bank's Association and Head, Group Human Capital, Maybank*
- *Tuan Hj Mohamad bin Audong, Director, Malaysian Agricultural Producers Association (MAPA)*
 - *Firm level preparations and readiness for the AEC 2015*

11.00 - 11.30 COFFEE

11.30 - 13.00 Session 2: World Bank Report: "East Asia Pacific At Work"

The World Bank will present the findings of its recent report "East Asia Pacific At Work: Employment, Enterprise and Well-Being". The reports' lead author will outline the issues of greatest urgency to countries in the East Asia Pacific region, particularly in terms of economic, demographic, and labour and social protection policy.

Speakers

- **Mr Truman Packard**, Lead Economist, Human Development Economics Group, World Bank

Discussants

- *Ms Siew Sze Lee, Senior Advisor International Organisation of Employers (IOE)*
- *Mr A. Ramadass, Vice-President, Malaysian Employers' Federation; Managing Proprietor, Ramadass & Associates*

13.00 - 14.30 Lunch

14.30 - 16.00 Session 3: "The Future of Work" – A Global Perspective

ACT/EMP will present its recent and ongoing work at the global level on the future of work which analyses how the employment landscape is evolving and some of the more extreme challenges this presents.

Speakers

- **Mr Roy Chacko**, Senior Advisor, ILO (ACT/EMP)
- **Mr Richard Hames**, Corporate Philosopher and Founder, The Hames Group

Discussants

- *Mr Sam Haggag, Managing Director, Asia Pacific and Middle East, Experis (Manpower Group)*
- *Mr Zulkifly b Abdul Rahman, Human Resources Director Renesas Semiconductor*

16.00 - 16.15

COFFEE

16.15- 17.15

Session 4: Challenges and Opportunities in the Freer Flow of Skilled Labour in 2015 and Beyond

Briefing and discussion on the joint ACT/EMP-ACE technical work aimed at addressing some of the challenges and opportunities presented by the freer flow of skilled labour in the ASEAN region.

Speakers

- **Mr Manuel Imson**, *Chief Technical Adviser of ASEAN Triangle Project, ILO Bangkok*
- **Mr Connor McGuinness**, *Project Coordinator (Employer's Activities), ILO Bangkok*

17.15 - 17.30

Concluding Wrap-up

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List of Participants

Note: The following list is subject to final confirmation from each organization.

Employers' Organizations

1. Haji Abdul Saman bin Haji Ahmad, Secretary-General, National Chamber of Commerce and Industry Brunei Darussalam (NCCIBD),
2. Junaiah Abdullah, Executive Director, NCCIBD
3. Palanaratnage Senaka Dilhan Fernando, Secretary-General, Cambodian Federation of Employers and Business Associations (CAMFEBA)
4. Danh Engkakada, Executive Director, CAMFEBA
5. Agung Pambudhi, Executive Director, Indonesian Employers' Association (APINDO)
6. Bernardino M. Vega, Head, Asia Pacific Department of APINDO National Board, APINDO
7. Sisavan Thiravong, President, Lao National Chamber of Commerce and Industry (LNCCI)
8. Seng Bangonesengdet, Chief Executive Officer, LNCCI
9. Tan Sri Azman Sha Dato' Seri Haron, President, International Organisation of Employers (IOE) and President, Malaysian Employers' Federation (MEF)
10. Encik A. Ramadass, Vice President, MEF
11. Datuk Hj Shamsuddin Bardan, Executive Director, MEF
12. Wing Aung, President, Union of Myanmar Federation of Chambers of Commerce and Industry (UMFCCI)
13. Daw Khine Khine Nwe, Joint Secretary General, UNFCCI
14. Edgardo G. Lacson, President, Employers' Confederation of the Philippines (ECOP)
15. Atty. Vincent Leogardo, Jr., Director, ECOP
16. Steven H L Goh, Honorary Secretary and Chairman, ACE Affairs, Singapore National Employers Federation (SNEF)
17. Stephen Yee, Assistant Executive Director and Director (Training), SNEF
18. Ker Sin Chua, SNEF
19. Siriwan Romchattong, Secretary General, \ Employers' Confederation of Thailand (ECOT)
20. Ukrish Kanchanketu, A/g Executive Director, ECOT
21. Phung Quay Huy, Director, Bureau for Employers' Activities , Viet Nam Chamber of Commerce and Industry (VCCI)

International Labour Organization (ILO)

22. Gary Rynhart, Snr Specialist on Employers' Activities, ILO Bangkok
23. Jae-Hee Chang, Specialist on Employers' Activities, ILO Bangkok
24. Roy Chacko, Senior Advisor, Bureau for Employers' Activities (ACT/EMP)

25. Manuel Imson, Snr Programme Officer/ILO ASEAN Triangle Project Coordinator
26. Connor McGuinness, Project Coordinator (Employers' Activities)

Resource Persons

27. Sharanjit Leyl, Anchor, BBC Asia Business Report, BBC World Service
28. Sam Haggag, Managing Director, Asia Pacific and Middle East, Experis (Manpower Group)
29. Truman Packard, Lead Economist, World Bank
30. Hetal Patel, Manager and Head of Office Laos PDR, Emerging Markets Consulting (EMC)
31. Siew Sze Lee, Senior Advisor, International Organisation for Employers (IOE)
32. Richard Hames, Corporate Philosopher and Founder, The Hames Group, TBC
33. Palaniappan Joseph, Deputy Director, Panasonic Air-Conditioning Group, Malaysia
34. Mdm Nora Abd Manaf, President, Malayan Commercial Bank's Association and Head, Group Human Capital, Maybank
35. Tuan Hj Mohamad bin Audong, Director, Malayan Agricultural Producers Association (MAPA)
36. Zulkifly b Abdul Rahman, Human Resources Director Renesas Semiconductor