

DRAFT Summary Report  
ASEAN Regional Employers' Workshop  
"Managing Labour Mobility for Inclusion, Innovation and Business Competitiveness"  
9-10 May 2016, Siem Reap, Cambodia

## **I. Background**

The workshop was organized by the International Labour Organization (ILO) in close co-operation with the Cambodian Federation of Employers and Business Associations (CAMFEBA) in its capacity as Chair of the ASEAN Confederation of Employers (ACE). The workshop was conducted as part of ILO ASEAN TRIANGLE Project's (ATP) Work Program with ACE that was launched in April 2012 and involved the development of five policy position papers on labour migration, among others. Funded by the Government of Canada, ATP aims to increase labour rights protection, labour mobility and decent work opportunities for women and men migrant workers in the ASEAN region.

The theme of the 2016 workshop had been pre-determined back in November 2013 when ACE adopted an employers' policy framework for sustainable labour migration. The framework prioritizes five fundamental areas for business and policy decision makers. Based on the decision, four workshops had taken place, leading up to May 2016. Those previous workshops focused on the following themes:

- The Role of Employers' Organization in Matching Skills and Increasing Mobility across the ASEAN Region, 6 November 2013, Bali, Indonesia;
- Increasing Productivity through Enhancing the Safety and Health of Migrant Workers, 29-30 April 2014, Bangkok, Thailand;
- The Role of the Recruitment Sector in Facilitating More Effective ASEAN Intraregional Labour Mobility, 6-7 November 2014, Bangkok, Thailand; and
- Businesses' Perspective on Addressing Forced Labour in ASEAN Migration - Reputational Risks and Practical Responses, 31 March - 1 April 2015, Bangkok, Thailand.

Against this background, the fifth workshop also marked completion of the series of five workshops. **The workshop was attended by 21 representing of national employers' organization (EOs), providing inputs from all ten ASEAN Member States (AMS).** From the ILO, the ATP team and the Bureau of Employers' Activities team (ACT/EMP) provided substantive inputs and support to facilitate an open dialogue among the EO representatives. **The meeting discussion focused on assessing the current practices, and consider trends and potential future opportunities and challenges in managing diversity and integration at workplace, particularly with regard to migrant workers. It also sought to showcase and share good business practice models as well as lessons learned.**

## II. Key highlights

### Day 1

#### Opening Session

The workshop kicked off by **Mr. Manuel Imson, Senior Programme Officer/Project Coordinator for the ASEAN TRIANGLE Project, ILO Regional Office of Asia and the Pacific** who introduced the three key figures for opening remarks: **Mr. Francis Huot, Chargé d'affaires, Office of the Embassy of Canada in Phnom Penh**; **Mr. Maurizio Bussi, Director, Decent Work Team Bangkok, ILO Regional Office for Asia and the Pacific**; and **Mr. Van Suo Ieng, President of ACE and President of CAMFEBA**.

Mr. Huot **underscored Canada's commitment** to support all three pillars of the ASEAN community, the social, political and economic. He also stressed Canada's priority in protecting and promoting migrant workers' rights through the **Joint Declaration on the ASEAN-Canada Enhanced Partnership**.

Mr. Bussi highlighted the economic potential of the recently launched ASEAN Economic Community (AEC) which is currently valued at USD 2.6 trillion. He also **stressed the economic case** that could be made for the private sector to better manage diversity and promote inclusion in businesses.

In the same vein, Mr. Van **emphasized the need to secure and legalize migration in ASEAN**. He also pointed out that better management of migration leads to prosperity, concretely improving the gross domestic product (GDP) figures. The importance of creating decent jobs for migration workers was also underlined. He thanked the ILO and the Government of Canada for supporting the meeting.

#### **Session 1 - Special Guest Speaker Presentation “Accelerating Organization and Culture Change for Diversity and Workplace Integration: Promoting excellence through engagement of workers of all backgrounds, including nationality/ethnicity, skill levels, religion, and women in business”**

**Ms. Jane Horan, CEO of The Horan Group**, gave a well-received presentation where she introduced the concept of diversity and inclusion. In particular she explained how promoting diversity and inclusion at workplace could lead to better business outcomes by increasing productivity and innovation. Ms. Horan shared concrete examples from companies on their continuous efforts to better manage workforce to reduce discrimination. This included improving gender balance in the corporate structure, particularly in top management, among others. In addition, she illustrated challenges faced as lessons learned by companies with regards to establishing such conducive corporate culture.

#### **Session 2 - Presentation of a background paper on “Managing Labour Mobility of Inclusion, Innovation and Business Competitiveness”**

Building on the framework provided in the previous session, **Ms. Eunmee Lee from the ILO ACT/EMP team** focused on highlighting the positive correlation, how diversity and inclusion lead to higher productivity and ultimately drives business competitiveness. The economic and busi-

ness case was presented in a more ASEAN-specific context, particularly the AEC, where management of human capital would be a key factor to economic development not only for individual enterprises, but for the AMSs and ASEAN region overall.

### **Session 3 - Sharing of Best Practices**

In an ensuing session, the **EOs** including the Singapore National Employers' Federation (SNEF), Employers' Confederation of Thailand (ECOT), and the Employers' Confederation of the Philippines (ECOP), took up proactive roles by **sharing their national best practices**.

**Ms. Beatrice Khong, Executive, Centre for Effective Workplaces, representing SNEF** introduced various initiatives led by SNEF to promote inclusive, fair, and efficient workplaces, such as the Work Integration Programme (WIN) that implements strategies such as "Engage Them" and "Partner Them". She also shared the best case study of Cafe Galilee that has a diverse group of workers that are migrants and female integrated into the business operation.

**Mr. Ukrish Kanchanaketu, Advisor to the Employers' Confederation of Thailand (ECOT)**, shared best practices under the Thai Labour Law where legal migrant workers are protected of their wages, benefits, welfares, and occupational health and safety (OSH). In addition, they are obliged to join the Social Security Fund. He also shared a best practice case where unskilled workers from Cambodia are recruited into the construction field to be trained and become skilled workers.

**Ms. Pamela Guevarra, Research and Advocacy Specialist, Employers' Confederation of the Philippines (ECOP)**, shared the case of Toshiba Information Equipment (Philippines) Inc. (TIP). TIP has acquired globally recognized standards for assurance in terms of quality and OSH, among others. In addition to implementing non-discriminatory practices in the screening, selection, and hiring of workers, there exists a corporate culture where diversity, particularly in religion, is respected and harmonized. Employees are expected to learn and match their skills to real industry demands through the continuous training opportunities provided and move up in the career ladder based on competence.

### **Session 4 - Panel discussion "Challenges and Opportunities in Managing Diversity and Workforce Integration in the ASEAN Countries"**

An interactive panel discussion was moderated by **Mr. Gary Rynhart, Senior Specialist, ACT/EMP, ILO Regional Office for Asia and the Pacific**, featuring industry experts and practitioners to exchange their experiences and insights. **Mr. BUNHAK An, Chairman, Top Manpower Co., Ltd., Cambodia**, highlighted key challenges faced by Cambodian migrant workers in receiving countries as communication, nationalism, religion, and receiving country law enforcement, among others. He encouraged more open dialogues between employers and workers groups to address the issue of turnover rates of migrant workers that still remains much higher than average. One of the outstanding challenges would be to address the information gap in terms of substance and timely communication between host and sending countries that currently result in mismatch in the labour market.

**Ms. Jane Horan, CEO, The Horan Group, Singapore**, pointed out that the economic reasoning behind supporting diversity and inclusion among workers may be easier to accept if the final output of the company in question is a physical manufacturing product. The more an economy

develops, the more it will have to face the issue of “brain drain” vs. “brain gain” where the development and retention, as well as transfer of new/higher talents across regions/sectors will have a significant impact.

**Ms. Do Thuy Lan, Officer Manager, Kloon Co.Ltd., Viet Nam**, stressed the importance of acknowledgment and recognition of differences in organizations as a starting point in managing diversity and promoting integration at workplace. She supported the economic case of diversity management, confirming benefits to increasing company competitiveness especially as it is able to reach to more diverse consumer markets.

**Mr. Sok Lor, Secretary General, CAMFEB, speaking as a representative of ACE**, pointed out the cultural differences that can provoke labour disputes leading to arbitration councils and strikes, despite having a strong national policy framework supportive of equality. Gender imbalance in certain sectors such as the garment industry also remains a key challenge. Finding and applying balanced approaches combining legal and practical level approaches will be a major task going forward.

**Mr. Andrew Ng, HR Director, Fonterra Brands Sdn Bhd, Malaysia**, shared Fontana’s best practice of having an enterprise-level diversity council to oversee the two manufacturing plants employing many migrant workers. While there are individual efforts made by enterprises to address the issue of diversity and integration at workplace, more dialogues between countries in terms of agreeing on the procedures is needed. Mr. Ng also pointed out that while financial gain is a main motivation for migrant workers to be mobile, it alone is insufficient to promote real inclusion and integration in the labour market. More efforts are needed to achieve that stage.

During an open forum that followed, other EO representative actively shared their perspectives . In addition, both the panellists and the audience members raised questions for general consideration and discussion. Some of these questions included why there is a perception that migrant workers are paid less? Can companies effectively manage diversity and inclusion without government intervention? How can best practices be promoted? Will the growing dynamism in the ASEAN labour market stimulate “brain drain” or “brain gain”?

It was pointed out that promoting local employment is still a top priority for governments and businesses, particularly among the growing number of SMEs. In this context political sensitivity at the national and regional levels need to be taken into consideration. This is especially pertinent as there will be an increasing incentive for businesses to transfer talents across regions/sectors, and development new/better capacity and integrate them into their businesses. This will inevitably accompany some social and political implications.

#### **Session 5 - Launching of ACT/EMP “Social Protection: Employers’ Perspective and Recommendations”**

**Mr. Nuno Cunha, Senior Specialist on Social Protection, Decent Work Technical Support Team, ILO Regional Office for Asia and the Pacific**, presented the short-term and long-term effects of implementing social protection where investment in child development fosters human capital development at the national level. He also underscored the need for stakeholders to have more access to information and develop capacity for understanding the long-term positive benefits of social protection. This is particularly so as there is a positive correlation between social protection and long-term firm survival. He recommended strengthening the tax system for

more resources mobilization to increase social protection coverage, promote tripartite dialogues, paying particular attention to the most vulnerable.

**Ms. Miaw Tiang Tang, Senior Specialist, ACT/EMP, ILO Regional Office for Asia and the Pacific**, provided a complementary presentation articulating on the need for social protection scheme to be more closely linked to labour market strategies. More specifically, interlinkages should be drawn between social protection and retaining young employees, reforming labour market mobility, and restructuring the economy. The main roadblocks however remain as fiscal instability, and lack of regular and systematic dialogues. Main recommendations include conducting more thorough cost-benefit analyses to strategize how to provide more social protection for workers for economic growth, job growth and competitiveness so as to absorb the increased costs and beyond.

### **Wrap-up**

**Mr. Manuel Imson** summarized the main points presented and exchanged throughout the day,

## **Day 2**

### **Session 6 - Presentation of an ACE Policy Position Paper “Managing Diversity and Workplace Integration in the ASEAN Countries”**

Taking off from the previous day’s discussions, **a draft policy position paper was presented** by Ms. Eunmee Lee to EOs for consideration. The presentation was followed by an active Q&A session, touching upon the ASEAN-specific context in human capital growth and mobility and leveraging on their potential to leverage on to achieve long-term economic development. The participants then went into group discussion to provide comments and suggestions on the draft.

### **Session 7 - Plenary**

**Moderated by Mr. Mathew Rendall, Board member of ACE and Deputy Secretary General of CAMFEBA**, the plenary session provided an opportunity for EOs to present their views on the draft position paper.

Lots of comments and inputs were provided and the session ended with a request for the ILO to update the draft based on the discussions. It was agreed that the revised version will be sent to ACE Secretariat to be circulated among EOs for adoption.