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**Report of the  
Tripartite Review of the  
Guide on Labour Management  
Policies and Practices in  
Labour Intensive Works**

**Kampala, Uganda**

**5-6 October 1997**

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# 1. BACKGROUND TO THE GUIDE

Since the mid-1970's the ILO has been involved in providing technical support for labour-based employment creation policies and activities. This work has focused on many aspects, including technology and engineering, systems of work organization, and community participation and development. More recently, a great deal of attention has been paid to the modalities of applying relevant national and international labour standards in the context of large scale employment-intensive infrastructure programmes, executed either through the public or the private sector.

The earliest outcome of this work was the agreement between the World Food Programme and the ILO over the issue of food as partial payment of wages for work, and its resulting application to WFP Food for Work projects.<sup>1</sup> Since 1991, the Office has been working in other ways to rationalise labour standards matters with labour-based employment policies and initiatives. Coinciding with the Office's explicit policy of trying to better coordinate technical cooperation with labour standards, a broad ranging international approach was taken to develop the issues involved.<sup>2</sup> Subsequently, opportunities were taken to fully develop issues at the national and project levels.<sup>3</sup> Finally, most recently, efforts have been made to consolidate experience thematically.<sup>4</sup>

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<sup>1</sup> See document, "WFP/ILO (NORMES) Meeting, Rome - 17.02.1992 - Distinction between self-help and wage-labour projects."

<sup>2</sup> See paper, "Relating international labour standards to labour intensive road construction and maintenance projects: A discussion paper" presented at the Technical Consultation of Project Collaborators in Labour-Based Road Construction and Maintenance Project, Mphahle's Hoek, Lesotho (March, 1991).

<sup>3</sup> See "South Africa National Public Works Programme, Preliminary Report of an ILO Advisory Mission to COSATU, 21 March - 1 April 1994" (15 April 1994); "Report of a Technical Advisory Mission on Labour Standards in Labour-Based Road Construction and Maintenance Projects in Namibia: The Pilot Project at Ombalantu" (28 March 1995); "Preclude to Decision Making: Labour Standards in Zambia's Labour-Based Roads Section (11 October 1995); "Labour Standards and Rural Employment Programmes (India)" (ILO, 1996).

<sup>4</sup> See "Labour standards and employment creation through labour-based activities: A developmental perspective" presented at Employment Promotion Seminar, Harare 19-21 September 1995 (INT/93/M11/DAN).

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The emphasis of these various efforts has been the incorporation of labour standards elements *in practice* in labour-based public works programmes. While efforts at the national level have to date probably been the most effective,<sup>5</sup> resource constraints tend generally to hamper detailed country level examination and support. For this reason, the Development Policies Department of the ILO considered that a comprehensive and practical guide in this domain would enable more widespread and systematic progress at the country level. Although paragraphs of other publications have dealt with matters related to labour standards and conditions of work in programmes of this nature, none have done so comprehensively, focusing specifically on management of the labour force with due account of both the rule of law *and* operational practice. Equally important, none have had a particular and specific orientation grounded in ILO Standards.<sup>6</sup> Thus, a project was undertaken to develop such a guide.<sup>7</sup>

## 2. INTRODUCTION TO THE REVIEW MEETING

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<sup>5</sup> In *South Africa*, the ILO's policy work formed an authoritative foundation for full fledged policy debate of the issues. See Seftel, L. "The RDP, job creation and minimum standards: a labour perspective", in *The New Labour Market: Reconstruction, Development and Equity*, Labour law Unit, University of Cape Town, Cape Town. In *Namibia*, involvement of the Ministry of Labour in development of the issues in the context of a pilot projects has led to involvement of their representatives in the training of small scale contractors. In *Zambia*, issues raised by a mission have been taken up more broadly as an input to labour law reform in the country.

<sup>6</sup> There are many such documents. See, for example, Anderson, Beusch, Miles "Road maintenance and regravelling (ROMAR) using labour-based methods - handbook" (1996), see regravelling section for discussion entitled "Employment of casual labour" and "Annex - Labour standards and labour-based Road Works" (20 paragraphs on the subject); "From want to work -- job creation for the urban poor", pages 39-41 (ILO); Braun, Teklu, and Webb "Labour-intensive public works for food security in Africa: Past experience and future potential", *International Labour Review* 131:1 (1992) at page. 28-29 (regarding debate over payment of wages in cash or food); Miller, "Remuneration systems for labour-intensive investments: Lessons for equity and growth", *International Labour Review* 131:1 (1992); Stock and de Veen, "Expanding Labour-based Methods in Roads Programs", various sections including "Constraint: Labour laws that are conducive to labour-based methods".

<sup>7</sup> *Labour Management: Policies and Practices for Employment-Intensive Infrastructure Creation and Maintenance*. (INT/95/07B/DAN).

As a critical component of improving labour standards in labour-based policies and practices, a specific objective of the project and the Guide is increasing the involvement of workers' and employers' organizations and ministries responsible for labour matters in labour intensive employment initiatives. Thus, the project envisioned a *tripartite* review of the draft Guide. Such a review was conceived as a means by which the Social Partners might verify the realism, practicality, comprehensiveness, and ultimate persuasiveness of the draft.

Thus, the review meeting was announced to the officers and members of the Governing Body in April, 1997, to be held in Kampala, Uganda on 6 and 7 October 1997. The government, workers' and employers' groups proposed participants from Ghana, Kenya, Zambia, and Uganda. (See Annex I). Each of these countries have labour intensive employment programmes at various stages of development and with various modes of implementation and labour standards' challenges.

In the event, the meeting was convened on October 6, 1997 in Kampala. The meeting was opened with a welcome by Ms. Jassy R. Kisaky, Permanent Secretary of the Ugandan Ministry of Labour and Social Welfare, presented by Mr. Claudius Olweny, Director of Labour for the Ministry. (See Annex III). Dr. Rizwanul Islam, Deputy Director, Development Policies Department, welcomed to the participants and took the chair as moderator of the discussions. (See Annex IV). As a final part of the preliminary portion of the agenda, Mr. Jan de Veen of the Development Policies Department gave an introduction to the objectives and proposed organization of the meeting, and Mr. David Tajgman, the External Collaborator having prepared the draft, gave an overview of the structure, general contents and approach of the Guide.

### **3. METHOD OF WORK**

After introduction of the participants, the group turned to the question of its method of work. In the light of the short time available for discussion of the detailed document, it was decided that each of the four main discussion periods would be set aside for the discussion of a cluster of related sections appearing in the Guide. Thus,

the first period was set aside for discussion of wage setting, basis of remuneration, remuneration in kind and protection of wages;

the second period was set aside for discussion of safety and health, social security and insurance, and termination of employment;

the third period was set aside for discussion of associational issues; and

the fourth period was set aside for discussion of recruitment issues.

A fifth period was set aside for discussion of other matters not covered during the previous four.

It was further decided that before each of the discussion periods, the tripartite groups would meet separately to discuss the issues in the cluster and ready a presentation for discussion in the plenary.

## **4. THE DISCUSSIONS**

### *The first discussion period - wages and related matters*

This discussion embraced the subjects of wage setting, the basis of remuneration, remuneration in kind and protection of wages.

The government group asked that the subject of social targeting of employment intensive programmes be further elaborated in the Guide. The group specifically noted that:

for social targeting of employment opportunities, the crucial issue often was not reducing the offered wage so that only the “poorest of the poor” would come

forward for jobs, but the number of available jobs being far short of what might be needed to absorb into employment even the most poor in the relevant community;

traditional opportunity cost analysis for wage setting and employment survey methodologies should be noted in the Guide;<sup>8</sup>

note should be made of the need to stem rural-urban migration and that this might be achieved by assuring wages in rural areas equal to those in the urban;

elaboration of social targeting should highlight its importance for social development fund programmes, as compared to programmes without similar social development objectives.

A range of further points were taken up by the government group. These included:

the suggestion that contract documentation should perhaps put a limit on the productivity expected from labour, as a method for preventing worker abuse -- but that care should be taken to avoid abuse of requests for contract extensions on the basis of low worker productivity;

the view that the advantages of task work should be emphasized more;

the suggestion that the Guide should recommend that workers and small contractors trainees should be thoroughly briefed on different bases of remuneration, in appropriate training and informational venues;

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<sup>8</sup> See CTP21: K.G. Vaidya, *Guide to the assessment of rural labour supply for labour-based projects* (ILO, 1983) and CTP93: K.G. Vaidya, *Supplement to the Labour Supply Guide: Wage rates on labour-based construction projects in the presence of high rates of inflation and overvalued exchange rates* (ILO, 1988).

the idea that the ILO/WFP agreement on the payment of wages in kind should be included in an annex to the Guide, and the relationship between the agreement and the relevant international labour standards should be made clear;

the suggestion that the implications of high, low, and unstable local market prices of food on the use payment in kind practices should be elaborated;

the view that workers should protect themselves when it came to the timely and accurate payment of wages by, for example, knowing better the basis of wages and the method of their calculation.

The employers' group felt that minimum wages were often outdated and, therefore, too low. They believed that the Guide should note that the practice of minimum wages functioning as wage maximums occurs only in force account implementation of labour-based works, and that private employers willingly pay more than a minimum wage where it is needed to attract the desired work force. It proposed that wages for the sector should be set through a tripartite mechanism, updated periodically, and respected in practice. The employers support the use of contract clauses addressing social issues as a mechanism for preventing abuse of labourers, as well as the idea that wages should be on a productivity basis.

The workers' group was preoccupied with the level of wages and wage setting mechanisms. They felt that the mechanism should be tripartite. The level of wages, in the opinion of the group, should not be lower than the national minimum or the government casual labourer rate, but should be appropriate for employment in rural areas. The workers observed that in Uganda there was no statutory minimum wage, in Ghana the daily minimum wage was less than USD1, in Zambia the daily minimum wage was about USD.70, and in Kenya the minimum was about USD1.50 daily. The workers observed that there was indeed a real problem with employers attempting to *make* workers "casual" by breaking up their periods of employment, attempting thereby to bring them within the "casual labourer" exception of national labour laws. Aspects of the Guide dealing with this, they thought, were appropriate.

In the plenary discussion of this cluster of subjects, the workers recognised that the scarcity of wage employment in the rural areas tended to erode established wage structures, and particularly so where the wage employment which is offered is between a

villager employer and a villager worker. Because of this, there is a need for tripartite negotiation at the village level to ensure that all employed in the sector are aware of the agreed wages. This would help ensure that the wages were actually paid at the set level. Others in plenary felt that established wages were not paid because there was a lack of political will that they should be paid, or because workers did not have sufficient knowledge of the correct wage, or the basis for the wages. A suggestion was made that local community and governmental bodies should be made aware of rates and bases so that they could also be a source for information to labourers. Another suggestion was that the idea of client penalties against contractors who did not pay timely or accurate wages should be promoted. A final suggestion was that clients should make advance payment sufficient to cover wages to a third party, i.e. bank, in order to ensure payment of workers' wages.

The Chair observed that there had been agreement on the importance of timely wage payment, respect for minimum wages, and the productivity basis of pay. He also observed that the discussion recognised the potential trade off between wages which included social targeting objectives and those which had a foundation in attracting workers with the highest productivity.

### *The second discussion period - safety, health and associated conditions of employment*

The government group observed that safety and health measures -- particularly those which require expenditure of funds (as opposed to changes in work practices) -- were more likely to be taken if costs were specifically covered by the client. In this light, *enforcement* of safety and health was the critical issue. A number of particular points were made.

All agreed that every site should at a minimum have a first aid kit and safe drinking water.

It was suggested that the contractor should be obliged to specifically identify the source of the drinking water for workers, and that this source should be known to be safe.

As concerned protective clothing, it was felt that measures should be taken only as needed. Specific examples were given, including boots for use in urban

drainage works, boots and other appropriate protective clothing for working with refuse, and appropriate protective materials for work with chemicals.

The observation made in the Guide that little attention was paid to social security and insurance for work injury in labour-based works was confirmed by the government group. It was felt that responsibility should be given to the contractor, and that contractor training was the appropriate place to educate contractors in the matter. They felt also that the relevant line ministry and ministry responsible for labour matters should be involved in the contracting process. Concerning termination of employment, the group agreed with earlier comments at the meeting that there was abuse of the “casual labourer” status, and with those made in the Guide warning against too much authority for termination being placed in the hands of the first line supervisor. They suggested that portions of the Guide dealing with early warnings given in the disciplinary cases should be included in that dealing with termination.

The workers’ group felt that specific requirements dealing with these issues should be placed in contract clauses. Enforcement at the work site level was thought likely to be the most effective; site level worker representatives were thought most appropriate as these areas are typically difficult for union representatives to systematically visit. It was suggested that health and safety standards -- and other conditions of employment -- should be posted at the work site for all to see. Concerning social security and insurance, workers’ compensation for injury on the work site was felt to be the most important and the minimum which should be provided.

The employers’ group suggested that assignment of a person responsible for health and safety at the work site should be suggested in the Guide. They felt that the basic provision of first aid kits and safe drinking water should be enforced through legal provision. The group suggested that identification of and protection against particular risks should be negotiated at the local site level. The employers suggested also that types of social security benefits might best be translated into cash benefits for temporary workers and paid as a supplement to the wage or upon dismissal.

In the plenary discussion, the focus was first placed on social security benefits. Several interventions were made suggesting that the difference between different types of benefits should be recognised and therefore that it would be appropriate to perhaps “cash in” upon dismissal pension rights for temporary workers, but not worker’s compensation benefits. Many felt that it was not realistic for a worker employed temporarily on a labour-based project to either expect a pension benefit or be required to attempt to recover funds contributed toward such a benefit (or a similar benefit) at the end of a period of short term employment. An example was given of the situation in Kenya,

where a sort of “special contribution” was made by the employer for the employment of short term workers to the pension fund, and the workers were then expected to come and collect the accumulation at some future point in time. There was agreement with the idea of first aid kits, safe drinking water, and insurance for work injuries at a minimum being available from the first day of employment. Some felt that efforts should be made to use national workers’ compensation systems where they exist, and other necessary measures taken where they do not exist or are ineffective.

### *The third discussion period - associational issues*

The government group felt that the Guide should stress the importance of local associations, in that they were most likely to be effective and also responsive to constituent needs. In this regard, it was felt that levy for the services of established unions were impractical and unlikely to be given by workers. The following additional points were made:

Associations should be fully protected. Likewise for workers engaged in organizational activities.

Where associational disputes developed between workers and employers, the client could be called in to mediate under a special clause in the contract. This ought to be suggested in the Guide.

Where existing employers’ organizations or contractors’ associations attempt to absorb emerging contractors associations, support should be given to maintaining the independence of the labour-based contractors groups as they would be most likely to continue to support labour-based contracting methods. Respect in any case should be given to the freedom of the employers’ groupings to associate as they see fit.

It was thought that the Guide’s discussion of contracting with community groups as an example of the expression of associational rights was appropriate. They noted however that the interests of individuals in communities were not necessarily always homogeneous, and that a caveat to that effect might be useful in the Guide.

The workers' group agreed with the government that it was more practical for temporary workers to form and have strong groupings at the level of the worksite. It was thought impracticable to expect the nationwide organization of rural, labour-based, workers. When sufficient numbers of worksite level groupings take root, it might be possible to conceive of national organization. The group expanded on the observation of government group, saying that within a community based grouping, the workers might be interested in maximizing their wage, while other parts of the group are interested in maximizing infrastructure or "profit". A conflict could arise in such cases. For this reason, it was not appropriate to think of a community based grouping as a one necessarily protecting the interests of those working on the contract involved. There is a need for occupational as well as community organizations in the labour-based sector, each serving their separate purpose. The workers supported the use of contract clauses providing protection additional to that in national legislation for workers in their organizational activities. They also believed that contractors and contractors' associations could be used as a means of promoting workers' associational rights.

The employers' group thought that contractors' associations ought to play a larger role in the training and development of small contractors; presently the programmes are very much viewed as government programmes. The group also saw greater involvement in initial contractor training as a way of overcoming a shortage of resources in reaching out to small contractors/employers in their local, rural, environment. Helping in developing access to credit for small contractors could also be a possible means of building a relationship between small labour-based contractors and existing employers' organizations. The employers saw community based organizations as a method for minimizing the risk to small contractors, but wondered who was responsible for organizing the community. In this respect, the observation in the Guide that community organisation can be a time consuming process was correct. The group also saw the level of community participation and organization directly related to the type and scope of the infrastructure development project. Finally, the employers thought it appropriate and necessary to actively promote the link between a national employers organization and a sectoral labour-based contractors association.

In the plenary discussions, the idea of greater employers' organization involvement in contractor development was challenged -- not so much in principle, but in practice. Developing meaningful involvement was seen as a challenge for employer's organizations.

The Chair noted the agreement of the groups that probably the best form of organization would be at the worksite level, particularly for protecting workers' rights and preventing abuses. The Chair also observed the agreement that there should be full respect and protection of associational rights, although organization in practice would be difficult to achieve.

### *The fourth discussion period - recruitment issues*

The government group supported the idea of a lottery system being used for recruitment in cases of oversupply of labour, but thought that specific measures were needed to assure desired gender mix in the workforce. They felt also that monitoring was necessary to make sure that female participation continued throughout the life of the project. In addition, the group:

thought it important that projects be designed properly to take labour supply and gender issues into account;

supported the idea of job rotation as a method for rationing jobs, as suggested in the Guide;

felt that emphasis should be placed on giving priority to the recruitment of local residents in recruitment, for all the reasons set out in the Guide;

acknowledged migratory practices noted in the Guide, and suggested that stress should be placed on limiting migration to that of core technical staff of a contractor.

The employers' group questioned the key issue of the Recruitment section of the Guide, ("How can a sufficient workforce for labour-based activities be engaged, *avoiding forced labour and ensuring equality of opportunity?*" {emphasis added here}), wondering whether it should include the final phrase concerning forced labour and discrimination. They felt that productivity should be the benchmark by which persons are recruited, and that any obligation regarding gender mixing should be based on a written government policy obliging it. Accordingly, the group felt that a lottery system was not a preferable means of recruitment, as it could produce a less than optimal productivity level. The Group also asked for clarification in the Guide on what constitutes forced labour.

The workers' group accepted the use of productivity related work and pay systems but felt that workers should be well advised of the systems at the time of

recruitment and involved in setting the size of the tasks and unit rates. They felt that emphasis should be placed in the Guide on the information available to the workers at the time of recruitment, the use of written contracts of employment or memorandums of agreement setting out employment terms in locally understood languages. Recruitment agents, to the extent they might be used, should be held to the same standards in these regards as the principle employer. The workers thought that recruitment should be “gender friendly” but that quotas should not be strongly promoted. Finally, the workers agreed with the employers that further practical elaboration was needed describing what constitutes forced labour.

In plenary discussion, the lottery system was placed under scrutiny. From the employers the view was reiterated that the method was not scientific and that it imposed costs on the employer. If such costs were imposed through the obligation that a lottery system is used for recruitment, the client should pay those costs. government participants confirmed the previous stated position supporting use of a lottery in situations where there was an over abundance of labour. From the workers, the stress was on wage clarity -- whatever means were used in recruitment. It was felt that quotas should not be a preferred system, but emphasised that awareness raising should be the focus among contractors. In conclusion, it appeared that the Guide should respect the right of contractors to choose their workers by whatever means they felt best, and that the various options should simply be laid bare in the Guide.

### *Final substantive discussion period*

During this period a broad range of points were made relating to several aspects of the Guide. They included views that:

the third part of the Guide should address more directly ministries responsible for labour;

the statement of objective, readership and uses of the Guide should be revisited to improve clarity in these respects;

an annex should be included listing together relevant labour standards cited elsewhere throughout the text;

a list of abbreviations, acknowledgements, and index should be included;

more step by step diagrams should be included, that illustrations should be plentiful, and that left-hand and right-hand pages should be set up in a way which distinguishes them very clearly.

The question was asked whether the Guide was meant to be authoritative in a prescriptive sense. The authors clarified that this was not the intention, but it was hoped that the Guide would be the basis upon which policy choices could be made. To the extent nothing in the Guide contravenes international labour standards and much of it, in fact, promotes processes and ideas which implement international standards, the Guide should be seen as having a certain authoritative value as virtually all countries were members of the ILO and all had ratified at least some of the international standards relevant to labour-based employment.

## **5. VIEWS OF THE GROUPS CONCERNING FOLLOW-UP**

A period of plenary discussion was held concerning ILO follow-up desired by the participants and ideas for use of the finalised Guide. The following points were made:

The Ghanaian worker participant suggested that national tripartite meetings be held to introduce the Guide and determine possible uses at the national level.

The Kenyan worker participant observed that the Guide was very relevant to efforts at organizing rural workers, and suggested that a relationship be made between ILO support in that regard and promotion of the Guide. This relationship could also be promoted as part of national workers' education programmes aimed at rural workers. Emphasis should be placed at promotion at the local level.

The Zambian worker participant suggested that it was important to sensitize the leadership of national labour organisations to the existence and importance of the labour-based sector in and of itself, and also as part of a wider segment of the active population which unions in developing countries need to organize. He suggested capacity building activities in this regard.

The Ugandan worker participant looked forward to receiving the finally published Guide. He observed that a significant shift in traditional thinking about this group of workers would need to occur before all the ideas presented in the Guide could be realised; this would require the political will of all concerned. With this in mind, each national trade union and trade union centre would have to consider its own situation in knowing what sort of timetable and programme of action could be developed to promote the Guide.

The Zambian government participant observed the situation in his country, where several of the issues raised in the Guide were first broached in 1988 and an ILO study was done in 1995, and still there has been no resolution of the matters raised.<sup>9</sup> He was hopeful that now, with the support of the other Social Partners, additional efforts would be made to resolve issues, particularly as they affect the labour-based sector.

The Ugandan government participant noted that the Guide would be useful in their current exercise developing contract documentation, and looked forward to the final publication.

In the employers' group, it was felt that enterprises and organisations involved at the local level in contracting needed to be identified and consideration given to how to work with them. The ideas in the Guide needed to be put to a test to determine its ultimate usefulness.

## **6. CONCLUDING OBSERVATIONS**

With the agreement of the participants, the Chair offered three concluding observations of the review meeting.

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<sup>9</sup> See footnote 3 above. In the context of the economic transformation currently underway in Zambia, broad ranging labour law -- with important implications beyond the labour-based sector -- is being considered.

The discussions showed universal agreement that the Guide would be useful. In this respect, the Chair observed comments made by particular participants during their various interventions. Several participants had commented that the Guide would be a useful tool for sensitizing relevant government ministries, be they ministries responsible for labour or ministries responsible for public works. Other participants had mentioned the usefulness of the Guide as a basis for tripartite discussions of labour issues in labour-based works programmes. The Chair observed the workers' group's comment that the Guide would be useful in their reorientation toward organizing rural workers and workers effectively employed in a sort of informal sector. One of the employer participants had mentioned that they would use the Guide as a focus for identifying enterprises operating in the labour-based construction sector for consideration in promoting their organization within the employers' grouping.

The Chair observed that the Guide and review meeting discussions had made clear that the ILO's Employment Intensive Programme was in no way conflicting with the ILO's labour standards. In fact, the relevance of these standards had been made clear through the Guide and the comments of the participants.

Finally, it was observed that the Guide was relevant to the employers and workers groupings. This was important as it had been hoped that the Guide would, indeed, be so.

In conclusion, the Chair said that the objectives of the review meeting had been achieved. He thanked the participants for their active involvement in the two day discourse and assured them that publication of the Guide and follow-up would remain a high priority.

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# Annex I: Participants

## PARTICIPANTS DESIGNATED BY THE GOVERNING BODY

<u>Name</u>	<u>Title/Organization</u>	<u>Address</u>
<b>GOVERNMENT</b>		
C.P. Mushota	Training, Ministry of Works & Supply, Roads Training School	P.O. Box 30918, Lusaka, Zambia
G. Kiberu	Labour Administration, Ministry of Labour	P.O. Box 7009, Kampala, Uganda
C.D. Antwi	Director, Department of Feeder Roads	PMB Ministries, Accra, Ghana
John Otemo	Project Manager, MOLG	P.O. Box 7037, Kampala, Uganda
<b>EMPLOYERS</b>		
Matouu Michael	Research, Federation of Uganda Employers	P.O. Box 3520, Kampala, Uganda
Evans M. Lwanga	Research, Zambia Federation of Employers	P.O. Box 31941, Lusaka, Zambia
G.N. Konditi	Federation of Kenya Employers	P.O. Box 48311, Nairobi, Kenya
<b>WORKERS</b>		
Austin Muneku	Research, Zambia Congress of Trade Unions	P.O. Box 20652, Kitwe, Zambia
George Odiko	Congress of Trade Unions, Kenya	P.O. Box 13000, Nairobi, Kenya
Valerian Mutekanga	General Secretary, National Organization of Trade Unions, Uganda	P. Box 30623, Kampala, Uganda
Foli Amekor	General Secretary, Ghana Trade Union Congress	P.O. Box 701, Accra

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## RESOURCE PERSONS

<u>Name</u>	<u>Title/Organization</u>	<u>Address</u>
Dr. Rizwanul Islam	Deputy Director	Development Policies (POL/DEV) Department ILO, Geneva
Mr. Jan De Veen	Development Policies Department	POL/DEV, ILO, Geneva
Mr. Terje Tessem	Southern African Multidisciplinary Team	ILO/SAMAT, P.O. Box 210, Harare, Zimbabwe
Mr. Jane Tournee		ILO/ASIST, P.O. Box 210, Harare, Zimbabwe
Mr. David Mason		ILO/ASIST, Nairobi
Mr. Jan Fransen	Associate Expert	ILO/ASIST, Nairobi
Ms. Maria Prieto	Associate Expert, POL/DEV	POL/DEV, ILO/Geneva
Mr. David Tajgman	External Collaborator	Labour in Development, Vestergade 72, 5 sal, Aarhus, Denmark
J.H. Ssekatawa	Project Coordinator	MPED/ILO Project (UGA/97/M02)

## ALSO IN ATTENDANCE

<u>NAME</u>	<u>TITLE/ORGANIZATION</u>	<u>ADDRESS</u>
Mr. Claudius Olweny	Director of Labour, Ministry of Labour and Social Welfare	P.O. Box 7009, Kampala, Uganda
Wene Higenyi	Senior Engineer, MOLG	P.O. Box 7037, Kampala, Uganda



- 11:00-14:00 Participants' review the draft Guide
- 12:30-14:00 **Lunch**
- 14:00-14:30 Plenary discussion: Confirmation of discussion items
- Bloc I: Wages  
(Sections 2.2, 2.3, 2.4, 2.5)
- Bloc II: Safety and health, social security and insurance  
(Sections 2.10, 2.11)
- Bloc III: Associational issues  
(Sections 2.13, and related sections of Part 3)
- Bloc IV: Recruitment  
(Section 2.1)
- Bloc V: Other issues  
(Sections 2.6, 2.7, 2.8, 2.9, and all others)
- 14:30-15:30 Group discussion: Wages
- 15:30-15:45 **Break**
- 15:45-16:45 Plenary discussion: Wages
- 16:45-17:45 Group discussion: Safety and health, social security and insurance

## TUESDAY, 7 OCTOBER

08:30-09:30	Plenary Discussion: Safety and health, social security and insurance
09:30-10:30	Group Discussion: Associational issues
10:30-10:45	<b><i>Break</i></b>
10:45-11:45	Plenary Discussion: Associational issues
11:45-12:45	Group Discussion: Recruitment
12:45-13:30	<b><i>Lunch</i></b>
13:30-14:30	Plenary Discussion: Recruitment
14:30-15:45	Plenary Discussion: Other issues
15:45-16:00	<b><i>Break</i></b>
16:00-16:45	Follow-up initiatives and
16:45-17:00	Concluding observations and closure



## **Annex III: Opening Speech of Ms. Jassy R. Kisaky**

Opening Speech of Ms. Jassy R. Kisaky

The Permanent Secretary, Ministry of Labour and Social Welfare

At the opening of the two day sub-regional

Seminar on Employment Intensive Infrastructure

Construction and Maintenance Review of Guidelines on Labour Management

Kampala, 6-7 October 1997

(Presented by Mr. Claudius M. Olweny, Director of Labour)

The Representative of the Director General of the ILO, distinguished seminar participants, ladies and gentlemen,

I feel honoured to have been invited to officiate at this seminar, which has been organised to discuss the important subject of labour management for employment intensive infrastructure programmes.

Mr. Chairperson allow me, on behalf of the Government, to welcome the distinguished participants from Ghana, Zimbabwe and Kenya and the resource persons from ILO Geneva to Uganda. I should also like to seize this opportunity to thank the organizers of the important seminar for having chosen Uganda as the appropriate venue.

Mr. Chairman, the employment question in Africa has become more worrying and at the same time challenging owing to structural measures being implemented at various levels, coupled with the ever increasing number of un-employed youths, women, school leavers and the retrenched public servants. Available information suggests that urban unemployment in the African region ranges between 15 and 20 per cent, as against approximately 10 percent or less in the mid- 1979's. The interesting thing to note about this is the fact that many of the unemployed have a high level of education and are youthful that is, within the age range of 15/24 years.

Mr. Chairperson, of recent, employment has become an important item in various international fora, which shows the concern of the international community about the employment problem.

The large and growing number of unemployed and underemployed people in African countries pose social problems that need to be redressed through various measures of employment creation. This is because unemployment can undermine the positive efforts and achievements of African governments in areas such as democratization, structural adjustments, trade liberalization etc... for it is a fact that people will not appreciate the benefits of such positive situations unless they get the basic needs of life such as food, health, education for their children, shelter and employment. The inability of African countries to effectively engage their labour force in productive employment may be seen as a clear evidence of deliberate economic deprivation of their peoples. There is therefore an urgent need to address some of the social problems associated with unemployment which must go hand in hand with the need to increase national productivity and welfare by maximising effective utilization of the available labour force.

At home here, the government of Uganda is concerned about unemployment and underemployment in both urban and rural areas. Government is also ware of the fact that the most affected are the youth, school leavers, women, persons with disabilities, etc.

In an effort to address the employment questions, a lot of options are being considered as possible strategies to be used towards some solutions. Prominent among the options include:

Improving and modernization of agriculture especially subsistence agriculture;

Development and direct government support to informal, micro and small enterprises in the urban and rural areas;

Skills development and more particularly entrepreneurial skills development and culture through community based vocational training;

And labour intensive programmes.

Labour intensive programmes is not new to Uganda. There have been a number of programmes in different sectors which have been implemented since the early 1980s. Notable among them include:

The Masulita (ILO) Project which focuses on providing support to rural agricultural entrepreneurs, and the rehabilitation of and completion of 11 km of a rural road.

The Karamoja (WFP/ILO) Project which was a food for work programme, where the main activities included the construction of schools, community buildings, valley dams, water supplies and the protection of springs.

The Luwero/Tororo (ILO) emergency relief programmes which undertook the opening of rural roads, re-forestation, building and protection of shallow wells, springs, etc.

At this point I would like to state that government recognises the important contribution labour-based programmes can make in the alleviation of unemployment and poverty among the rural population.

Labour intensive works (programmes) means the rational choice of technology whose aim is cost effective substitution of labour for capital, through the use of a well motivated, equipped, organized and supervised work force, supported by light equipment to build essential public infrastructure of comparable quality and cost to that provided by conventional technology.

In developing country like Uganda, with high unemployment and scarce financial resources, there are strong reasons for preferring a labour intensive approach over a capital intensive approach in the construction and maintenance of infrastructure.

For instance, through labour intensive approach, the importation of expensive heavy machinery, spare parts, fuel and other related costs are minimised, thereby the use of scarce foreign exchange is reduced. Besides, money used on the Project and that earned by those employed end up in the local communities and creates local demands for goods and services. Further more, jobs created stimulates the local economy and enhances poverty reduction.

Before I conclude, Mr. Chairperson, I wish to state that government is mindful about the need to ensure a conducive working environment for participating communities in such programmes; through the labour administration machinery. Although there are known weaknesses of the system, some effort is being made to correct them so that the system will give effect to and ensure the equal application of the existing labour legislations in order to raise the quality of the working environment. Further more, the labour administration machinery will try to ensure the effectiveness of labour inspections which is meant to facilitate the supervision of working conditions especially the safety and health of labour. At this point, I wish to emphasise, that our method of approach is the education and persuasion of the parties involved. That we know can create an atmosphere of understanding with employer; and thereby ensuring the observance of labour standards in work places.

Finally, the guidelines which you are to discuss during the seminar, is an important contribution to labour administration, and points to the concern of the ILO towards the working population. There can never be efficiency, effectiveness and increase in the productivity of labour without ensuring safety and health of the worker. A healthy workers working in a secure work place is happy and productive. Therefore efforts made towards achieving that is a work-while endeavour. With those words I wish to declare open the Seminar, and wish you a fruitful deliberations.

Thank you.

## **Annex IV: Opening Speech of Dr. Rizwanul Islam**

Opening Speech at the Sub-Regional Seminar on

Labour Management for

Employment Intensive Infrastructure Programmes

Kampala, 6-7 October 1997

by

Rizwanul Islam

Deputy Director, Development Policies Department, ILO

The Director for Labour, Ministry of Labour and Social Welfare of the Government of Uganda, distinguished participants, and colleagues,

On behalf of the Director General of the ILO, let me welcome all of you to this sub-regional seminar on Labour Management for Employment-Intensive Infrastructure Programmes which, I understand, is being attended by tripartite delegations from 4 countries (viz., Ghana, Kenya, Zambia, and Uganda). In addition, a number of specialists and colleagues working in the field of EIP are also participating. The structure of the seminar is very much in line with the tripartite structure of the ILO; and I hope the deliberations at the seminar will also be conducted in that spirit.

Before coming to the purpose of the present seminar, it may be useful to say a few words by way of providing background to the ILO's employment-intensive programmes.

The basic rationale for adoption of labour-based techniques in infrastructure projects is provided by the massive unemployment, underemployment and poverty that continue to characterize most low-income countries in the developing world. Despite substantial progress made in alleviating poverty, nearly a third of the world's population still live in poverty. The problem is so acute in many countries that the process of economic growth alone cannot be expected to achieve the desired outcome except in the long run. The normal growth process needs to be supplemented by carefully designed special measures to augment the employment content of growth. On the other hand, given the trend towards economic liberalization and greater reliance on market-forces, the

state's direct control over investment decisions and hence employment promotion has declined substantially.

In such a situation, investment in infrastructure which can be created through the use of labour-intensive methods can play a useful role in simultaneously creating employment and promoting growth of output in a sustainable manner. As investments in infrastructure and construction represent a high proportion (typically 40 per cent to 70 per cent) of total public investment in developing countries, they can be an effective means of creating employment for the poor. It is in the above context that the ILO's employment-intensive programme was launched in the early 1980s for the purpose of providing assistance to governments in their efforts at orienting their investment policies and programmes towards greater job creation and social progress. By demonstrating how infrastructure can be created and maintained in a cost-effective manner with labour-intensive methods, the EIP has had a major impact on creating sustainable employment with locally available resources. Being active in more than 30 countries, its principal means of action are pilot demonstration work and capacity building at various levels in both public and private sectors. The programme has established a very good reputation with governments and funding agencies such as the World Bank, who acknowledge the ILO as a leader in this field.

The EIP constitutes an important ILO instrument for implementing the resolution of the Copenhagen World Summit for Social Development (1995) concerning the expansion of work opportunities and productivity in both rural and urban sectors in developing countries. The Summit's Programme of Action states that labour-intensive investments in infrastructure should be encouraged. It lays emphasis on the creation and growth of private sector enterprises, facilitating their access to credits, markets, training and technology, while at the same time progressively extending labour standards and social protection.

With this reconfirmed mandate, the EIP now helps to strengthen the capacity of the domestic construction industry by promoting small enterprises, enabling them to apply employment-intensive construction and maintenance methods, while at the same time helping to establish fair working conditions for the temporary workers employed in programmes of this nature.

Now I come to the purpose of the present meeting. As I mentioned already, employment-intensive (or labour-based) infrastructure programmes are being implemented in a growing number of developing countries. In most of these countries they are now (i) expanding and (ii) being increasingly implemented through the private sector. Although this is a desirable development from the point of view of employment

creation, there are also risks. A first risk is that, if there is insufficient management and control, funds may be used for “made work” programmes which provide bad quality, high cost works, thus giving employment-intensive approaches an undesirable bad reputation. Secondly, there is an increasing risk of worker exploitation and poor working conditions.

The purpose of this meeting is to discuss these risks in the framework of a new Guide which has been produced in draft form, dealing with issues of labour management. It is important that the contents of this Guide are understood and endorsed by all concerned, including the ILO’s Social Partners, so that it can - in its finalized form - serve as a basis for programme implementation in this field. During these two days we shall discuss the principal issues and provide the authors with comments and recommendations. We intend to publish the Guide by the end of 1997.

### *Where do we go from here?*

The following trends appear to be quite clear: (a) investments in infrastructure development and maintenance are sharply increasing (for example, Ghana, Mozambique and Tanzania will spend hundreds of millions of US dollars in the road sector alone), (b) the greater part of this money will be spent through the private sector; (c) most governments and funding agencies are very concerned about poverty alleviation and employment creation for reasons already referred to by me. There is thus a great potential for employment-intensive infrastructure development and maintenance, as well as development of small contractors for such projects.

The ILO is ready to collaborate with governments, employers and workers to examine the implications of this and create awareness about the relevant standards and practices in this field, so that abuse can be avoided. This is feasible, for example, through developing and introducing contract documentation with appropriate clauses relating to minimum age, minimum wage, non-discrimination and work injury insurance, and through providing technical training programmes to discuss these subjects.

Also, workers in unorganized sectors should be supported in their efforts to organize themselves and to negotiate for a more substantial participation in the national development process. For example, in the case of South Africa, the original request for ILO assistance in the framework of the country’s National Public Works Programme came from the COSATU workers’ confederation. Associations of informal sector workers, community contractors and local development committees are some of the

groups through which the workers' movements can reach out to extend their membership and social initiatives to unorganized workers.

Finally, employers' associations can also contribute by becoming partners in generating new sources of employment. Through the involvement and training of small-scale contractors in the use of labour-intensive approaches, a new link can be made between employment creation and domestic construction industry development. ILO-supported small contractor training programmes in Ghana, Laos, Lesotho and Zambia have resulted in the creation of associations of labour-based contractors.

The ILO considers the Guidelines which are going to be discussed here to be an important step forward in this field and will remain available to collaborate with all Social Partners on the implementation of its recommendations. Your inputs during the next two days will be crucial in enabling the ILO to finalize the Guide, and, time permitting, to define possible concrete follow up work to be done with your organizations.

I look forward to fruitful deliberations.