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International Labour Office

Strengthening the capacity of Workers' Organizations to effectively engage in employment policy-making

A Concept Note

Technical Cooperation Project "Global tools and capacity-building for governments and social partners to formulate and implement national employment policies" - GLO/11/53/SID

Justification

The objective of full employment is embedded in the 1944 Declaration of Philadelphia, contained in the Employment Policy Convention, 1964 (No. 122), and reiterated in the Declaration on Social Justice for a Fair Globalization. The development, advocacy and implementation of coherent policies to promote full and productive employment and decent work for all requires the full and active participation of all key stakeholders. The ILO's employment policy frameworks have reaffirmed and emphasized the key role of employers' and workers' organizations to the achievement of full and productive employment and decent work for all based on effective tripartite consultations and social dialogue. But it is also recognized that the capacity of the social partners to engage in such a dialogue needs to be strengthened.

The full and effective participation of the various stakeholders – workers' and employers' representatives, government ministries as well as non-government organizations – in the policy development process depends on their ability to articulate their respective positions and contribute to the social dialogue from an informed perspective. To increase the likelihood of this prospect, capability building among the various stakeholders is essential.

Evidence from the formulation of the Poverty Reduction Strategy Papers in many developing countries between 2000 and 2008, particularly in Africa, supported the premise that where consistent capacity building on policy design and advocacy was provided to ILO constituents, the PRSPs successfully mainstreamed employment as a key outcome of those national frameworks. This also helped in the design of pro-employment policies and action programmes to create jobs for poverty reduction. The quality of capacity building was also found to be central to giving effect to the integrated application of the ILO Global Jobs Pact between 2009 and 2011. The Global Jobs Pact is increasingly regarded not only as an effective crisis response and recovery strategy, but also as a framework to a new development paradigm for more balanced growth.

The ILO undertook a number of needs assessments and training workshops for trade unions that demonstrated the participants' strong desire for support to fully engage in inclusive employment

policy-making processes. With the financial support from the Swedish International Development Agency, the Employment Policy Department will develop a guide for the formulation of national employment policies written specifically for trade unions.

Objective

The guide is intended to enhance the workers' organisations' ability to articulate their position in the social dialogue that ought to inform the process of formulating a national employment policy. The following outcomes are envisioned:
1) Trade unions are better informed about and fully understand the employment policy-making process;
2) Trade unions are conscious of their role and responsibilities in the policy development process, and are able to participate from an informed position; and
3) Social dialogue is raised to a higher level based on the active and informed participation of the various parties concerned;
4) Trade unions have a better appreciation of the policies that promote full and productive employment and decent work for all.

Target group

The target group includes senior members of workers' organizations and particularly directors and officials in their policy and research departments/units.

Strategy

The guide will focus on three key areas:
   a) Policy development process - What is an employment policy? What is the Policy cycle? Who are the other key players? How to engage in the process? What methods of engagement, through which institutions?
   b) Policy content – (i) How to generate knowledge? How to participate in the generation of this knowledge? (ii) strengthening knowledge of key policy areas: what are the terms of the debate? How Trade Unions can influence this debate?
   c) Institution building - (i) role of trade unions in consultative mechanisms, M&E frameworks; (ii) internal organisation to enhance impact (e.g. strengthen policy and research departments/units of workers' organizations)

The guide will suggest entry points for trade unions at the various stages of the policy cycle as well as strategies for advocacy in policy dialogue.

The guide will build on the vast experience accumulated in the ILO through years of technical advice on employment policy formulation and capacity-building of workers' organisations. It will also build on a quick needs assessment to be conducted in sub-Saharan Africa and on results of a recent assessment of needs conducted in Cambodia and Mongolia. For this purpose, a short questionnaire

will be developed to collect trade unionists' views and a large consultation workshop will be organised in East Africa.

Timeline

End May 2012: final concept note agreed by all parties

End July 2012: survey questionnaire ready

End August 2012: survey questionnaire sent to TU in Africa

September 2012: survey questionnaire distributed to participants in the Employment Policy course

End October 2012: all responses to survey received

October 2012: consultations in East Africa (workshop in Nairobi)

End November 2012: survey analysed and results available

May 2013: draft 0 ready

End July 2013: first draft of TU guide ready for discussion with colleagues (HQ and field)

End October 2013: final draft of TU guide submitted to management

End November 2013: TU guide ready for production

December 2013 – February 2014: editing, translation, layout and design, printing

As of April 2014: dissemination through field offices

Outline

Preface

Chapter 1 - Introduction

1. What is this Guide about?
2. Why this Guide and why engage in National Employment Policies (NEPs)? The role of workers' organizations in NEPs
3. How was this Guide prepared?
4. Who is it aimed at?
5. How to use this Guide?

Chapter 2- National Employment Policies: an overview

1. The context
    a. Historical trends (from structural adjustments to the focus on poverty reduction)
    b. Current employment challenges and trends globally
2. What is a NEP? Where do NEPs fit? Progresses on NEPs to date
3. How NEPs and national development strategies link?
4. The ILO's framework for employment policies: what do NEPs generally contain?
5. Lessons learnt from workers' participation in NEPs and NDFs?

Chapter 3 –Key policy challenges in national employment policies: the main elements of debate

1. Labour market analysis: what do the numbers mean and how to use them to defend a position?
    a. Relevant labour force concepts: what are we talking about and what should we really talk about?
        - Definitions
        - use
    b. How to build a case
2. Labour institutions

a. Chapeau: What are labour market institutions? The labour market flexibility debate: labour market institutions as "rigidities" vs labour market institutions as "governance mechanisms". Based on Berg & Kucera, Labour institutions in the developing world: Historical and theoretical perspectives, sections 2.2 and 2.5

b. Employment protection legislation
- What is employment protection legislation?
- the case against: labour legislation as a cost and a break to employment creation; insider/outsider; informal economy
- the case for: reduction of inequalities, of job insecurity and of social conflicts; incentive for enterprises to develop innovative management practices, thereby increasing productivity; etc.
- How to engage in such a debate? Away from ideology, evidence-based arguments, empirics, response tailored to the country's context

c. Minimum wages

3. Connections between employment and social protection
   a. Definition, key features, principles and purpose (based on UNRISD 2012)
      - Historically...
      - The gradual decoupling of social policy from employment
      - Macroeconomic policies remain detached from social moorings
   b. The case against: Arguments for decoupling social protection and employment (based on UNRISD 2012)
   c. The case for: Keeping and strengthening the connection between employment and social protection *(based on ILO/EU, Coordinating social protection and employment policies, 2012; ILO, Report VI to the ILC 2013)*

4. The role of social dialogue, tripartism and good governance

5. Policies to create decent jobs: how to increase demand for labour?
   a. labour demand as derived demand (considerations of economic growth and structure)
   b. what is a pro-employment macroeconomic framework?
   c. What are pro-employment sectoral and industrial policies?
   d. How to assess the job creation potential of different policies? How to assess the quality of the jobs potentially created?

6. The informal economy: transitions to formality
   a. What is the informal economy? (relevant measurement concepts for informal employment)
   b. What approaches and tools to promote transition to formality?

7. Youth employment
8. Rural development
9. Skills and employability

Chapter 4- Preparing a National Employment Policy: the process step-by-step

1. Before your start
   a. The role of workers' organizations in the NEP formulation process and social dialogue
   b. Policy cycles and structures
   c. Key requisites (including establishing Department of Policy research)

2. The formulation stage
   a. Participating in the employment diagnostic
   b. Playing a role in setting policy priorities
   c. Joining in drafting the NEP
   d. Engaging in validating the NEP

3. The implementation stage
   a. Being pro-active members of the institutional mechanisms for piloting the NEP (including LMIS): steering committees, M&E frameworks, financing mechanisms

    b. Assuming responsibility for identified activities

    c. Disseminating the NEP within your constituencies

    d. Monitoring and evaluating the NEP and its budget

Chapter 5- Building capacity for policy formulation and advocacy

    a. Capacity building of members

    b. Developing/adapting training tools and methodology

    c. Delivering of capacity building training

    d. Institution building

    e. Build alliances