

CEC Bulletin

(October, 2007)

Report from the XV IACML

Port of Spain, Trinidad and Tobago (September 15-17, 2007)

The XVth Inter-American Conference of Ministers of Labour (IACML) took place in Trinidad and Tobago on September 11-13, 2007. Brian Burkett was in attendance at the XVth IACML, on behalf of the CEC, and as a member of the Business Advisory Group to the Ministers of Labour (CEATAL, by its Spanish acronym). The report from the Conference follows.

Background

In the mid-1990s, a little over a decade ago, the world began to identify and deal with a social/environmental deficit that had developed within globalization. On the world stage, the ILO was entrusted with responsibility for the social/environmental dimension of globalization. Within the Americas, the IACML (the Ministers of Labour from the 34 countries in the Western Hemisphere, excluding Cuba which was expelled in 1963) play the same role as does the ILO on the world stage. Both are responsible for dealing with the social/environmental impact of globalization.

By the turn of the century, seven short years ago, the economic side of globalization, at least in the case of multi-lateral trade liberalization, was grinding to a halt. On the world stage, the Doha round at the WTO has stumbled from 2001 to date. Within the Americas, the plans for a hemispheric free trade zone (FTAA), first articulated in 1994 at the first modern day Summit of the Americas, were dealt a death blow at the IV Summit held in Argentina in 2005.

And so we have come to live in a topsy-turvy world. For decades (1945-1995 approximately), the economic dimension (trade liberalization) drove globalization, with the social/environmental consequences receiving less attention. Today, while the economic side remains active, with the recent negotiation of numerous bilateral (as opposed to multi-lateral and regional) trade agreements, it is the social/environmental side that has moved into the spotlight.

Notably, this reversal is most obvious in Canada's recent foreign policy approach to our "own backyard" – the Americas. In July 2007, Prime Minister Stephen Harper recently the realignment of Canadian foreign policy to place a great emphasis on relations with Latin American and Caribbean nations. As part of this realignment, Canada has embarked upon bilateral free trade negotiations with Peru, Colombia, the Dominican Republic, and the Caribbean Community ("CARICOM"). The resulting free trade agreements are expected to include provisions on labour and social standards. In addition, Canada is expected to play a greater role in promoting a hemispheric social agenda through the IACML and the Organization of American States (OAS).

Summit of the Americas Process and the IACML: Bringing You Current

At the IV Summit of the Americas held in Argentina in November, 2005, the FTAA was mortally wounded. However, an agenda for social progress in the Americas was agreed on by the Heads of State, with its implementation entrusted to the various Ministers of Labour who form the IACML.

The work of the IACML (for the period 2005-2007), in bringing about social progress in the Americas consistent with its "marching orders", can be divided into two parts – (1) building the capacity of Ministries of Labour throughout the hemisphere; and (2) promoting the concept of decent work. The two will be discussed in turn immediately below. First, however, it should be underscored that it is now generally recognized that one of the cornerstones of social progress is the implementation of sound macro economic policies in each jurisdiction that are conducive to economic progress, including the creation of jobs. Whereas, in the past, the dialogue between social actors – business and trade unions on behalf of workers – tended to be argued at the extreme with one side advancing an economic agenda and the other raising social issues, there is a growing recognition that the debate is not a "zero sum game" between economic development or social progress, but rather the integration of the two – economic development with social/environmental progress. This more sophisticated inquiry has become the great challenge and debate of our times.

1. Capacity Building

Efforts are underway to develop the capacity of Labour Ministries throughout the Americas to create national work environments that are built on freedom, equality, dignity and safety. Canada is leading the way in this regard. Canada has played the lead role in creating and funding the Inter-American Network for Labour Administration (RIAL by its Spanish acronym). The RIAL is the mechanism for cooperation and technical assistance within the IACML. It was created by the various Ministries of Labour in the Americas to reinforce their institutional and human capacities through an integrated mechanism for dissemination of knowledge and experience.

The labour administrations in the region are exposed to great challenges when facing economic and social transformation brought on by globalization. These same Labour Ministries need to modernize and strengthen their managerial capacities to improve the functioning of labour markets, guarantee suitable training, strengthen the enforcement of labour law and intensify tripartite social dialogue between government, business and worker.

The RIAL was created to address these challenges, with the understanding that technical assistance plays a key role in the institutional strengthening of the Ministries of Labour. In the past 12 months, the RIAL has sponsored 9 technical cooperation projects, mainly involving smaller countries in Latin-America and the Caribbean.

2. Decent Work

The concept of decent work and the Decent Work Agenda (DWA) was first enunciated by the Director-General of the ILO, Juan Somavia, in 1999. Today, the DWA is central to the ILO mission. As stated by the Director-General of the ILO:

The primary goal of the ILO today is to promote opportunities for women and men to obtain decent and productive work, in conditions of freedom, equity, security and human dignity. ...

Director-General Somavia elaborated on the concept of decent work in his 2001 *Report of the Director-General: Reducing the decent work deficit – a global challenge*. In this 2001 report, the Director General characterized “decent work” in the following terms:

The goal of decent work is best expressed through the eyes of people. It is about your job and future prospects; about your working conditions; about balancing work and family life, putting your kids through school or getting them out of child labour. It is about gender equality, equal recognition, and enabling women to make choices and take control of their lives. It is about your personal abilities to compete in the marketplace, keep up with new technological skills and remain healthy. It is about developing your entrepreneurial skills, about receiving a fair share of the wealth that you have helped to create and not being discriminated against; it is about having a voice in your workplace and your community. In the most extreme situations it is about moving from subsistence to existence. For many, it is the primary route out of poverty. For many more, it is about realizing personal aspirations in their daily existence and about solidarity with others. And everywhere, and for everybody, decent work is about securing human dignity.

The DWA and the concept of decent work have been transported to the Americas. At the IV Summit of the Americas held in Argentina in 2005, the Heads of State and Government of the Americas signed a political declaration and an ambitious Action Plan for promoting decent work, stating that this was a way to decisively combat poverty, inequality and hunger. The lack of decent work, it was acknowledged, translates into high rates of social exclusion. In 2005, more than 210 million people in Latin America had an income below the poverty line. During the first years of this century, the wealthiest 10% of the population received one-third of the total income, while the poorest 10% received less than two percent.

What is the Hemispheric Agenda to promote Decent Work?

The Hemispheric Agenda is a strategy of inter-related policies combining economic, legal, institutional and labour market actions all aimed at promoting decent work in the Americas. Achieving the objectives of the hemispheric agenda to promote decent work requires the implementation of policies in four fundamental areas:

(1) Economic Growth Promotes greater Employment Opportunities

Built into the Hemispheric Agenda is recognition of the fact that a strong economic order is foundational to success on the social front. Simply put, economic growth is essential to attaining better results in the labour market – better results in the form of reducing unemployment through the creation of productive jobs.

The CEC has steadfastly taken the position, along with other employer organizations throughout the Americas, that the DWA in the Americas should include the following economic approach:

- a focus on promoting entrepreneurship;
- addressing the needs of micro and small enterprises, in recognition of the fact that they are key engines of employment growth; and
- improving productivity through enhanced education and skills training.

This economic focus, effectively advanced by the national employer organizations, has attained general acceptance within the IACML process.

(2) Respect for Fundamental Principles and Rights at Work

The second prong of the Hemispheric Agenda to promote decent work is drawn from the ILO's 1998 Fundamental Declaration. The Fundamental Declaration is aimed at eradicating the worst forms of abuse from the workplaces of the world including forced child labour.

Under the Hemispheric Agenda, the targets have been set to eliminate the worst forms of child labour by 2015 and to eliminate all child labour by 2020; and to reduce the number of workers engaged in forced labour by up to 35% by the year 2015.

(3) Social Protections

Promoting adequate access to social security is an important element of the Hemispheric Agenda. "Social Security" is manifest in a variety of different formal and informal ways, such as:

- social insurance systems;
- investment in workplace safety; and
- investment in training and improving workers' marketable skills.

The third prong of the Hemispheric Agenda remains in an embryonic state in the sense that objectives and priorities have been identified without the formulation, to date at least, of a concrete action plan. The objective, however, is to expand and enhance the various models of social protection for workers by 20% within a decade. To achieve this goal, it has been decided that the following types of policies need to be implemented:

- identification of the most effective social protection mechanism, taking into account the diversity of the labour market and particular characteristics of each national population;
- institution-building to optimize management of social protection; and
- promotion of social dialogue to develop participatory processes for social security reform.

(4) Effective Social Dialogue

In addition to strengthening the capacity of labour ministries throughout the continent, the Hemispheric Agenda also promotes stronger, more effective dialogue between the social actors – employers and worker organizations – and national governments.

In this letter to the Honourable Jean-Pierre Blackburn, Federal Minister of Labour, dated March 29, 2007, the Chair of the Canadian Employers Council, Mr. Steve Bedard, stated:

Please accept this letter as the express support of the Canadian Employers Council ("CEC") for the ratification by the Canadian government of *The Tripartite Consultation (International Labour Standards) Convention, 1976 (No. 144)* of the International Labour Organization.

The CEC has long been a proponent of meaningful dialogue with all relevant stakeholders in the development of both domestic and international labour policy. A review of Canadian labour policy through the twentieth century demonstrates that social dialogue and tripartite decision-making, which involves substantive contributions from government, worker representatives and employer representatives, has resulted in sound labour policy. Tripartism is directly responsible for Canada's effective, cooperative and widely-envied industrial relations environment. ...

So, the fourth, and final, prong of the Hemispheric Agenda is essentially the application of ILO Convention 144 to the Americas.

Conclusion

And, so, the landscape in the Americas has shifted from one dominated by the drive to create the largest free trade zone in the world (FTAA) to one dominated by an ambitious program to address the serious social / environmental issues present in many corners of our continent, coupled with a very active agenda of bilateral trade negotiations.

If you would like more information about the XVth IACML, including copies of the Declaration and Plan of Action, please contact Steve Bedard at steve.bedard@telus.com or Brian Burkett at bburkett@heenan.ca.

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The Canadian Employers Council (CEC) prepares and distributes the CEC Bulletin for its members' individual use only. This message is composed in MS Outlook and contains hyperlinks that require an HTML-enabled email program. For inquiries or comments, please contact Steve Bedard of TELUS, Chair of the CEC, at steve.bedard@telus.com or Brian Burkett of Heenan Blaikie, Counsel to the CEC, at bburkett@heenan.ca.
