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**Current Labor Conditions in the Hemisphere:  
Existing Challenges from the Perspective of CARICOM  
(Document submitted by Neville Edwards)**

## **Current Labor Conditions in the Hemisphere: Existing Challenges from the Perspective of CARICOM**

### **The Current Situation**

Labor conditions in the Caribbean have come a long way since the turbulent period of industrial unrest of the 1930's. One of the most significant achievements arising out of these social upheavals was the emergence of a vibrant and dynamic trade union movement to protect the rights of the masses from unfair dismissal, unhealthy working conditions and exploitation from unscrupulous employers. Trade Unions in the region now operate in an industrial relations climate characterized by the principle of voluntarism, a tradition that encourages trade unions and employers to regulate their own relations without interference from public authorities. However, while some countries have accepted this principle of voluntarism in the collective bargaining process, others have taken the route of introducing legislation and institutions to support the process of collective bargaining.

### **Regional Commitment**

The Caribbean Community (CARICOM) as a region, remains fiercely committed to the related concepts of good labor conditions and decent work. A tangible example of this commitment is the adherence to the ILO Declaration on Fundamental Principles and Rights at Work, which promotes Labor principles such as:

The right to freedom of association;

The right to collective bargaining;

The elimination of discrimination in respect of employment and occupation; and

The effective abolition of child labor.

The ratification of the eight core Conventions by most Member States of CARICOM is a clear signal of their desire to improve the labor conditions of workers throughout the entire region. The Caribbean has an outstanding record of ratification and observance of the fundamental ILO standards.

### **A Regional Approach to Labor/Management Relations**

A key factor in the drive to achieve good labor/management relations has been the rapid development of the Social Partnership concept throughout the region. The concept of social dialogue leading to partnership agreements at the enterprise, sectoral and national levels is emerging as an important development and trend throughout the Caribbean. This approach basically promotes active consultation and co-operation at the industrial and national levels. Consultation between workers' and employers' organizations is now widely regarded as a crucial step in fostering mutual understanding and good relations as well as finding mutually acceptable solutions to socio-economic problems.

CARICOM recognizes that the promotion of social justice can only be achieved if the social partners themselves are involved in the search for solutions through tripartite negotiations and social dialogue.

We are aware that the promotion of Labor/management relations does provide a framework for solid economic growth and development and a stable industrial relations climate, which are prerequisites for encouraging foreign investors. To date, there are a number of regional initiatives that are contributing to the attainment of this goal. Some of these are:

- Council for Human and Social Development (COHSOD);
- Promotion of Management-Labor Corporation (PROMALCO);
- Caribbean Congress of Labor (C.C.L.);
- Caribbean Employers Confederation (C.E.C).

#### Council for Human and Social Development (COHSOD)

This entity came into being in 1997 and stresses on an inter-sectoral approach to social sector development in the region. This approach effectively consists of the formation of linkages of key social sectors such as Education, Health, Labor and Culture. One of the primary responsibilities of the COHSOD is the promotion and development of co-ordinated policies and programmes to improve the living and working conditions of the Labor forces of the region. COHSOD further pledges to take appropriate measures to facilitate the development of harmonious Labor and industrial relations in the community and consequently, can be identified as a primary entity in the effort to attain satisfactory Labor conditions throughout the region.

#### Promotion of Management-Labor Co-operation (PROMALCO)

An inescapable variable in the strive towards favorable Labor conditions in the Caribbean is the need for a structured, organized and mutually beneficial relationship between workers and employers. The initiative that best exemplifies this relationship in the Caribbean is the Promotion of Management-Labor Cooperation or PROMALCO. This is a program that was developed by the International Labor Organization through its Caribbean Office. PROMALCO has as its objective the facilitation of improved co-operation and collaboration between management and workers, a critical factor for the improvement of productivity, efficiency, effectiveness and competitiveness of Caribbean enterprises, in the face of international developments such as Globalization and Trade Liberalization.

PROMALCO is seen as an important contributor to change in management – Labor relations in the Caribbean. Governments, employers and workers, as social partners in the region, have recognized the need for change and are willing to embrace such change. PROMALCO is engaged in the process of culture change, from adversarialism and conflict to collaboration and co-operation, in a diverse and complex sub-region facing particularly challenging times. Furthermore, it is envisaged that PROMALCO will make a fundamental contribution towards the objectives of decent work, respect for workers rights and the optimal usage of the region's human resources.

#### Caribbean Congress of Labor

The Caribbean Congress of Labor (C.C.L) is a body of trade unions in the English and Dutch speaking Caribbean countries, representing over 500,000 members throughout the region. This organization represents trade union concerns at the level of the Caribbean Community, presenting the views of organized labor to the Annual Conference of the Heads of Government of the Community.

One of the major focuses of the C.C.L is the achievement of the economic and social aspirations of the workers of the Caribbean region. The C.C.L also focuses on the maintenance of a regional clearing house of information and research on the problems of trade unions, wages and working conditions, labor legislation and collective bargaining. It is envisaged that with the advent of international economic developments such as globalization and trade liberalization, this entity will have a major role to play in the protection of the rights of workers throughout the region.

#### Caribbean Employers Confederation

The Caribbean Employers' Confederation is a regional grouping of employers' organizations dedicated to the development of good industrial relations practices at both the enterprise and macro levels. Members of the Confederation deal with matters arising out of relations between employers and their workers in every industry in both the private and public sector. The organization is committed to the improvement of productivity levels for the region as a whole. Some of its primary objectives include:

- Promotion of the interests of Employers in the Caribbean in all matters affecting their relations with their workplace and other social partners;
- Collection, analysis and dissemination of information on labor conditions for the benefit of the organization's members.
- CEC is internationally recognized and accepted as the representative of regional employers on labor and social issues. Linkages have been formed with regional and extra-regional organizations.

The CEC and the CCL work in tandem with each other, as both entities recognize that co-operation could lead to the stability of the industrial relations climate and the solving of critical labor issues pertaining to wages and unsatisfactory working conditions. As an example of such collaboration, the CEC and CCL were able to secure European Union Funds for the execution of a bi-lateral joint project, "The Promotion of Social Dialogue in the Wider Caribbean" which was completed recently and is now regarded as an example for other ACP regions. These two agencies have also been involved in the PROMALCO programme which is funded by the US DOL.

#### EXISTING CHALLENGES

The Governments of the CARICOM region recognize that there are critical challenges to be overcome if sustained economic and social development is to be accomplished during the integration process. Some of the more pressing challenges have been identified and corresponding solutions to them are being formulated.

#### Child Labor

The Caribbean is taking active measures to address the problem of child labor. To date, the majority of CARICOM territories have ratified the ILO Worst Forms of Child Labor Convention (182). In 2002, at an ILO sub-regional tripartite meeting, Governments pledged to build an awareness of child labor through the development of structured public sensitization sessions. Additionally, Governments

also pledged to pursue legislative reforms that were consistent with Conventions 182 and 138 on Minimum Age for Admission to Employment.

Rapid assessment studies were conducted in selected territories in collaboration with the ILO to provide policy and decision makers with an overview of the existing child labor situation. These surveys were deliberately designed to obtain qualitative information at the micro-level within a short space of time. These surveys would further serve as the cornerstone for the conduct of more scientific, in-depth studies which would provide information for the design of policies and plans of action to combat child labor throughout the region.

Follow-up intervention programmes would be carried out in the region in the near future. Plans are also being made to conduct a regional workshop to discuss varying approaches and strategies to combat the child labor problem.

#### The Informal Sector

Developing economies such as those in the CARICOM region are characterized by large informal economies. This represents an uncounted and therefore unprotected group of workers in these countries.

The challenge being faced therefore is protection of these workers during the process of integration. This would require research to determine the size and characteristics of this grouping in order to develop the most appropriate strategies for their protection.

#### The Threat of HIV/AIDS in the Caribbean

Undoubtedly one of the most severe threats to the Caribbean region is the pandemic of HIV/AIDS. With a prevalence rate of 2.4%, the Caribbean is confronted with the frightening reality that HIV/AIDS is threatening its political, economic, and social sustainability.

One of the major programmes pursued by countries in the region is the ILO-sponsored Caribbean programme on HIV/AIDS. Under this programme, 13 CARICOM countries met in tripartite delegations in Barbados 2002 and adopted the Platform for Action for HIV/AIDS and the World of Work in the Caribbean.

From the Platform of Action, Caribbean Governments, employers and workers' organizations have pledged and are taking the following actions in the fight against the HIV/AIDS pandemic:

- Raise national awareness, particularly of the world of work, involving other appropriate and concerned groups, to eliminate stigma and discrimination attached to HIV/AIDS, to fight the culture of denial and thereby prevent the spread of HIV/AIDS;
- Strengthen the capacity of the social partners to address the Pandemic;
- Strengthen occupational safety and health systems to protect groups at risk;
- Formulate and implement social and labor policies and programmes that mitigate the effects of AIDS;
- Effectively mobilize resources;

- Advocate and liaise with CARICOM for the establishment of a regional tripartite committee on HIV/AIDS and the Workplace;
- Lobby respective governments and employers' and workers' organizations at regional level – Caribbean Employers' Confederation (CEC), Caribbean Congress of Labor (CCL) and Caribbean Community (CARICOM) to ensure support for this Platform for Action and to meet to plan action; and
- Exchange best practices and relevant information among member states.

Caribbean Governments are appreciative of the efforts of multinational organizations such as the United Nations and the World Bank in the fight against this pandemic.

#### Integration: Free Trade Agreement of the Americas and CARICOM Single Market and Economy

Two economic agreements which are to take effect in 2005 are presenting the social partners of CARICOM countries with labor market challenges for which solutions are being sought.

The CARICOM Single Market and Economy (CSME) is an agreement among the CARICOM partners that deepens the existing free trade area within the community. The CSME will allow the free movement of CARICOM goods, services, workers and capital throughout the region.

The Free Trade Agreement of the Americas (FTAA) is a wider hemispheric free trade agreement of which we are all aware.

Both arrangements involve the opening of domestic and outside markets to promote free trade on a reciprocal basis and will inherently present threats and challenges as well as opportunities for the work forces of the CARICOM states.

Trade Unions, Employers and Governments of these countries would be working together to manage these threats and maximize the opportunities in order to reduce the negative impact on our economies and ensure that the integration process is a beneficial one for the countries of the CARICOM region.

#### Response to the Challenges: Modernization of Ministries of Labor.

The modernization of Ministries of Labor is critical if CARICOM countries are to efficiently manage the labor impacts of the integration process. This involves

- (i) Legislative Reform-
  - To harmonize legislation in preparation for the CSME in categories such as Occupational Safety and Health, Termination of Employment, Basic Conditions of Work and Social Security
  - To facilitate the application of the provisions of the Declaration on Fundamental Principles as well as decent work to ensure that workers are afforded certain basic rights at work during the integration process.
- (ii) Capacity Building

- Human Resource-ensuring that the size and skill base of the staff of Ministries of Labor (especially in the area of inspection) are adequate to address the challenges.
- Technology- the upgrade of technology is critical to maintaining competitiveness.
- Physical Infrastructure- Ministries need to be equipped with proper equipment and other physical infrastructure in order to properly fulfill their changing roles.

## CONCLUSION

The Caribbean recognizes that in a changing global environment, the labor factor will be subjected to an unprecedented number of challenges which will require the flexibility and adaptability in the face of international trends and developments such as increasing competition and the unrestricted movement of capital, goods and labor. These developments are further compounded by threats such as HIV/AIDS, outdated legislation and insufficient resources to provide safe working conditions for every worker in the region.

In the face of such problems, it is becoming critical that long-term achievable objectives (such as decent work, the creation of employment opportunities and tripartite consultations) be set and strategies to realize these objectives formulated. These objectives can no longer be set by Governments alone, but by tripartite arrangements amongst government, management and labor. Employers and Trade Unions must also work together to identify mutually acceptable ways of achieving international labor standards and improving competitiveness at the enterprise level.

In addition, Caribbean Governments have recognized that the enhanced labor conditions lead to improved productivity, enhanced enterprise performance and increased competitiveness which ultimately contribute to the region's economic and social development. To this end Governments have commenced a process of international accreditation of its labor force to ensure that it has a cadre of trained, flexible, multi-skilled and informed workers to meet the challenges of integration and extra-regional free movement of labor.

Finally it can be stated that prospects for improving labor conditions in the region are promising. Efforts are underway to deal with the challenges facing the CARICOM countries. It is envisioned that continued collaboration between the countries and between the social partners of the region as well as the strengthening of the relationship with international bodies such as the ILO and the OAS will ensure that the Labor issues of integration are addressed in a manner that will redound to the