Third United Nations Conference on the Least Developed Countries (LDC III)

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ILO DELIVERABLES

Social dialogue

Decent Work and Poverty Reduction:
Social Dialogue and Employment Promotion in National Poverty Reduction Strategies

Coverage: Selected LDCs

Executing Agency: International Labour Office (ILO)

Agency: national social partners

Brief summary: Access to employment is the main route for most people to escape poverty. The overall goal of this proposal will be to ensure that employment and the Decent Work agenda are integrated into national poverty reduction strategies of participating countries. At the same time, the design and implementation of such national poverty reduction strategies should be carried out in a participatory fashion, involving in all stages Ministries of Labour as well as social partners to ensure ownership, accountability and sustainable results. This calls for social dialogue and a strengthening of the social partners and Ministries of Labour.

Budget: US$ 1,500,000 per participating LDC
Rationale

LDCs and their development partners have come to recognize that effective strategies for poverty reduction must have a solid foundation in the national political process. Even more important than the technical quality of particular programmes and projects is the commitment of government and society as a whole to a medium term comprehensive framework of well-targeted actions. Maintaining commitment over several years and overcoming the considerable challenges involved requires a broad-based national ownership that extends from the highest levels of government, through the various ministries involved to the key social actors of civil society, and the communities of the poor. Ownership is built through participation, discussion, and, wherever possible the sharing of responsibilities for commonly agreed goals and strategies. The quality of the process of constructing a national strategy for poverty reduction is thus a vital element in its eventual success.

In this context, each country will have to work out its own systems for participation and consultation on goals, the definition of priorities, implementation and monitoring of progress. Nevertheless, international agencies can provide support. The ILO is the only multilateral organization in which countries are represented by employer and trade union delegates as well as by government. As such it has a special responsibility to make full use of this unique connection between national institutions of representation and the international policy debate to promote the full involvement of the social partners in the elaboration and implementation of poverty reduction strategies.

Access to employment is the main route for most people to escape poverty. Sustainable development built on steady improvement in the quantity and quality of work opportunities is thus a vital underpinning of strategies for poverty reduction. The ILO’s particular contribution to sustainable development is the perspective of the world of work its tripartite constituency brings to the discussion of practical measures that enable women and men to earn a decent living. However this perspective is rarely adequately included in Poverty Reduction Strategy Papers. Remedy this weakness in the policy-making process requires a renewed effort to enlarge the capacity of the social partners in the least developed countries to represent and articulate the fears and aspirations of workers and employers, particularly the most disadvantaged. It also requires a reinforcement of the capacity of government, principally labour ministries, to respond to these concerns by supporting and extending the framework of institutions in and around the labour market, which enable women and men to work productively and remuneratively in conditions of respect and dignity. This is the quintessence of social dialogue.

Deliverable

The ILO has a long experience of working with the governments, employers’ organizations and trade unions of the least developed countries. LDC III creates a platform to renew its efforts to promote social dialogue and to strengthen the capacity and relevance of workers and employers organizations in a new environment more conducive to the recognition of the value of broad-based ownership and participation in national development strategies. The Decent Work agenda, built on the four pillars of employment promotion, social protection, labour standards and social dialogue is a development instrument that can integrate the expertise of the ILO with that of other agencies in support of national programmes. The primary function of the ILO is thus as a catalyst for the work of its national constituents who are amongst the main actors in civil society and the national development process.

The tripartite framework based on the world of work can also engage with a wider range of other representative organizations of civil society. The essential ingredient, however, in all successful systems of social dialogue is respect for the independence of the parties founded on the application of freedom of association and the right to organize and bargain collectively. These fundamental principles and rights at work enable working women and men, including the poorest, and employers, including micro and small businesses, to voice their fears and aspirations. In many countries, basic human rights at work are not fully
respected and much needs to be done to realize these rights in practice, for example in the rural and urban informal sectors where most of the world’s poorest struggle to survive.

Capacity building therefore should start from the bottom up in the communities of the poor, but must extend to ensure that workers and employers’ organizations are able to participate in strategic decision making at national level and in the dialogue between governments and their international development partners. Their effective participation is crucial for the success of any strategy and initiative aimed at poverty reduction.

The ILO will systematically approach the social partners and labour ministries of the least developed countries to discuss how it can help enlarge their capacity to build a Decent Work agenda into poverty reduction strategies. Beginning in those countries where it already has conducted promotional activities on social dialogue, the ILO will work individually with the social partners and labour ministries and also seek to encourage joint activities aimed at achieving consensus on common actions.

From its continuing discussions with the social partners and labour ministries, the ILO is well aware of the sorts of issues likely to be raised in discussions on capacity building. These include:

- Extending the rights of rural and urban workers to form and join organizations of their own choosing;
- Developing new organizing strategies for workers in informal sectors characterized by the absence of effective systems of contract enforcement and social protection;
- Strengthening of associations of micro and small businesses, especially amongst women entrepreneurs;
- Developing services to micro and small businesses, e.g. training in accountancy, improved systems of work organization, human resource management, marketing;
- Establishing co-operatives and other forms of self-help organization;
- Organizing women workers and youth;
- Improving systems for dues collection and financial bookkeeping;
- Office equipment and training in the use of new information and communication technologies;
- Leadership training, including in the economics of development;
- Reinforcing the ability of the social partners to analyse economic and social developments and make proposals to government;
- Establishing systems for tripartite social dialogue;
- Reviewing labour laws and systems of labour administration;
- Improving systems for the prevention of occupational hazards;
- Addressing the problems posed by the HIV/AIDS pandemic and developing workplace systems for awareness raising and prevention, and overcoming discrimination against HIV positive workers.

The challenges facing the social partners and governments in the least developed countries in defining and implementing a Decent Work agenda for poverty reduction are immense. The ILO’s main emphasis will be on assisting the social partners and public institutions to devise their own short to medium term strategies for capacity building.

This will imply choosing and sequencing priorities with the goal of ensuring the sustainability of social organizations in and around the labour market. Specific projects at the national and local level should thus form part of an integrated approach to ensuring that the voices of the poor are heard and taken fully into account in development planning.

An important element of self-reliance is the establishment of networks of support between local level organizations, national bodies and their counterparts in other least developed countries in their region. Such regional or sub-regional networks are particularly important in Africa.
The UN Millennium Summit agreed a number of development goals including the halving of the share of the world’s population living on $1 a day or less by 2015. Such targets are proving to be important mechanisms for the mobilization of political support for poverty reduction worldwide. Many least developed countries will also wish to set similar targets for their own development plans. Wherever possible, decisions on goals and the actions needed to achieve them should be based on a broad based consensus across society.

**Operationalization**

Employers’ organizations and trade unions are key players in the process of social mobilization for poverty reduction and essential to the creation of the Decent Work opportunities needed to cut the incidence of extreme poverty substantially over the next decade and beyond. The ILO will over its support to countries wishing to use the processes of social dialogue to bring together the voluntary and state institutions of the world of work with others to make the concepts of ownership and participation meaningful and effective.

The ILO will provide the technical and policy support to strengthen the respective roles of its tripartite partners in the national PRSP process to enable them to maximize the influence of the Decent Work concepts in the formulation and implementation of national poverty reduction strategies. The ILO is already piloting this approach in a number of PRSP countries; however a more focused and intense effort is needed in order to strengthen and expand the effort to all LDCs where PRSPs are being developed, and to draw and replicate lessons from experience.

This will require an intensification of efforts to strengthen and build up the capacity of the tripartite partners to exercise their roles in developing the decent work priorities as primary poverty reduction priorities within the national context. This would be provide through:

1. Analytical support and training on the issues, choices, priorities, and linkages to other sectors and issues such as trade, education, health, environment, governance, infrastructure development, private sector development, etc.
2. Encouraging and helping to organize dialogue and discussion of the issues both between these groups and within the broader national participatory context in order to achieve consensus.
3. Encourage their participation and contribution to the formulation and implementation of practical programmes and activities in the implementation stage of the PRSP.

This will also strengthen their effective role in the development of indicators and the monitoring of outcomes. Finally, an analysis and evaluation of activities and results would form the basis for replication and expansion of the process to the broadest range of eligible countries.

**Specific actions targeting Employers’ organizations**

To fully obtain the objectives above described, a series of specific activities will be undertaken targeting Employers’ Organizations:

1. **Audit** of employers organizations on their capacity to become an actor in the process (propose, represent, negotiate, accompany) and the elaboration of a business plan
2. Actions on advocacy, research and training on priority areas such as techniques of social dialogue, human resources, informal sector, foreign direct investment/trade and employment, productivity, SME, HIV/AIDS in the workplace
3. Provision of the office equipment when and where required
4. Setting-up of a network of employers organizations between countries to promote, using modern technology, the exchange of information and experience in different areas.
Specific actions targeting Workers’ organizations

Workers’ organizations can play an important role in national poverty reduction strategies. To promote and strengthen their role, it is necessary to enhance their skills and competencies through capacity building programmes. The specific activities for Workers’ organizations should be focused on:

1. Establishment and strengthening of workers’ education infrastructures to strengthen democratic and representative trade unions
2. Strengthening the capacities of workers’ cooperatives, rural workers and youth to organize, establish educational programmes and provide economic and social services
3. Trade union action programmes incorporating the interest of informal sector workers and the provision of services in areas of education, legal assistance, self help schemes and social protection
4. Adoption of new communication technologies in adult education and the improvement of access to information and new technologies
5. Training on economic policy, industrial relations and working conditions adapted to the new situation arising from structural adjustment, privatization and the process of globalization
6. Improve the involvement of women workers and mainstreaming gender and equality concerns
7. Development of trade union structures and courses on international labour standards as well as the promotion of the Declaration of Fundamental Principles and Rights at Work.