Asian Regional Workers’ Seminar on Decent Work in Agriculture
Bangkok, Thailand, 18-21 August 2003
(Siam City Hotel, Kamolmart Room)

REPORT OF THE SEMINAR
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Conclusions

1. **Transparency**
The characteristics of workers engaged in the agricultural sector are complex. Government statistics mobilised from the field lack clear representation of the predicament of workers in all types of employment in the agricultural sector. It is therefore important that statistical information on employment, characteristics and quality of employment, terms and conditions of employment, occupational safety and health, and social security be mobilised. This will facilitate the effective and meaningful planning of economic and social development projects and programmes with adequate resources through appropriate delivery institutions in the sector. Further evaluation of the implementation of these projects and programmes specific to target groups can be objectively carried out. It is important that data and information on agricultural workers be made accessible to workers’ organisations involved in the improvement of quality of life of agricultural workers.

2. **Rural workers’ organisations**
It is recognised that approximately 80 per cent of rural workers are engaged under precarious conditions of employment in the informal sector. The establishment of organisations to suit the volatile conditions of employment in which they are engaged is difficult because of the casual nature of employment and their status as self-employed workers or workers with a contract for services rather than a contract of service. Current legislation facilitates the establishment of cooperative societies, welfare societies, and trade unions. Trade unions however are confined to workers with a contract of service while organising casual workers and contract workers poses formidable obstacles especially due to the precarious conditions of the workers who are from landless workers, migrant workers, legal and illegal immigrant workers, and bonded labour. The current legislation therefore needs to be evaluated and amended as required to facilitate the organising of unorganised workers so that they can represent themselves in negotiations with rural employers and government.

3. **Industrial relations**
Trade unions represent workers in industrial agriculture, namely plantations and agricultural produce processing industries. Membership is confined to workers who have contractual service and contract for services provided always that they are engaged in an employer-employee relationship. Trade union legislation need review to enable a wider scope for organising workers in the informal sector and under precarious conditions of employment.
Industrial relations is governed by legislation in all countries. However, industrial relations is meaningful if disputes and grievances can be resolved in an expedient manner. Experiences have shown that justice is denied to agricultural workers because of delays in the judicial process. There is also the presence of bureaucratic formalities which frustrates the functions of trade unions, for example, the recognition process in the Industrial Relations Act in Malaysia. While it is recognised that industrial relations through procedures in legislation is necessary, it is important that such legislation does not act as a deterrent to healthy trade union functions in collective bargaining and settlement of grievances.

4. **Minimum wage**

The provisions for establishment of minimum wages for rural workers exist through formal procedures in most countries. In some countries the minimum wage is below the living wage and is approximately close to the subsistence wage. However, the enforcement of minimum wages has been poor due to various factors. The labour surplus situation in the rural areas also creates the situation where workers compete for employment and accept wages below the minimum wage level. Trade unions in the plantations are also caught in this predicament and negotiations usually end at wage levels close to the minimum wage. The minimum wage thus becomes the maximum.

5. **Occupational safety and health**

Although this is a major issue of concern, many nations do not have appropriate legislation for agricultural workers and enforcement machineries to implement them. The prevalence of a high casual employment has rendered this an issue of concern to the lower ranks of priority. Specific hazards related to occupations, e.g., pesticides and chemical fertilisers are highlighted from time to time but the risk is absorbed by workers who compete for employment in a labour surplus situation in the rural areas. There is lack of information on the hazards at work and risks involved. Employers casualise hazardous employment through contractors for labour services. The government must therefore take steps to legislate occupational safety and health standards for the agricultural sector. It must ensure the following:

- Legislation must be comprehensive to cater for specific risks in occupations in plantation and non-plantation agriculture
- Self-regulation to enforce occupational safety and health standards must be in place through safety committees at the workplace comprising of worker and employer representatives in industrial agriculture and government must ensure that occupational safety and health standards are implemented and supervised at workplaces which engages labour from the informal sector
- A dynamic research and development programme to monitor existing occupational safety and health risks and develop solutions for implementation at the grassroots level
- Government must establish a special occupational safety and health monitoring system through the national medical and health care services
- The government must allocate resources for disseminating information on occupational safety and health through the media and through workshops and seminars organised by trade unions, workers’ organisations and employers
The government must ensure that pesticides, herbicides, fungicides, chemical fertilisers and tools and machineries used for work in agriculture are safe to work with without undue risk to the safety and health of the workers and the environment.

6. Women workers
Women workers constitute approximately half the labour force in the rural sector. In addition, they are important in domestic labour and as helpers to workers in the employment market and their contribution is not adequately reflected in the statistics of the overall economy. The predicament of women workers is severe especially under precarious conditions of employment. Affirmative action by the government is necessary to eliminate all forms of discrimination against women. Women must have equal access to resources and an equal opportunity in employment without discrimination in terms and conditions of employment. There is also a need for increased participation of women in trade unions and rural workers’ organisations. Specific issues such as sexual harassment must be addressed through appropriate legislation.

7. Child labour
The incidence of child labour is a reflection of the poverty in the rural areas. There is a high incidence of child labour in South Asian countries especially in occupations in agriculture as part of household labour or as helpers to workers in the employment market. They are not represented by trade unions as they do not qualify to become members of a union because of their age. This means that issues concerning child labour require government intervention with adequate resources in the field of education and vocational training sensitive to demand for labour in the labour market. Governments must ensure that there is income security for poor parents to enable to send their children to school and prevent them from resorting to work at a young age.

8. Payment systems
Payment systems in agriculture are mainly based on payment by results, especially in industrial agriculture. This contributes to the low levels and fluctuating incomes of agricultural workers. Collective agreements for plantation workers also provide for similar systems of payment. The current systems do not recognise guaranteed income security for workers as employers desire to maximise on the low opportunity cost of labour and flexibilities to cope with fluctuating prices of produce and opportunity days of work. Some collective agreements for plantation workers provide for basic income security through a guaranteed minimum monthly wage which acts as a safety net and consideration for the contract of service subsisting between the employer and the employee. It is important that payment systems be reformed in an equitable manner through productivity linked or productivity gain sharing models of payment systems provided always that employers are transparent with information to enable equitable collective bargaining to be implemented. It is important that agricultural workers have basic income security, incentive payments for productivity and a share of the prosperity of the enterprise.
In the informal sector the government must intervene through legislation and regulations to provide both employment security and minimum living wages for agricultural workers.

9. **Social security**

Formal social security through legislation covers workers in the formal employment sector. Approximately 80 per cent of rural workers are outside the social security safety net. It is obvious that agricultural workers who are migrant workers, casual workers and in some cases contract workers, do not have any form of social security. Existing social security for agricultural workers is through various legislation, Trust Funds, and provisions for social security in the collective agreements. It is important that a comprehensive social security safety net is provided for agricultural workers through tripartite contribution system to provide for the following:

- Health care – life long health insurance
- Home ownership loan facilities
- Loan facilities for tertiary education of workers’ children
- Contingent liabilities arising out of occupational diseases and risks
- Lump sum payment on retirement
- Life long pension including invalidity and survivors pension
- Special assistance for handicapped children of workers
- Maternity benefits
- Sick leave benefits
- Termination and lay-off benefits
- Human resource development and education – infant and child care facilities, pre-school and primary school education and vocational education.

The initiative and involvement of the government with adequate resources is crucial for the implementation of a comprehensive social security system for unorganised workers.

10. **Home ownership**

Home ownership is an important issue of concern for agricultural workers. Many agricultural workers are bonded to their employers in plantations and other agricultural enterprises because of their dependence on the shelter provided by the employer. The government must therefore, through tripartite consultations, develop a strategic plan which must provide for the following:

- Formulate a policy for home ownership for agricultural workers in plantations and rural areas
- Identify the need of agricultural workers in a home ownership programme specific to target groups
- Examine the potential for the implementation of the home ownership programme for agricultural workers in specific areas based on the needs identified
- Examine the scope for funding the recommended policy and projects for implementation through low cost development finance; and
- Propose time frames for the completion of projects for target groups in the implementation of such policies
- Evaluation of projects upon completion.
11. **Legislation**  
Legislation governing labour standards and industrial relations relevant for agricultural workers has evolved over a long period of time. All colonies which became independent inherited colonial policies contained in legislation and continued with such legislation with little or no change. There is therefore a need to review all labour legislation to update it consistent with national aspirations and ILO Conventions and Recommendations so that agricultural workers do not continue to be isolated from the mainstream of economic and social development in the nation. A tripartite comprehensive review is necessary so that industrial relations can be effective and equitable in the context of economic and social development in the nation. The views of the stakeholders in the economy, namely the employers, the trade unions, and the government must be taken into account when amendments are introduced to ensure that equity, national interest and good conscience prevails.

12. **Collective action**  
Existing rural workers’ organisations such as cooperatives, trade unions and non-governmental organisations have initiated collective action projects and programmes to improve the quality of life of agricultural workers. All these organisations address issues of concern specific to target groups and endeavour through their collective strength and solidarity to implement projects which will improve the quality of life of rural workers. It is important that these organisations effectively address issues concerning human resource development especially pre-school, primary school, secondary school and vocational and tertiary education through interventions with study loans, motivation programmes and vocational guidance. These organisations can also implement group insurance policies to cater for medical and health care, natural death and accidental death benefits so that the families of affected workers are not left as destitutes. Cooperatives in particular will have to be established to serve multi-purpose functions to cater for the needs of the rural workers as well as to serve as a united voice when representing their interest with the government. The government must support the collective action projects and programmes through being supportive of these projects and programmes and recognising the organisations that implement these projects.

13. **Anti-poverty programmes**  
All governments have through their National Economic Development Plans endeavoured to reduce the incidence of poverty in agriculture. However, the success is rather limited especially when huge sums of resources are consumed in the establishment and maintenance of a bureaucracy in the name of anti-poverty projects and programmes with the result that relatively less amounts reach the poor through meaningful projects. There is also political considerations when deploying projects amidst the poor which further limits the success of poverty eradication programmes. Poverty eradication projects and programmes should be sensitive to the needs of target groups and it must be implemented through viable delivery institutions which are people based. People friendly approach is urgently required to see meaningful implementation of anti-poverty programmes. Reduction of poverty will therefore depend upon empowerment of the target groups concerned to
build on their solidarity and become self-reliant to escape from the vicious cycle of poverty they are caught in.

The government must ensure that anti-poverty programmes focus on the following:

- Employment creation for agricultural workers
- Improve infrastructure to cater for basic needs such as roads, electricity, water supply and home ownership schemes of the rural population
- Empowerment of the rural population through human resource development programmes, better education, health and community development programmes
- Redistribution of land resources through land reform where possible
- Agricultural extension services such as micro-credit, marketing and technology must be distributed to the agrarian reform beneficiaries, small and medium scale farmers
- Establish small and medium scale agro-based industries for adding value to rural produce and support industries to create jobs
- Government must distribute food surplus under government control for “food for work” projects
- Micro-financing schemes should be accessible and not become high risk lending schemes with high interest rates
- Evaluation of projects must be done with the participation of the beneficiaries of projects at the grassroots level who must be provided with adequate and appropriate information so that they can participate effectively in the evaluation process

14. Social dialogue

All nations maintain that a social dialogue process is necessary for promoting national economic and social development. There are formal tripartite systems in place in the various ministries of the government and the offices of the constituencies of elected representatives in parliament, state assembly and provincial governments. However, these systems are not necessarily independent of party politics and it is therefore quite common to see that the social dialogue machineries do not function effectively because of the alienation of the opposition party supporters in the process of social dialogue. However, this process continues and as a consultative process it serves only to exchange information between the policy makers and the representative organisations at the forums. Although there is scepticism about the quality of participation in the existing framework between the social partners in society due to inequality in bargaining strength, there is nevertheless the effort to generate meaningful consultation rather than perpetuate a process to legitimise preconceived policies and decisions by government. All governments must ensure that social dialogue process is meaningful and effective through regular consultative meetings at the grassroots level, regional level, and national level, so that there is follow-up on issues discussed and action taken to ensure the credibility of the system of social dialogue and government.

15. Migrant labour

The phenomenon of migrant labour is important especially with regard to the determination of wages during peak demand for labour in agricultural operations. Migrant labour within the country, e.g. between states in India, are a vulnerable group, especially because of their temporary nature of employment and dependence on agents who are responsible for organising the work and travel for them for a fee
and protection. This situation has often made it impossible for trade unions to organise migrant workers because of their temporary nature of employment and dependence on their agents. Protection for the migrant workers through legislation must be considered so that the exploitation of migrant workers can be eliminated. It is also important that existing legislation to protect migrant labour be enforced effectively by the government.

16. Foreign labour
The presence of legal and illegal foreign labour in some countries in Asia has caused severe repercussions on the terms and conditions of employment of agricultural workers who are citizens of the country. For example, in Malaysia approximately half the labour force in the agricultural sector are immigrant workers from Indonesia, Philippines, Thailand, Cambodia, Vietnam, Myanmar, Bangladesh, and India, brought in through both legal and illegal means, to work in plantations and other related industries in the agricultural sector. Although legislation does not discriminate between foreign workers and local workers and foreign workers are free to join trade unions, the reality is that unfair labour practices such as retention of travel documents and work permits by employers prevent foreign labour from becoming members of unions for fear of punitive action by employers and deportation. Governments in labour exporting countries must ensure that workers who migrate to work in other countries are advised to become members of the union for the protection of the economic and social well being of immigrant worker concerned. Employment contracts for immigrant workers should not restrict trade union representation of immigrant workers.

17. Living conditions
Quarters: The provision of quarters by employers to agricultural workers is the means through which the primary bond between the employer and the worker is created. The importance of quarters to the worker is critical and therefore workers are subject to compulsory employment with the employer to occupy his quarters. The practice of using quarters to maintain captive the labour force in a plantation is clear in most plantation based economies in Asia. The standards of quarters do not comply with standards for a healthy family development with appropriate amenities of potable water supply in the quarters, toilet and bathing facilities, and separate rooms for privacy. The existing standards are archaic and must therefore be reviewed so that quarters designated for workers comply with standards for healthy family development.

Infant and child care facilities are provided by employers so that women with young children can work in the fields. This is an employer responsibility in plantations. The quality of infant and child care is merely custodial in nature where the children are cared for during the working hours of the parents with very little attention being paid to the healthy development of the child in the infant and child care centres. The government must ensure that employers provide quality infant and child care services in the agricultural industry so that the children can develop both physically and mentally.

Food cultivation opportunities are encouraged in plantations and rural areas so that workers have a source of healthy food supply through opportunities to grow food crops and/or engaging in livestock/poultry rearing. This opportunity is an
important food and income supplement to workers. However, employers limit the opportunities provided to workers due to scarcity of land within the employers’ enterprise. Although there is legislation in some countries governing the obligation of employers to provide this opportunity there is serious neglect in the supply of this opportunity to workers.

Deficits in standards of decent work is glaring in the agricultural, forestry and fishing sector. The main cause for this predicament lies in the characteristics of macroeconomic and social policies, employment opportunities and employer-employee relationships in this sector.

The labour market characteristics reveal that the labour surplus situation in most countries acts as a deterrent for implementation of decent work standards in agriculture. Population pressure, high unemployment, under employment and the desperate need for employment to provide the means for basic subsistence act in a combined manner to create the situation where compromises in standards of decent work is always present. Apart from these pressures, social and cultural factors also play a significant role in creating the current deplorable situation with regard to decent work standards.

Ownership of resources, especially land and capital is inequitable and this creates constraints for meaningful modernisation of the enterprises in this sector in order to increase productivity of land and labour without which wage income cannot be increased without risking competitiveness especially in costs of production. This phenomenon has become increasingly important especially with current trends in proposals for global free trade policies to be implemented. At the national level, small and medium scale farmers compete with large-scale industrial agricultural enterprises, e.g. plantations. Inherent efficiencies in large-scale production, which are also capital intensive with latest technologies, tend to gradually wipe out small and medium scale farmers. The consequences of these are that agricultural workers employed on small and medium scale farms are unable to obtain reasonable wages because of the economic predicament of the employers. The vicious cycle of poverty begins with low incomes, which leads to low levels of consumption, saving and investment and results in low productivity of land and labour.

Government policies on distribution of licences and concessions in this sector is also important especially in forestry and fishing. Liberal policies to distribute such concessions and licences to worker based cooperatives and other organisations can act as a catalyst to improve income distribution and promote decent work standards in this sector. However, land reform and land distribution issues are extremely sensitive to political considerations. The social objectives of promoting decent work standards takes second place in the hierarchy of priorities in national development. The economic growth biased strategies have not given adequate consideration for distribution of incomes and wealth in society.

All nations are geared to implement market friendly strategies in economic and social development through corporatisation and privatisation of public enterprises and services, e.g. health, education, electricity, water, telecommunications, drainage and irrigation, etc. It is important to note that this trend does not take into account the realities in the labour
market. Collective bargaining between employers and trade unions of workers are faced with severe challenges to organise themselves into viable trade unions and function effectively in the industrial relations system. Legal nuances in definition of workers are a major cause of inability for workers to organise themselves. Further, impediments in industrial relations systems arise out of formal requirements for recognition of trade unions by employers before collective bargaining. Systems of compulsory conciliation and arbitration of disputes renders industrial action impotent. Legislation on industrial relations is expected to promote a framework for equitable settlement of disputes. In reality, legal technicalities, delays in courts and costs of litigation makes it impossible for ordinary agricultural workers and their unions to seek redressal for their grievances. Trade unions have therefore become organisations to represent workers in society but functionally they end up as mere rubber stamps for endorsing pre-determined policies on labour by the government and employers. The proliferation of large numbers of unions with small membership in some countries and unions divided along political party and ideological alignments are also contributing to the lack of solidarity amongst workers, which is crucial for the struggle of decent work standards.

Legislation on standards in employment reaches out to the minority of workers in the formal sector of the agricultural labour market. The enforcement of these standards pursuant to legislation depends on an enlightened labour force on their rights and responsibilities and an effective trade union movement to monitor the enforcement. However, the lack of strong trade unions and weak labour inspection machinery in the government gives many employers opportunities to evade obligations through loopholes in legislation.

ILO Conventions and Recommendations are extremely useful for promoting decent work standards of workers in the agricultural sector. Governments are not obliged to ratify these Conventions. However, most governments do take note of the views expressed in these Conventions and Recommendations and are adopted and adapted to suit national circumstances and conditions. These are reflected in national legislation with regard to standards in employment, industrial relations and social security.

It is a challenge for the social partners to set standards for decent work and implement them in the agricultural sector through tripartism and a process of social dialogue. The dynamics for positive change in the labour market in the agricultural sector has to be clearly understood from both economic and social points of view. Current global trends in trade will further compound the problems and challenges associated with implementing decent work standards in the agricultural sector. Governments must discard obsolete and myopic policies on labour, industrial relations and social security in order to bring greater transparency in the dynamics of the agricultural labour market and better accountability for the implementation of decent work standards by employers. The tradition of exploiting human and land resources for results must give way to enlightened philosophies and policies for managing human and other resources for optimum results and equitable distribution of incomes and wealth between the factors of production in the agricultural, forestry and fishing sectors.