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Workshop

Local Authorities and the Promotion of Decent Work in Construction and Related Services.

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This report summarises the presentations and discussion during an International Workshop on «Local Authorities and the Promotion of Decent Work in Construction and Related Services » held at the International Labour Office (ILO) Headquarters in Geneva on 12th December 2006. The workshop is an integral component of an international applied research project financed by the Geneva International Academic Network (GIAN) and undertaken by a team at the University of Geneva and the International Labour Office with assistance from consultants. A description of the research project can be obtained at the GIAN homepage: <http://www.ruig-gian.org>. The programme and list of the workshop participants are included in Appendix A. Further information about this project can be obtained from Ms. Mariana Paredes at the University of Geneva: Mariana.Paredes@cueh.unige.ch. The project team invites comments and suggestions from interested persons and institutions.

SESSION I : INTRODUCTION & OBJECTIVES

The first session was chaired by Professor Yves Flückiger. The session started with a speech from Ms. Tinoco (Chief, Sectoral Activities Branch, ILO), who welcomed and thanked the University of Geneva and the GIAN for the joint partnership in this project. Ms. Tinoco explained that in the current context it is very important to study the impact of globalisation on different sectors and why the ILO must have a more integrated approach, in order to contribute to the generation of more decent employment. That means integrating the decent work (DW) agenda into a sectoral basis. The construction industry is a key sector, because it is an important employment generator. The main problem is working conditions in that sector. The idea of the project is to look at how the decent work agenda is being developed in the construction sector, to measure the level of accomplishment of the decent work agenda and to try to identify best practices that can be replicated in other countries, or localities. The ILO expects this project will provide very important information, significant indicators and tools to develop in the future and spread the knowledge of good practices in the construction sector.

Professor Dommen (President GIAN Scientific Committee) followed with a speech about the requirements that GIAN imposed on this project. It should be interdisciplinary, the project must be of international interest (the cities chosen fill this criterion) and it must be useful to the international system. For him, the project is very interesting because it focuses on municipal authorities, and is looking at the application of the international norms at a level often forgotten by governments and international organisations.

Professor Flückiger started a round table to present the participants of the workshop. Then, Professor Lawrence presented the project and summarised the rationale and methodology of the project. He first talked of the feasibility of promoting Decent Work (DW) in construction sector by the initiative of local authorities. He explained the importance of this objective: there is very little discussion about the role and responsibilities of local authorities. The second point was the production of a set of indicators that can measure DW in practice. DW is a concept, but what does it effectively mean? How can progress towards DW be measured? And finally, in the long term, how can a network between academics, international organisations and other associations be sustained?

Prof. Lawrence stressed the importance of the synergy and interrelatedness of the four dimensions of DW (employment, social protection, the promotion of rights at work, and social dialogue). He then opened a discussion about the simultaneous presence of these four dimensions to study DW.

The first phase of this project was the synthesis and critic of recent contributions on DW. Prof. Lawrence noticed that most of the discussions of DW today have focused on the private sector, and national political agendas, but in this project the role of the public sector is, especially at the local level, the main focus. Phase two comprises the compilation of four case studies. Prof. Lawrence stressed that a multidisciplinary methodology, which involves quantitative and qualitative methods, has been used.

The third phase of this project will begin after the workshop, and it will concern the dissemination of the results, including a set of guidelines. The main aim of these guidelines is to stress the importance of how one could monitor progress towards or away from DW.

The main objective of the four case studies in cities in Zimbabwe, Tanzania, Ecuador and Brazil was to take the four key dimensions of DW, as they are defined by the ILO, and look at available data and qualitative indicators of construction and working conditions at the national and local levels in all sectors, and specifically in the construction sector. The national context was always referenced, even if the studies have been done in particular cities or municipalities. The second point is the potential role of municipal government in promoting DW in the construction sector, including concrete examples of achievements.

Prof. Lawrence discussed and illustrated the synergy and the interrelatedness of the DW dimensions. There can be possible trade-off between these key dimensions. Indicators developed for each of the four dimensions include different components:

- For the employment dimension three components have been retained: employment opportunities, remuneration of employment and working conditions.
- The social security dimension has three aspects: population coverage (social security), benefits levels and expenditures.
- The workers' rights dimension has key aspects including: forced labour, worst forms of child labour, inequality at work, and freedom of association with workers institutions and associations.
- The social dialogue dimension includes four key aspects: union density rate, collective bargaining coverage, strikes and lockouts, and the degree of participation in decision-making.

Discussion between participants about key questions raised by Professor Lawrence included the following key points. First point, the problem of data availability at the local level; second point, what importance should be given to indicators of DW? They do not give the whole picture, but identify some key elements that suggest very important avenues for future research. They also show where more efforts need to be put into data collection in a systematic way. The third point was what recommendations can be made for data collection on DW to the ILO, national governments and other institutions. The project suggests that there are good reasons to have a protocol for measuring DW indicators in a standardised format, so that comparisons can be made at an international level.

The discussion started with the subject of national statistics vs. local data. Mr. Pember (ILO Bureau of Statistics) noticed that even if the data collection on a particular industry and on a small geographic area is complicated, because of the small number of observations, one can use administrative records to collect some information at the local level. There are more difficulties in collecting precise estimates based on small observations and that is why data is produced at national level. Then he raised the importance of standards and the importance of comparability between different geographic locations. DW indicators are all based upon

international standards developed by countries, employers and workers unions. No one should ignore that these international principles exist, and it would be a tragedy if the project tried to develop different criteria which did not compare with the international accepted standards. Each country has the right to develop standards that meet their own national needs. The ILO encourages countries to do that, but they have to follow international principles as far as possible. When it is possible to develop measures which can be converted or made compatible with international standards, for international comparability, this is encouraged by the ILO.

The discussion continued with a comment on the scope of the project. There are a lot of differences between the case studies countries. The context and situation of a country like Brazil is totally different from Tanzania. The other point is that even if the project is based on formal work, in these countries, the construction sector is often based on informal labour force. Prof. Lawrence emphasised that the case study methodology should not compare Tanzania with Brazil and the other two countries. They are taken as case studies to illustrate within a very specific context and where it is possible to get data and information on DW. The idea of comparisons is not on the agenda. The contribution of the informal sector to the construction sector has been recognized but not integrated into data collection, because it is often simply based on estimates because they are not found in the official statistics and are not reliable. This is a key question the research team will have to deal with.

Another participant discussed the way that DW is operating and revealed that it is very hard to define informal economy with positive statements. In fact, the informal economy is defined in a negative sense, by looking at DW deficits. In informal economy activity there is no DW, and where it could be achieved, this is rather defined by notions that we would attach to formal employment and formal economic activities.

The discussion raised the importance of local authorities in the promotion of DW in the construction sector, because they have a huge impact in driving a maintenance programmes which are major generators of employment.

The other point commented by Prof. Flückiger was the difficulties in measuring the DW conditions. He gave the example of discrimination. The statistics measure the discrimination through inequalities, but there are some inequalities that are not based on discrimination. Some inequalities can be discriminating, but others are due to the fact that people have different levels of education.

Ms. Phan asked how to make the data collection visible, affordable and sustainable at the local level? Once the research has been done, how can this exercise be institutionalised at the local level?

SESSION II: IMPLEMENTING DECENT WORK: CASE STUDY PRESENTATIONS

This second session was chaired by Dr. John Abbot who introduced the speakers before the presentations of the case studies.

The **Dar es Salaam** case study was presented by Dr. Jill Wells. She was surprised to find the data needed for the research in Tanzania. First she gave and commented on the official data sources she found between 1990 and 2000. She revealed the difficulties in comparing data in

the studied period. Sometimes the definitions (i.e. of the informal sector) are different; sometimes she found data for only one year; sometimes data was not available.

The information on DW indicators came mostly from the two labour force surveys in 1990/91 and 2000/01; but the only information available on the construction industry from labour force survey data is hours of work and inequality in wages between genders. For the study she had to use other sources to estimate the health and safety conditions and the trade union density in the construction sector.

She noticed that the trend is negative at the national level (for all sectors combined) for all DW indicators between 1990 and 2000. She believed that it is important to understand why the indicators are so low, why they are declining, and perhaps suggest new indicators that could help to understand the situation in Tanzania. She gave the example of the distribution of the employed population in the country. The economically active population increased in the ten year period (from 11 millions in 1990 to 17 millions in 2000). The percentage of workers in traditional agriculture slightly declined. In the informal sector there was a slight increase, from 8.7% in 1990 to 9% in 2000. The proportion of people working for government declined from 4.6% to 2.4% during the same decade, which corresponds to the increase of the working population in the private sector. The decrease in public sector employment is particularly important in understanding the decline in DW indicators. Dr. Wells also found information about paid employees in formal establishments: 4.85% of the total employed population, but a large number of those people are casuals (paid the minimum wage and without social benefits). Regular employees in formal establishments constitute only 4.1% of the total employed population. This shows why some DW indicators are very poor. In the construction sector, the proportion of the labour force who are paid employees decline from 77% in 1990 to 37% in 2000. Of the 37% in paid employment in 2000, only 14% were regular workers and 23% were casual workers. Very large numbers of workers in the construction industry are self-employed (60%), and most of the time they are unemployed.

In this context Dr. Wells raised the issue of what denominator should be used to calculate indicators such as trade union density or social security coverage. As most in Tanzania are self employed, it is not very relevant to calculate on the basis of the total employed population.

In conclusion Dr. Wells thinks that the breakdown of the employed population by employment status (casual, self-employed, etc.) should be included as a key DW indicator in its own right. The indicators should be shown separately for paid employees and self-employed; the Tanzanian definition of unemployment (“you are an unemployed if you only have a loose attachment to work”) is important as it considers underemployment amongst the self-employed. She also proposed field studies to diagnose underlying problems and propose strategies for improvement.

Following Dr. Wells presentation the following discussion occurred:

Dr. Ghai stated that the negative results of the study are largely due to the period chosen. Since 2000, the situation improved a lot. Dr. Wells agreed, the economic situation of Tanzania has improved, but that privatisation, the informalisation of the work forces and the lack of ability to impose labour standards sustain bad conditions for work. She gave the example of the Chinese construction sites where work conditions are really bad, worse than in other construction sites.

Dr. Abbott wondered whether the formality in the self-employed sector had been lost and whether it had been formalised. He referred to the proportion of self-employed and the proportion of informal, which is now the same (60%), but that was not the case before. For Dr. Wells there is a small scale artisanat sector, which does work for individual house owners; however she thinks that 60% of the work force can not be working in that sector.

Mr. Pember thought the bottom line of those informally employed in construction would be around 83%, combining self-employed plus casuals, as a rough measure, but it isn't the case. Dr. Wells answered that the informal proportion is an estimate.

Ms. O'Neill commented that it is important to understand how the labour force survey is looking at the definition of self employment. Prof. Flückiger made a point about diversity in working conditions regarding the Chinese contractors. He said that usually one uses the mean or the median, when looking at this kind of indicator, but there is no information about diversity. It would be more useful to use standard deviation. He explained that when looking at low wages you know how many people are below the threshold, but you don't know how far they are from the threshold.

The case study of **Bulawayo** was presented by Dr. Beacon Mbiba. He concluded that the DW concepts are not widely used at the local level. Zimbabwe was described as a country in economic crisis. There is economic decline, in terms of employment creation, in terms of investment, and in terms of economic growth. Zimbabwe has suffered from a brain drain and the flight of workers to neighbouring countries. In that context, the creation of employment is high priority and other DW elements are only a secondary concern. This situation required sensitivity and awareness for data collection. The crisis has created political tensions and researchers are often considered as a political threat.

The central government is the main source of information; the Central Statistics Office produces the national census report every ten years plus a range of periodic economic and social reports or bulletins. The data has also been collected from trade unions and the construction sector related to subgroups and industry representatives for the multinationals and the small and medium construction sector.

Dr. Mbiba revealed that the construction sector has declined in volume since the 1990s. The official sources present unemployment at 25%, which contrasts sharply with the level of 80% given by NGOs and research publications. Probably the figures of the government are correct, but also inaccurate. They are correct in the sense that employment remains high, but there is a shift from the formal to the informal sector and also a shift from local to foreign workers: up to 3 million people work abroad. The unemployment rate in Zimbabwe is not 80% if you count those 3 millions in local employment, and whether you consider peasants as fully employed (as the government does), and whether the informal sector is included. Not less than 25% of unemployed of Zimbabwe are in Bulawayo. As in the case of Dar es Salaam, there are a lot of contradictions and differences in definitions of the DW indicators. Differences in statistics of hours of work, registered pensioner people or the age of child workers. There is no harmonisation in statistics to enable a proper comparisons and analysis.

The legal environment for social dialogue in Zimbabwe is very advanced, but in practice it is very different: there are problems in implementation laws and achieving DW conditions. Most of work in the construction sector is taking place through the informal sector with Diaspora remittances now a financial motor in the residential construction sector.

In conclusion, there is a need for validation and harmonisation of the statistics, in order to do a better analysis of DW and to monitor trends. The informal sector needs to be dealt with more precisely and linked also to the increasing role of Diaspora remittances. One should

exploit the local authority dividend and link it to a DW audit scheme to be co-managed by workers and NEC for the construction sector.

Following Dr. Mbiba's presentation the following discussion occurred:

Mr. Miller asked about remittances and how they are linked to the informal economy. Dr. Mbiba answered that the informal sector is a booming sector for Zimbabwe. Workers abroad send much more than the donors send to the country in a year. Remittances keep the system a float: the outside workers invest in land and housing and that's why houses are being built. There is another formal system partly controlled by the government called the Home Link. It tries to formally capture remittances and help people to build houses while they are away. It is a good programme, but it is being undermined by the Zimbabwean context.

The other point Dr. Mbiba stressed is the importance of local authorities for employment creation. Dr. Mbiba commented that Bulawayo city council was the biggest employer and it was the local authority that provided best practices in providing strategic leadership for land development and for housing.

Ms. Murie asked for an explanation about the situation of the trade unions. Dr. Mbiba commented that the case study used information supplied by trade unions about health and safety in order to highlight what is reported by the NSSA employers. They noticed that it does not match because employers do not report much of what really happens. The point is that unions cannot always follow all the disputes and claims against employers, because there is no real legal support. The Labour Act, which guarantees a range of social dialogue activities is undermined by the Public Order and Security Act (POSA) and the Access to Information and Protection of Privacy Act (AIIPA). Under POSA and AIIPA, unions in Zimbabwe are very much constrained since the Labour Act does not prevail.

Ms. Mariana Paredes presented the case study of **Santo André**. She gave an overview of the national context of Brazil, an industrial and urbanised country in the developing world, but with negative social indicators. Trends towards liberalisation in the 1990's and the rapid opening-up of the economy to international trade have negative effects on labour conditions (cuts in employment and delocalisation of industries). The construction sector in Brazil is perceived as an important part of the economy (it represented 18% of the GDP in the 2000 and it employed about 6.5% of the formal occupied population). However it is characterised by low qualification; high turnover; low wages; high levels of absenteeism; informal sector and lack of protection.

Santo André is one of the 7 municipalities forming the ABC region. The whole population is urban, 15% of the population lived in slums, 32% work in the informal sector, and in the construction sector more than 62% of workers are informal.

The national census of the Brazilian Institute of Geography and Statistics (IBGE), studies from the Intern-Union Department of Statistics and Socio-economic Studies (DIESSE), some information from the ministry of work and employment, and also interviews of different secretariats and departments of the Municipality and with unions of the construction sector has been analysed in this case study.

The study of the DW indicators in Brazil shows negative results: increasing levels of unemployment at the national level and also in the construction sector; bad coverage of the public social security system (less than 50% of the total formal workers) and; the child labour

proportion decreased in the last years (15.2% in 1999/2000 compared to 19.5% in 1992). Even if there is no specific data concerning child labour in Santo André, the Municipality estimated that around 1.5% of children between 10 to 14 years old were working, none of them in the construction sector. The available data indicates that the union density rate fell from 20.2% in 1992 to 20% in 2001 in Brazil. This reduction is even more evident in the construction sector where the union density rate declined from 10.2% to 7%.

Concerning the analysis of DW indicators, one of the major problems found was that often the Brazilian statistics information is not disaggregated at the municipal level, just at the regional level. It was not easy to find data at the Santo André level. The main characteristic to highlight is the importance of the informal sector (60%).

The Santo André Mais Igual (SAMI) programme is an important example of best practice. The aim of the programme is to reduce inequality at the municipal level and to deal with the many facets of social inclusion. It brings together actions of sectors and departments of the public administration: 18 different programmes involving 12 municipal departments. 3 projects are especially related to the construction sector:

- The project in Sacadura Cabra related to upgrading housing in slums.
- The Centre for Autonomous Services is an office in the Sacadura Cabral Business Centre offering training and advising on the provision of autonomous professional services in different areas, such as construction, painting, renovation, etc.
- The “Vamos Construir” project is a project of professional training for adults in the construction sector.

The SAMI programme has benefited about 20% of the slum population in Santo André. There are good results in the quality of urban life, such as work creation and income development, or community organisation and participation, but much still remains to be done: young delinquency persists in the selected slums, not all the slums are integrated in SAMI programme (just 20% of them) and an important number of workers are still autonomous or informal workers.

In conclusion, the Santo André project is a good example of a the role of a local authority in tackling social inclusion and employment generation and the promotion of DW and how this concept can be implemented.

Following Ms. Paredes presentation the following discussion occurred:

There was a question about the participation and collaboration of the private sector and the trade unions in the SAMI project. Ms. Paredes explained that the private sector is not very committed to the DW concept. However the trade unions are very active in the SAMI project. All the decisions are taken by workers, government and the civil society, including unions, which are very important in the history of the ABC region.

The Pertinence of Action Research was presented by Dr. Werna immediately after the three case studies. He highlighted the importance of this action research project for the ILO. He explained why it is important to focus on local authorities, why they choose to have a sectoral approach and why it is important for ILO to focus on developing countries.

- Local authorities have an increasingly important weight in decision making today due to decentralisation processes.
- Sectoral approach: the reality of the labour process is different in the sectors of the economy and that is why it is important to have the sectoral dimension.

- Construction sector: the research focuses on this sector because it one of the most important and one of the major employers through the world. There are notable DW deficits in construction and, at the same time, local governments have a considerable influence. It is interesting to see whether and how local governments have used their influence to promote DW.

- Utilities: they have been included because there are many interfaces between construction and utilities, such as provision of water in urban areas.

- Developing countries: it is the region where most of the problems and challenges regarding DW can be found, and where the role of local authorities has been important. What is more, conclusions and recommendations can be replicated in other municipalities in developing countries, so it is important to try to be as close as possible to the places that could benefit from the recommendations of this research project.

The project started with a literature review, which gave a broad overview of the subject and the situation followed by the research on the DW indicators. This research was completed by analysing indicators and bringing together specific dimensions of local governments, construction and utilities. The project tried to make some conclusions from the case studies about what the local authorities achieved and also what they not do but could have done. The methodology was based on case studies, so to choose the cities the literature review was important. In parallel, the ILO network has been used to get information. Another step was to have a letter of agreement from the local governments, in order to confirm that there has been something done in the municipalities and at the same time to have their agreement to carry out the research in the city. The last part of the project is the dissemination of the results and recommendations. It is very important for the ILO to transfer research into action and this is the reason why this workshop took place.

In terms of dissemination there are plans for academic journals, the GIAN has its own means to publish and there are possibilities with the media, as well as networking. There are a number of organisations that already have very good contacts with local authorities and could motivate them to consider the possibilities and the potential opportunities to promote DW.

Following Dr. Werna's presentation, Prof. Lawrence asked if there was any other action research about DW at the ILO in other sectors. Ms. Phan explained that in the field of child labour, the ILO is starting an action research project for the child workers group between 15 to 18 years old, making the transition from child labour to youth employment and DW for adults. The literature review is completed; now they are working in Brazil, Mexico and Tanzania to try to cover 3 pillars:

- True vocational training in education
- How to improve working conditions in various sectors
- How to link conditional cash transfer, the elimination of child labour and promote youth employment.

Ms. Sims added that MULTI Sector is looking at private sector actors and their contributions to DW. They have some projects in agriculture and the electronics sectors. The objective is to understand dynamics of the private sector and the ability to promote DW through responsible initiatives.

Dr. Mbiba asked how the DW concept has been mainstreamed with other international organisations and how does the ILO engage with them. He gave the example of migrants and DW conditions. Mr. Miller said the ILO has a major programme in labour-based technologies and labour-based infrastructure development. They try to compare the labour-base with the

equipment-base and see how the impacts on employment can be increased without decreasing the quality of infrastructure.

Mr. Barcelo commented that in order to attract the attention of local authorities to improvements towards DW, the ILO has to mainstream the concept within other sectors. By definition, local authorities are cross-sectorial and have to deal with problems in different sectors at the same time.

SESSION III: CHALLENGES & FUTURES

During the first afternoon session a discussion of challenges and the future of the research was chaired by Professor Roderick Lawrence, and it included contributions by all the participants.

Mr. Miller (EMP/INVEST) talked about the work they are doing with developing financial institutions and trying to integrate DW into the practices of the group of development financing institutions. The important point is to integrate employment creation into the standards list and not forget that DW also implies employment creation. They have to work on methodology, not just doing employment impact assessment of investment programmes.

Ms. Phan (IPEC) asked the consultants how useful were the child labour reports to measure the indicators on DW, and how much more can be done with child labour statistics to mainstream child labour into DW. At the moment IPEC is trying to measure the DW indicators, but does not know yet how to budget the implementation of DW. The other point she mentioned concerned local authorities and local development. How could the assessment of the impact of decentralisation processes on DW be achieved?

Mr. Pember said that the ILO Bureau of statistics is doing some work to develop the idea of DW indicators: developing standards, providing technical cooperation to countries and preparing documentation and dissemination on the web. The bureau of statistics is putting into practice systems in order to help countries to generate statistics which will support DW indicators. The current thinking on DW indicators at the statistics bureau is listed in the paper that Mr. Pember circulated titled "Social economic security and DW in Ukraine. A comparative view and statistical findings".

Ms. O'Neill (ACTRAV) said that the primary role of ACTRAV is to work with the other ILO departments to try to insure rights and DW promotion. ACTRAV is engaged in creating social policy, when it does not exist, or revise existing policies. ACTRAV has a continual dialogue with organisations such as the World Bank. They work a lot on the multinational enterprises declaration, which offers significant advice to multinationals, small and medium enterprises and governments to effectively promote the DW agenda.

Mr. Lucas (SYNI Program) commented that decentralisation is an important process in order to maintain local authorities active in employment creation and development. Another point is the importance of integrating all the local actors - not only municipal authorities - that work in the field of employment (trade unions, NGOs, etc.) because employment is a problem they have to discuss together.

For Mr. Barcelo (UN-HABITAT) the presentations at the workshop were focused mainly on presenting the situation of work in the construction sector, but not so much on what the municipalities are doing. He asked the consultants about the policies of the municipalities to promote DW.

Mr. Wray (DIFD) asked for clarifications about the indicators and the description of the DW concept. An important aspect of the promotion of DW would be to encourage the collection of progress on the DW attainment. He noticed there was much said about how the project is intending to promote DW. There is both a context issue and a policy issue. For local governments the effectiveness of decentralisation processes is of huge importance, they have

to deal with this rapid organisation and all the problems brought with it (housing construction, extend utilities at all areas, etc.).

Financing is a very important dimension of the DW agenda and the research should talk more about it. DIFD is doing a lot related to DW, it is integrated into the work of policy teams and country officers. They are doing a lot of work on migration and international remittances, two important aspects on the DW agenda. UK networks that could be interested in this topic are UCLG, the Local Government International Bureau and the Commonwealth Local Governments Federation.

Ms. Murie (IFBWW) stated that in the tripartite meeting that took place in 2001 on the construction industry, the focus was on employment relationships. They found broad agreements on some areas (health and safety, skills training), to obtain a commitment to promoting a declaration of principals and rights at work in the DW agenda in construction. They also had a lobby for inclusion of improved labour standards in the multilateral development banks. They tried to follow up the conclusions of this meeting in a number of ways:

- trying to get into the procurement department at the World Bank,
- work in parallel, in order to presents some coherent proposals that would not only come from trade union side,
- work with the International Federation of Consultants and Engineers, and also with the construction industry contractors associations.

They did manage to get some improvements in terms of labour clauses in the World Bank, and are continuing to work to develop those labour clauses.

Ms. Sims (MULTI) stated that one of the things that would be important in the promotion of DW is the role played by the private sector, because it is where the majority of jobs are. She noticed there is not much focus on the private sector and the ways they could contribute to initiatives in construction by local authorities. It would be important to reconsider the private sector because if people are in self-employment or the informal economy it is probably due to the lack of a strong presence of the private sector.

Ms. Vermeulen from the European Foundation for the Improvement of Living and Working Conditions stated that the Foundation is a decentralised agency of the European Union, which has a tripartite board. The Foundation works through monitoring working conditions in all the member states; at sectoral level there is the European Monitoring Center, which looks at what is happening in different sectors; and the working conditions survey.

The concept used is “quality of work and employment” and comprises four elements:

- career and jobs (employment, income, social protection, workers rights);
- health and wellbeing (exposure to risks, health and safety outcomes);
- combining working and leisure time (organisation of time, social infrastructure and provisions);
- competence development (skills, training and education career development).

Some of the characteristics considered to be important are the divisions between temporary workers and permanent workers, and also migrants groups. A specific project looks at migrant workers conditions and rights.

Dr. Abbott asked for a clearer definition of the role of local authorities. He explained that the role of local authorities is vertical. A local authority has its own work from conception through construction into management in all areas. It has its own infrastructure and is

involved in supporting and building community based labour or small contractors to support itself.

He raised the problem of the difference between Africa and Latin America. Latin America has a much stronger focus on the relationship between governments and civil society. The African focus was on rebuilding local governments after a long period of decline. Although the study is not a comparative one per se, at the same time it is meant to provide some overall guidelines and one needs to recognise these differences. The other point he mentioned was linked to countries in Africa. These countries are still on the path of employment generation as a key to building local government. DW has to link and support employment creation.

Mr. Williams, an independent consultant, was surprised by the large size of the labour force of the formal construction companies (Chinese companies). The rapid rate of expansion of organisations and the modernisation of cities in these developing countries and cities will lead to more informal construction sites. He works particularly on informal settlements, linking the subject to the ILO partners. For him there is a potential undeveloped role for unions, cooperatives and the private sector who are employers in settlements, and the developers. Informal settlements are not only comprised of housing. They also include a large number of home based enterprises, and it is very important to see what their needs and roles are, so they can be facilitated, be more productive, and be better integrated into the urban structure.

Dr. Ghai noticed the strategic objectives of DW are universally valid, but the content of these objectives varies from region to region. Likewise, the priorities vary also at the country and regional levels. There is a lot of complexity and this needs to be clarified.

In this research, the income earning side is indicated by the medium and the lower wage. In industrialised countries this makes sense, but in developing countries earnings might be related to the poverty line, which is really significant. Remuneration is completely inadequate if you cannot meet your subsistence needs. For the social security indicator, Dr. Ghai had the same comment: the definition from industrialised countries was taken. It is not surprising to find 3% of formal workers when data covers 2-3% of the labour force. For the social dialogue dimension, the emphasis has been given to unions. They are a developed form of social organisation. But again other organisations could do this job in the informal sector.

There has been negative trends with respect to DW achievements in the studied countries. So the question is, given that situation, what are the main priorities for people in those countries?

Dr. Wells answered the questions and comments made by the participants. She found it very hard to find good practices of local authorities in Dar es Salaam, even though there are numbers of interesting projects but most of them lead by external agencies with external funding. Local employees and Councils are struggling to manage their normal responsibilities. They are not responsible for labour standards, which is a national government responsibility in Tanzania. They are supposed to be providing infrastructure, upgrading informal settlements, but they do not have money to do these jobs. Some new experiences are occurring in Tanzania. For example, the World Bank is trying to pass funding to local authorities in accordance with their performance.

According to Dr. Wells, privatisation rather than decentralisation is the critical trend. Local authorities used to employ a large number of people but now they do things through the private sector. If the private sector gets the contract, then market conditions prevail.

Local governments have many duties, including commissioning projects, providing infrastructure, but also regulating. The difficulty is to get government regulations implemented in those projects.

“Engineers against poverty” was working on the private sector in oil and gas. They were promoting local inputs in oil and gas projects and today they move in the direction of public procurement. They realised that the job done in the private sector could actually be adapted and integrated into public sector infrastructure procurement. Dr. Wells looked at the child labour report briefly. She said there are difficulties with the child labour definition. She argued that the key issue is employment for adults, and hopefully children do not need to be child workers.

Dr. Mbiba explained that in the African context every member of the family has to contribute from the time they begin to walk. As long as you live in informal environments the families have to survive and that is why the implementation of child labour regulations is difficult. Bulawayo has very good strategic planning over the years; a good example is in the provision of land for housing and providing land for future investment. The best practices have gone beyond that; how the land is allocated and used to promote what you have called affirmative action. “Indigenisation” in the construction sector was instigated by World Bank and not by governments. The local authorities have to implement this and Bulawayo authorities did it very well. Bulawayo’s authorities are respected by the national government. The distance from the centre, the cultural division (any intervention may be perceived as a threat towards the minority), central government is very careful when intervenes in Bulawayo. As a result they have kept independence in strategic planning and implementation. They also did a lot beyond land allocation and “indigenisation” to promote employment creation. Median income is difficult to utilise in a situation like Zimbabwe, because people who are above the median are below the poverty line. Using the poverty line may be more relevant for these situations.

Key Issues & Recommendations

Prof. Lawrence indicated the future plans for this research project. He summarized 6 key issues he identified from the discussion and highlighted the importance of dissemination, by publications, through Internet, and by making connections with other existing networks.

The 6 key issues on themes discussed during the workshop are:

- 1) Creation of employment is linked to DW through labour standards, procurement and financing arrangements. The role of the local authorities in this particular area should not be underestimated.
- 2) Measuring progress towards DW; statistics, information and both quantitative and qualitative data are necessary. In this particular challenge the problem is missing information at the local level. Some participants suggested new indicators:
 - the employment’s population by breakdown of types of employments status and,
 - the median income level opposed to the poverty line.
- 3) Globalisation, migration, decentralization and urbanisation. The importance of the national economy, and its context was stressed. Perhaps there was not enough emphasis on the globalised market, migration, and foreign contractors.
- 4) Roles and responsibilities of local authorities: many local actors that were interviewed did not know about the concept of DW. It comes back to the role and responsibility of the ILO as well. The ILO tends to work with actors at the national level and not at the local level. There is a parallel to the principle of decentralisation and the principle of subsidiarity concerning responsibility attributed to local authorities.

5) Conceptual and methodological questions: in contemporary societies, traditional categories (informal, formal) do not seem to hold up anymore. However, the statistics that are available rely on those categories, so there is a need for reform, which should be led by the ILO. This is clearly illustrated by the subject of child labour.

6) The cost of implementing DW in practice, specially to the private sector, has not been considered. Nobody talked about the benefits of DW. The cost-benefit analysis can be done and it is a very useful way of trying to convince people to change their thinking on the subject.

Prof. Lawrence noticed there was little discussion about partnerships between the public and the private sector. Dr. Abbott said that in local governments in Africa, people react against private partners. There is a return to the role of the public sector rather than the exclusion of the private sector. Mr. Williams considered that a distinction should be made between partnerships and privatisation.

Dr. Wells explained that one of the good practices in Dar es Salaam is a public – private partnership with some community-based organisation and small enterprises that provide services which were not provided before by the private sector.

Dr. Wells also highlighted the importance of the social dimensions of construction projects, which are not always taken into account.

Mr. Miller commented that currently there is a real rethinking and a revalorisation of the role of the public sector. The World Bank has done an excellent report, in which they say they went too far, they thought the private sector was going to step in and it has not work out. They are taking a more positive role about the role of state. The conclusion is that there are good reasons to invest in the public sector.

Mr. Wray raised the opportunities given by remittances, and he stressed that they are a new source of investments particularly at the local level.

Dr. Abbott asked about the four dimensions of DW, how they can be implemented and also what do they mean? How do we interpret these components?

Prof. Lawrence answered that these dimensions are given by the ILO definition of DW.

What would be interesting is to take the clusters he took, which seemed to be what the public is concerned about. He asked also what would the participants see derived from the study.

Prof. Lawrence noticed there was no consensus about the relative importance of the role of local authorities. There was also a lot of contributions by participants stressing the need not to forget the role of the private sector.

Mr. Miller noted that the roles of private and local authorities are complementary. He said they should bring together employment creation and the role of local authorities.

To disseminate the results of this kind of research an academic network is needed. If progress on employment impact assessment methodology can be made, then the idea is to simplify a standardised tool that can be used by local authorities. Another idea is looking at financing mechanisms and remittances; how financing mechanisms have an impact on employment. The IDB could be interested in this issue. They are taking about a meeting on urban strategies, and these issues would be relevant for the discussion.

Dissemination, Collaboration & Networking

Professor Lawrence asked for suggestions on dissemination from the participants at the closing session.

Dr. Mbiba said he started to implement DW agendas in his university lectures about capacity building. Municipal development partnerships do annual activities and could be interested in the results. Trade unions may be interested even though they are not very solid in developing countries. There could be a special edition of this work published, in Progress and Development Studies for example.

Mr. Wray said there are local associations that can also be interested in collaboration and dissemination: the African Ministers Conference, Municipalities in Africa, UN Habitat and global donor programmes. For him the important point is to think about roles and responsibilities and how to communicate messages about DW.

Professor Lawrence closed the Workshop by thanking all participants for their active involvement. He noted that this Workshop Report would be distributed to them by the end of January 2007.

APPENDIX A

WORKSHOP PROGRAM

9h-10h **SESSION I: INTRODUCTION & OBJECTIVES**

Chair: Prof. Yves Flückiger

9h Welcome: Ms. Elizabeth Tinoco, Chief, Sectoral Activities Branch, ILO.
Prof. Edouard Dommen, President, GIAN Scientific Committee

9h10 Introduction by participants

9h20 Aims & Methodology of the Project (Prof. Roderick Lawrence, UNIGE)

9h40 Questions & Debate

10b Refreshments

10h30-12h40 **SESSION II: IMPLEMENTING DECENT WORK**

Chair: Dr. John Abbott

10h30 Presentation of three case-studies
Dar es Salaam (Dr. Jill Wells)
Bulawayo (Dr. Beacon Mbiba)
Santo André (Ms. Mariana Paredes)

12h Pertinence of Action Research & Questions (Dr. Edmundo Werna, ILO)

12h40 Luncheon

14h-18h00 **SESSION III: CHALLENGES & FUTURES**

Chair: Prof. Roderick Lawrence

14h Roundtable: Futures of Action Research and Policy on Decent Work
(View points of institutions and individuals)

16b Refreshments

16h30 Dissemination, Collaboration & Networking

18h00 Close

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