EDITORIAL

Wanted: A game change in Public Sector Negotiations

The settlement of the outstanding 7% owed to public sector workers for the financial year 2009/2010 appears to be a done deal with the acceptance of the government's payment schedule by all the trade unions and professional bodies, with the exception of the Police Federation.

The Jamaica Confederation of Trade Unions (JCTU) with its twelve affiliated members and representing more than 80% of public sector workers, provided decisive leadership in carrying the process forward, and ensuring that what remained inviolable was the fundamental issue of honouring the 7% wage increase and the outstanding two year retroactive payment as part of a contractual obligation between the Government and the unions.

This was extremely important to trade union functionality as it could have done irreparable damage to the relationship between the Bruce Golding Administration and the trade union movement with serious implications for economic stability, investment and the prospects of growth. In the end, the maturity displayed by the leadership of the Confederation, by resorting to intellectual reasoning rather than industrial action, should certainly cast the trade union movement in a new light, displaying much more maturity and enlightenment than our political parties.

The settlement of the outstanding amount is based on a payment schedule that sees the two-year retroactive payment commencing in May 2012 and running for a period of 26 months thereafter.

While this brings to a close the protracted negotiations for the 2008/2010 period, it opens the door for a new round of negotiations for the period 2010/2012. No set of circumstances should cause the unions not to submit their claims for wage increases for this period. The traditions of trade union development have been based on the principle of free collective bargaining, and the responsibility of the unions to seek always to improve the conditions of employment of their members. But the notion of modern-day industrial relations praxis demands a balancing of efficiency with equity, which requires a new approach to the collective bargaining process.

For far too long the strategy to negotiation has been based on ‘positional bargaining’ which involves both sides holding on to a fixed position, arguing for it alone while ignoring any underlying interests.

It involves a basic conflict between the parties where one side’s win is another side’s loss. Wage outcomes and other conditions of service are normally distributive in nature, and must involve the exercise of bargaining power displayed through the threat of strike action, or the threat of redundancies. This has been the characteristics of Jamaica’s collective bargaining over the years.

There appears to be a tacit acceptance by public sector unions that the period from April 2010 to March 2012 will be subject to a wage freeze. This is evident by the fact that no retroactive payment will be made before May 2012, the period at which the IMF Agreement comes to an end. Needless to say, there is a need to formalize the arrangements over the period with the signing of an agreement between the parties.

The real challenge however, is the post-IMF period when Jamaica needs to begin to grow its way out of the mountain of debt which now hangs as an albatross around the necks of the present and future generations.

Public Sector collective bargaining must make a radical transformation away from the conjunctive approach which ends up as a ‘zero-sum’ game, to an interest-based approach which entails collaboration and where each party recognises that its interests will not be advanced unless the other party gains as well. Wage negotiation in the public sector must embrace this approach since the interest of every public sector worker is bound up in the growth of the Jamaican economy, and the potential for the interests of both government and public sector workers should be combined in such a way as to create joint value or enlarge the pie.

There is an urgent need for the parties to discuss a framework for an integrative approach to the negotiations in the 2012 to 2014 period. This could be advanced to include the 2010 to 2012 period which would be useful in setting the parameters for the period after 2012.

There are a mix of issues which must be put on the table as well to allow for trade offs across issues if both parties are to be satisfied with the outcome. But there are some basic concepts and values in the system of industrial relations which the present government must be schooled in and made to realise that matters of integrity, trust, fairness, equity, openness, transparency and communication are essential to successful negotiations. They have to win back much of the confidence of public sector workers, find a way to reduce the trust deficit and use this recent agreement as the bell—whether for a reform of the industrial relations landscape. In the language of the present Administration, what is wanted is a game change in the industrial system, and the signal has to come from the government for the trade unions have long shown that the game has indeed changed.
Decent Work for Domestic Workers—ILO Convention

The International Labour Organisation at its recently concluded 100th Annual Conference discussed a number of important issues which have far-reaching implications for labour relations and labour practices in many countries, including Jamaica. The main items on its agenda were: social security for social justice, labour administration and labour inspection and decent work for domestic workers.

The issue of decent work for domestic workers gained the attention of the media here in Jamaica. It was important from the standpoint of the ILO since they were able to come away with a Convention and Recommendation on the issue.

The Convention highlighted the fact that "domestic work continues to be undervalued and invisible and is mostly carried out by women and girls...". We know this all too well in Jamaica and recognised that historically they are from "disadvantaged communities and therefore particularly vulnerable to discrimination in respect of conditions of employment and of work, and to other abuses of human rights."

The Convention noted that where there are minimal opportunities for formal employment, domestic work becomes a significant part of the national workforce but still remain among the most marginalised.

The Convention seeks to ensure that Member Countries provide national laws and regulations which protect domestic workers from discriminatory practices and allow them to enjoy "fair terms of employment as well as decent working conditions and, where applicable, decent living conditions with respect to privacy."

Where the Convention is ratified, the respective country should introduce measures to ensure domestic workers are informed of their terms and conditions of employment, preferably through written contracts. These contracts should include the name and address of the employer, the type of work performed, the remuneration method of calculation and periodicity of payment, the normal hours of work, the duration of the contract, the provision of food and accommodation, where applicable, the period of probation and terms and conditions regarding termination of employment.

Article 10 of the Convention makes provision for Member countries to ensure that "the normal hours of work, overtime compensation, periods of daily and weekly rest and paid annual leave of domestic workers are not less favourable than those provided for workers generally in accordance with national laws and regulations."

Article 14 calls on Member countries to ensure that "all domestic workers, either by themselves or through a representative, have easy access to courts, tribunals or other dispute resolution procedures under conditions that are not less favourable than those available to workers generally."

In conjunction with the Convention, the Recommendation supports the recognition of the right to collective bargaining and the need for Members to "identify and eliminate any legislative or administrative restrictions or other obstacles to the right of domestic workers to establish their own organisations... and to take or "support measures to strengthen the capacity of organisations of domestic workers."

Decent Work and Economic Growth

At a recent panel discussion on “Employment and Social Justice in a globalizing world”, held on June 13, 2011 at the ILO in Geneva, panelists discussed the appropriate policy measures and good governance needed to ensure that economic growth was translated into decent work.

Egypt's Finance Minister, Samir Radwan, in addressing the recent social revolution in his country, spoke of the importance of a “people-focused democracy” and the need to use fiscal space to improve social justice.

"He noted that in Egypt the main factors of the revolution were poverty, disparity in growth distribution, poor governance, youth unemployment, political exclusion and corruption."

Mr. Min Zhu, Special Adviser to the Managing Director, International Monetary Fund, in his contribution, noted the slow pace of economic recovery globally which was not leading to job creation. He observed that -

“Active labour market policies, combined with fiscal policies and a new thinking on job creation, were needed to meet long-term employment objectives”

Ms Louka Katseli, the Minister of Labour and Social Security of Greece referred to the different measures taken to reduce the deficit in Greece. Importantly she noted that—"the burdens imposed by the austerity measures had to be shared equitably, by expanding the tax base and avoiding tax evasion. Greece had received structural funds from the European Commission (EC) for on-the-job training, job retention and job creation..."