STRATEGIC VISIONS FOR LABOUR ADMINISTRATION IN THE CARIBBEAN
A compilation of reports

Kieran Mulvey
Samuel J. Gooolsarran
Patrick I. Gomes

Edited by Samuel J. Gooolsarran
A WIDER STRATEGIC VISION FOR SOCIAL PARTNERSHIP AND DEVELOPMENT - 1997
Kieran Mulvey, Chief Executive, Labour Relations Commission, Ireland
Adjunct Professor of Industrial Relations (NCIR), ILO Consultant

EXECUTIVE SUMMARY - DEVELOPING A WIDER STRATEGIC VISION

The specific brief received from the ILO Subregional Office for the Caribbean was to review the labour administration systems of the respective Ministries of Labour in Barbados, Jamaica, and Trinidad and Tobago in the context of the “need for higher levels of tripartite collaboration in an era of globalization”.

This Executive Summary establishes or maps a more strategic focus for future developments in the region rather than dwell merely on the ‘nuts and bolts’ of labour administration. These are addressed elsewhere in the reports and applied to individual countries and specific functions, divisions or institutions concerned with labour administration and industrial tribunals in their respective Ministries or systems.

This Executive Summary therefore seeks to address the wider macro-issues which occurred in the course of the review, dialogue and interviews with Ministers, Senior Labour Staff and a wide and representative spectrum of the social partners and specialist institutions. As a result, this summary endeavours to identify these key strategic issues and suggest possible ways forward in addressing them.

The views, comments, observations and recommendations made, apply generally to all of the countries involved in this review. Obviously, variations occur in different countries, but Mulvey attempted to deal with the issues on an objective basis and on the basis of what he termed the achievement of “a wider strategic vision for social partnership and development”.

GLOBALIZATION AND MARKET CHANGES

It is not possible in the context of current and potential economic and political changes to contain or isolate a review of labour administrative systems to the mere functions or efficiencies of these systems themselves. The current pace of change in modern economies, the pressure for reform, for reviews of public expenditure and services and for new forms of work management and organization are of such a magnitude that revolutionary changes are taking place. It is imperative that national administrations/public agencies must also respond to that unceasing and unrelenting pace of change. This applies equally to every economy and to every country.

In smaller countries with developing open economies, this requires a level of national understanding and national consensus between social partners and national politicians of almost unprecedented proportions if the challenges of the globalization of markets is to be met and a high level of social and infrastructural development is to be achieved and maintained. It is only by investing in such a strategic partnership that individual countries will retain important sovereign functions and create a competitive advantage.
THE SCALE AND SCOPE OF THE CHALLENGE

Inter Institutional Developments

- Uruguay Round of G.A.T.T. (Completion of current effects and future negotiations);
- Decisions and Role of the W.T.O.;
- Influences of N.A.F.T.A. / A.F.T.A. free trade agreement;
- Influences of the European Union (Currency and Enlargement);
- A.C.P./Lomé Conventions;
- Trade Decisions of individual strong economies in North America / Europe / Asia;
- Removal of tariffs / barriers / preferences, particularly in regard to agricultural products;
- Deregulation / Privatisation / Strategic Partnerships involving State Industries / Monopoly Services;
- Currency Policies.

Private Sector Developments

- Competitive global business environment;
- International benchmarking;
- Highly mobile investment policies and location strategies;
- Constant emphasis on continuous innovation, flexible work practices, new organizational change;
- Impact of new production technology, developments in information technology, quality standards and guaranteed delivery;

- Emphasis on skills, education, training and new human resource strategies;
- Demand for supportive environment for enterprise;
- Pressure for Government incentives – on taxation, less restrictive labour legislation, infrastructural commitments;
- Varied employment approaches – high value / high cost industries – low value / low cost services – contract labour;
- Multinational Companies / Indigenous Enterprise – are their strategies compatible?

Governmental Developments

- How best to respond in fiscal, economic and social policies;
- Position of Government vis a vis Social Partners;
- Need for focused National Development Plans;
- Importance of maintaining a low inflation and industrial strife-free and enterprise economy;
- Strengthening of social solidarity and the alleviation / elimination of poverty;
- Specific employment / unemployment policies;
- Role and Reform of the Public Service.
- Maintenance of a stable currency / low interest rates;
- Education / Training / Skills Acquisition.

PUBLIC SERVICE REFORM

Public Service reform is an essential part of the engine of any modern Government administration and to the development and implementation of a sustained and effective national economic and social plan. Such reform requires vision, expertise, commitment and support from Government and its senior staff. Most importantly, it requires the encouragement of unions representing public service staff and broad political support for its
objectives, including the necessary measures to ensure its effectiveness.

The benefits of such reform would be:

- a better working environment with more responsibility for initiative and less regimentation;
- improved ministry co-operation to reduce duplication of services;
- more integrated handling of important issues, such as unemployment and enterprise development;
- greater openness and transparency so that citizens and customers receive better information and advice;
- increased national competitiveness through an improvement in Government services;
- reductions in “red tape” and bureaucracy;
- a more results oriented, performance-driven accountable public service.
- such reforms will require more attention be given to the strategic focusing of resources;
- better training and staff development policies; and
- multi-annual budgeting which will allow for forward planning and target achievement.

LABOUR MINISTRIES

The sustainability of a “stand alone” Ministry of Labour is questionable in the context of preparing or meeting the requirements of the global market. Unfortunately, it is not uncommon for such Ministries to be viewed as a ‘Cinderella’ Ministry or, on occasions as political circumstances dictate, to have “grafted on” to such Ministries such other functions as have no clear correlation to its role.

Most modern public administrations are now developing a more strategic policy, planning and functional role for such a Ministry and seek to revitalize and upgrade their role and status in a reorganized enterprise and employment orientated direction. In effect, they become responsible for all the action aspects of industrial policy, including manpower planning, the development of new plans for indigenous industry and for the implementation and co-ordination of all existing and new labour market regulations and measures including skills training.

Aspects of these functions can sometimes be delegated to agencies operating under the aegis of the Ministry.

This would involve a radical new departure but such a development is necessary. Certainly in the meantime, a greater role for existing Ministries is necessary in the co-ordination of national economic strategies. There was broad support for such a development from the Social Partners and to a large degree from Ministers and their Senior Staff. Trade Unions did require a degree of reassurance that the specific relationships, with which they identified as pertaining to a Ministry of Labour in current circumstances, were not diminished by any re-organization. Employers saw definite potential for them from such a development.
A constant level of representation was made in regard to the issue of morale, recruitment, pay, vacancies, facilities, the necessity of the provision of information technology, training and research. The ability to attract and retain quality and specialist staff was most frequently highlighted. This was particularly the case in the areas of industrial relations services, occupational health and safety, research and labour market information staff. It appears that there is a persistent and serious drain of senior staff to other Government agencies and the private sector. These staff are vital and essential to the effective operation of the current functions of the Ministries and this problem needs to be addressed as a matter of some urgency and priority.

The lack of a sustained or structured involvement of Senior Staff in the current Ministries in the vital process of co-ordination and contributing to the formulation of national enterprise, employment and legislative programmes and policy creates a serious imbalance in the system. Such individuals should be at the core and central to any developments in labour market policies and planning. It is imperative that they are encouraged, trained and expected to undertake such a corporate objective.

The importance of national planning and development has never been more vital in the context of today’s world. If small countries with the form of resource, service and agricultural economy which exists in the region are to retain a level of national sovereignty over central issues of economic and social development or to adopt a regional strategy in terms of trading relationships, then a coherent and realistic degree of national planning is necessary.

Individual countries have, at times, attempted to put in place in a piecemeal fashion such a centrally planned approach but either politics, divisions among or within the social partners, external economic or financial forces have all served to arrest such a development. Where plans have emerged, it was not clear to me if any central co-ordinating group has on a continuing and on a planned basis committed itself to an incremental implementation of the national development policy. This is a major barrier to preparing, not alone the Labour and other Ministries concerned, but also national Governments, for an essential and agreed strategy to meet the challenge of global market change and broader macro-economic and social challenges.

Some Governments or agencies of governments have prepared impressive draft national strategies or sectoral policies but delivery on these objectives and plans remain somewhat tentative. Some specific agencies have been created in individual countries to manage and prepare for change either in the economic, training or social fields and are undertaking admirable work. Where these efforts have been undertaken, they need continued support and encouragement. However, it is the lack of a co-ordinated national strategy that should be of concern and the effective agreement upon and delivery of that strategy.
Such strategic planning requires clear and specific objectives:

- encouraging enterprise;
- ensuring competitiveness;
- securing an educated and skilled workforce;
- tackling exclusion from the labour market;
- promoting a fair and efficient employment regulated environment; and
- implementing an effective business regulatory system.

### TRIPARTISM TO SOCIAL PARTNERSHIPS

The importance of tripartism and its role in the positive regulation and support of workplace relationships between Government, employers and trade unions is clearly recognised in many ILO conventions, national laws and the system of free collective bargaining.

However, tripartism needs to be strengthened, encouraged and supported. This requires mutual support, respect and understanding. It also implies a high degree of trust between the social partners. The building of that trust, its maintenance and its sustainability requires a high degree of commitment and leadership.

Experiences of tripartism in the region appears to have had a mixed history which perhaps also reflects their respective experiences of the former colonial administrations, the history and role of the trade union movement, the development of employer associations and the ideology of respective Governments. Adversarialism as a system of industrial bargaining appears to have continued strongly in some countries. In Barbados, however, a reasonable level of healthy tripartism on the basis of a national agreement has been achieved.

This uneven level of experience, in terms of tripartism, makes it difficult to suggest any specific form for the development of this system on a universal model, given the somewhat volatile histories and cultures in regard to relationships between unions and government and unions and employers in the region.

The parties concerned cannot remain prisoners of their own respective traditions but must acknowledge, as most do privately, that in the absence of a strategic focus and an agreed way forward, they will continue to re-fight the same old argument to equally detrimental effect. Structures do exist in each country and use should be made of these structures and institutions to achieve an enhanced tripartite agreement.

If the global market teaches us anything, it is that unless there is an agreed national consensus on broad economic and social policy, then assuredly the future will continue to look very uncertain for many Government services, employers, trade unions and individual citizens. This is a risk that none of the countries, I visited, can afford to take if it is to secure its own future and that of a decent living standard and environment for its citizens.

The old trade union adage “that unity is strength” must now be applied to building in each respective country the processes and understandings that can forge an alliance for Social Partnerships. It requires a leap beyond the traditional concept of “prices and
wages” and more in the direction of a wider economic and social agreement for a reason-
able but sustained period of time. Such a development requires leadership and vision by all concerned and considerable negotiation skill. It also involves a longer-term commitment to agreed economic, enterprise, social and social solidarity objectives.

Government has a unique role to play in this process. If adopted and agreed, this Social Partnership will assist many Government, State Agencies, Unions and Employers to meet the challenge of globalization and labour market change with a reasonable capacity for success.

Such a process will involve:

- consultation, negotiation and bargaining;
- shared understanding of the key mechanisms and relationships;
- solid Government commitment to the process;
- inter-dependence between the partners;
- a problem-solving approach;
- trade-offs, both between and within interest groups; and
- the process of social and political dialogue to a more constructive level.

As the beginning of the 21st Century approaches, the world in which enterprise competes is undergoing a profound transformation. The underlying forces of global change are rooted in new technologies, new forms of economic and political organization in individual nation states, the increased liberalization of international trade and an increasing acceptance of the need to ensure that development is sustainable. The immediate consequences of these changes for the countries visited are increased competition on both domestic and overseas markets. The intensity of competition is increasing and will continue to do so as the geographical pattern of production diffuses internationally and as the movement of goods, services and capital between countries increases and barriers and tariffs are removed.

Three particular areas require attention:

(1) Technological Change
The pace of change has allowed less developed countries the opportunity to initiate and develop in competing technology from a low cost base. This has been assisted considerably by the increased reduction in the cost of communications.

(2) Industry Change
Manufacturing and assembly are declining in importance. Research and product develop-
ment are of growing importance at the pre-production phase and marketing and customer service are growing at post-production stage. The nature and content of the service sector is changing rapidly and this sector has emerged as an increasing source of international trade and local employment opportunity.

(3) Organizational Change
There is a new emphasis on quality, reliability, and innovation as the basis for competitiveness, production processes and work; organizations are also undergoing significant changes. Old style production lines characterized by strict division of labour are giving way to more creative team working with multi-skilling and developed responsibility. These trends are set to accelerate as the application of new information and production technologies spread.

The implications of these developments for the Caribbean are immense and, therefore, require individual countries to develop a more coherent and integrated policy regarding human resource developments. Policies which exist seem somewhat diffuse and appear to lack a central overall planning authority. Where individual agencies exist, they tend either to concentrate on apprenticeship training or individual industries.

There are specific strengths in some countries which require further development. Existing education systems and the high levels of literacy, including the singular language strength, require important inputs in the areas of skills training, further linguistic acquisitions and technological training. Vocational training requires greater recognition and provision and there is a requirement to interface more closely with private sector requirements and local employment possibilities. The significant efforts made by some countries to supply skilled labour to other developed countries needs to be directed also towards national infrastructural requirements, sectoral opportunities and the re-organization and retraining of many employees in State industries.
INTRODUCTION/BACKGROUND

Since the mid 1990s the ILO Subregional Office for the Caribbean and member States have recognized the need to review, strengthen and modernize Labour Ministries in the sub-region. At the CARICOM 13th meeting of its Standing Committee of Ministers responsible for Labour (SCML) this was emphasized in a Report on the Strengthening of Labour Administration Systems. This report provided visionary statements in terms of the role, function and mission of Ministries of Labour, through, inter alia, the following recommendations endorsed by that meeting:

- the need to redevelop the concepts of an active labour policy in line with ILO Conventions No. 144 on Tripartite Consultation (International Labour Standards) 1976 and Convention No. 150 concerning Labour Administration, 1978;
- labour ministries/departments must be made responsible and accountable for the coordination of labour policies;
- the need to establish labour management information systems;
- the need to increase the resources to departments/ministries of labour, and for the strategic importance of Labour ministries to be fully recognized;
- continuing internal, regional and external training for labour administrators to meet on-going training needs at all levels;
- regular reviews and updating of labour legislation in keeping with relevant international labour standards and changing circumstances;
- the agenda of labour administration needs to focus on issues of social development through employment creation and poverty alleviation;
- the establishment of tripartite labour advisory boards; and
- labour ministries/departments to be equipped with updated libraries, research and planning units to enable staff to keep abreast of developments and provide a source of contemporary information for the social partners.

Subsequently, at the ILO meeting of Caribbean Labour Ministers held in Trinidad and Tobago in April 1996, the Prime Minister of Trinidad and Tobago, the Honourable Basdeo Panday emphasized the central role of Ministries of Labour by asserting that “no Ministry was better placed than a Ministry of Labour to fulfill the country’s mandate regarding human resource development… Ministries of Labour had a responsibility to influence the formulation of policies and strategies for human resource development, employment generation and poverty alleviation…”

---

In 1997, the ILO, in consultation with member States, undertook a major review of the labour administration systems in Barbados, Guyana, Jamaica and Trinidad and Tobago, through ILO Consultant, Mr. Kieran Mulvey. Mr. Mulvey emphasized in his report the “need to develop a more strategic policy, planning and functional role for Ministries of Labour, and to seek to revitalize and upgrade their role and status in a reorganized enterprise and employment-oriented direction”. While most of the recommendations made in the report were considered valid by Governments concerned, in general, a few changes appeared to have taken place on the status, roles and mandates of Ministries of Labour.

In 1998, at the ILO’s Meeting of Caribbean Ministers of Labour in Georgetown, Guyana, the President of Guyana, Her Excellency Mrs. Janet Jagan, in her remarks to the meeting stated that “…ministers of labour have an important role to play in promoting sustainable development within the CARICOM region, but such objectives cannot be achieved unless there is an effective labour administration system with clearly defined and properly co-ordinated responsibilities. This can only be accomplished if the labour administration organization is adequately staffed, with suitably qualified and trained personnel, well-equipped to meet the challenges of labour and employment policies and practices which are subject to rapid economic, social and technological changes”.

Again, at the ILO’s April 2000 Meeting of Caribbean Ministers of Labour in Kingston, Jamaica, the Prime Minister, the Right Honourable P. J. Patterson, in his address stated that “….Their role is not simply to resolve disputes. They have to be pistons in the engine for economic growth…” and “Effective tripartism is not possible without strong labour ministries and modern labour administrations” and “…Thus, developing new issues for labour administration will require adapting the organization, structures and instruments of the Ministries of Labour…”.

In an effort to reinforce the readiness of the political leadership to assign Ministries of Labour a more central place in national decision-making, the ILO included the issue of modernization on the agenda of the Ministers of Labour meeting in Jamaica in April 2000. Prior to this it also carried out a survey on the functions and responsibilities of Labour Ministries in the Caribbean. Consequently, Ministers at their meeting in Jamaica in April 2000, considered the issue of modernization of Labour Ministries.

Ministers highlighted the need for a new and more strategic role that was required from the labour portfolio. It was pointed out that labour and labour market policies needed to assume a central role in policy-making if the countries of the Caribbean were expected to shape their economies to meet the challenges of globalization. The development of the human capital, the inclusion of workers and employers in the formulation of labour market policies, and the development of industrial relations away from adversarial to a more consensus-based approach were seen as among the necessary ingredients for economic success. These were new challenges for many Labour Ministries.

Against these backgrounds, the Ministers, at their April 2000 meeting in Jamaica, appointed a Working Party comprising
representatives from Antigua and Barbuda, Aruba, Barbados, and Jamaica, together with the Caribbean Congress of Labour, the Caribbean Employers’ Confederation, the CARICOM Secretariat, and the ILO as co-ordinator and Secretariat. The Working Party was mandated to consider the relevant reports and recommendations for the modernization of labour ministries in the region and make suitable proposals.

The Working Party held its first meeting in Port of Spain, Trinidad, in January 2001, under the auspices of the ILO Subregional Office for the Caribbean, and the Chairmanship of Mr. Carston Simons, Permanent Secretary, Ministry of Labour, Barbados.

MODERNIZATION

The Working Party considered and discussed the concept of modernization and the need for modernization, taking into account the various background papers and relevant reports. It was recognized that in many Caribbean countries, labour ministries/departments were experiencing a continued diminishing of their role and status. In most of the countries, labour was but one of many departments within a Ministry, often one endowed with inadequate resources, and ministers with responsibility for labour often have other portfolio responsibilities attracting more of their attention. The traditional function of the ministry/department of labour was concentration on the management of labour relations, which was often reactive and not without political overtones. This function of the labour department – important for the social system - was limited and absent from the national economic and social policy planning fora. Consequently, very little linkage exists between what is perceived as the predominantly conflict management function of the labour portfolio and the social and economic and political agendas of the governments.

The Working Party observed that Caribbean economies were somewhat dependent on protection through guaranteed export quotas, preferences and high, non-reciprocal tariff barriers. This situation was changing. The exposure of the economy to global competition and the loss of protection created new pressures to upgrade economic performance. In this new scenario, labour and labour markets should assume a new prominence, since social and economic strategies depended increasingly on one major factor - the human resource and its development.

The Working Party felt that internal changes compared to the rapid pace of developments in the external environment could be slow and incremental, and that therefore over time, gaps could develop between the reality and the policies and institutions that had been set up to deal with that reality. The result would be that regulations might no longer correspond to the reality and that public administration might become ineffective in addressing the real issues and problems, often leading to disenchantment with public administration. There was therefore a need to review the situation and to examine the continuing validity of labour administration services and the objectives, structures and mandate of labour ministries.

ILO SURVEY

The Working Party also examined results of a survey, which was undertaken by the ILO prior
to the meeting of Caribbean Labour Ministers in April 2000, in an attempt to ascertain the responsibilities, priorities and capacities of labour ministries in the Caribbean. The survey covered three major areas: labour and social protection policy, labour relations, and employment and labour market policies.

Results showed that there were major discrepancies between competencies, priorities and capacity. Generally, competencies and capacity lagged behind policy priorities. Where there was neither competency nor capacity, but recognized priority, the question was whether the respective function was entrusted to another ministry/department or lacking altogether.

The survey found that there was greatest harmony in the area of labour relations, where capacity corresponded largely to priority and competence ratings. Concerning labour and social protection policy, there was a mixed picture: great variations existed among countries and discrepancies between priority, capacity and competence. A clear correlation existed between resource constraints and problems in implementation in the areas that were recognized functions of ministries of labour. Concerning employment and labour market policies, both competencies and capacities achieved lowest scores. However, the importance of these functions for labour ministries was recognized.

MODERNIZATION IN THE CONTEXT OF THE TRADITIONAL MANDATE OF LABOUR MINISTRIES

The Working Party noted that enforcing labour regulations and putting out industrial fires are currently the main pre-occupations of labour administrations in the Caribbean. It saw as the first priority of a modernization drive to strengthen these traditional mandates:

- promoting workers’ rights;
- intervening in labour disputes;
- providing a conciliation/mediation service;
- setting up and servicing arbitration tribunals;
- facilitating settlement of trade union recognition claims;
- labour and occupational safety and health policy, inspections and enforcement;
- providing recruitment and employment placement services;
- industrial and vocational training;
- statistical information gathering, analysis and publishing;
- promoting international labour standards through legislation and policy; and
- tripartite collaboration and consultation.

Historically, these services were developed against the background of adversarial industrial relations. It is now expected that due to the impact of globalization, more consensual relations as well as new forms of social dialogue at the national and enterprise levels will develop. This could lead to major changes in the management of labour relations on the part of labour administrations.

The results of the survey confirmed the need for change within the labour portfolio, so as to bring mandates and resources in line with the new challenges and policy priorities that result from globalization.

The Working Party stated that the critical responsibility of labour ministries must be emphasized since national labour policy is generally applied through labour ministries, which are expected to arrange for the necessary consultation with the social partners, and co-ordination with other agencies. It is therefore important for the labour department to keep abreast of developments since the responsibilities for labour matters are in fact, not exclusively within the domain of labour ministries. Ministries of finance, economic planning, education, immigration, commerce, trade and industry and statutory agencies are among the various ministries/agencies, which share responsibilities for labour matters.

The Working Party affirmed that the effective co-ordination of the various functions and responsibilities of the system of labour administration is the continuing and essential task for labour ministries or labour departments to ensure:

- proper co-ordination of the tasks and responsibilities associated with labour administration;
- state agencies act in conformity with legislation and accepted labour standards; and
- evaluation, publication and dissemination of information of general interest on labour and labour market matters.

In addition, the Working Party emphasized that adequate financial resources were required, taking into account the importance of the duties to be performed, as well as the material means placed at the disposal of the staff, and their own remuneration. It also recognizes that ministries required an adequate number of suitably qualified staff who should receive initial and further training in line with ILO Convention No. 150 and Recommendation No. 158 concerning labour administration.

As far as the new mandate was concerned, the Working Party agreed that the department/ministry could not depend on the public administration ministry alone to provide adequately for its staff's training needs. The training officials in central government were generally concerned with functional areas in government ministries, and not specifically labour administration training and staff development. For this reason, attention had to be paid to the management of training and personnel within labour departments if there was going to be the development of a cadre of suitably qualified and competent staff, as required in labour administration.

### Modernization in the Context of the Challenges of Globalization

Having agreed that change/modernization was necessary, the Working Party then focused on the following questions, to identify the areas that required particular attention in order to ensure an expanded role of Ministries of Labour in national social and economic development:

- Are Ministries of Labour equipped to meet the new challenges of globalization?
- Do they have the necessary expertise and competence to participate in national socio-economic policy formulation?

---

• Can they adequately interact with the government agencies dealing with trade and industry?
• Do they have the power and status to influence economic strategies?
• Are they respected interlocutors of the private sector and the trade union leadership?
• Do they control the labour market and its institutions?
• Do they have a vision and a policy for the new era of globalization and trade liberalization?
• Can they contribute to luring investment into the country?
• Can they offer state of the art economic analysis of labour market trends?
• Can they steer the labour market into the desired direction, in particular with a view to securing more and better jobs for men and women?
• Can they make projections of the impact of national, regional, hemispheric and global trends on labour and induce pro-active and corrective measures in labour market strategies?
• Can they contribute to promoting a culture of productivity, equality and compliance with international standards to develop opportunities for decent work?

The Working Party agreed that most Ministries of Labour were far from meeting more requirements, but that these requirements would represent suitable reference for a modernization drive, taking into account that realistic targets needed to be set in this regard. It was agreed that realistic steps towards such forms of modernization should include a mix of measures notably:

• the improvement of internal efficiency and the optimum use of existing staff and financial resources;
• the establishment of objectives and measurable targets; and
• the redefinition and expansion of the labour portfolio beyond its current orientation.

Among the priority areas identified for immediate attention at the national level were:

• adequate staffing and task descriptions;
• training and staff development;
• active dispute prevention and resolution approaches;
• strengthened authority of labour departments;
• tripartite consultation and social dialogue; and
• adequate remuneration.

### CONCLUSIONS

The Working Party discussed and agreed on the following vision, mission, objectives, functions, and staff positions for ministries of labour in the Caribbean sub-region:

a) **Vision**

The vision for the Ministry of Labour is to actively participate in the formulation and implementation of policies to assist in the realization of Government’s social and economic agenda at the national and international levels, particularly as these policies relate to the labour environment.

b) **Mission**

The business/mission of the Ministry of Labour is to assist Government through an effective system of labour administration, in the formulation and implementation of sound labour and employment policies by promoting a stable industrial relations environment through social dialogue; opportunities for employment creation and decent work; social protection and adherence to international labour standards.
c) Objectives

1. To initiate and maintain tripartite consultations on labour laws, ILO standards-related matters, and national socio-economic policy impacting on the labour environment.

2. To promote and ensure that the relevant and appropriate International Labour Standards and Conventions are adhered to within the labour environment, as well as existing labour legislation.

3. To monitor regional, hemispheric and global trends affecting labour policy.

4. To participate in the harmonization of regional labour policies (CARICOM, FTAA).

5. To facilitate and promote voluntary collective bargaining.

6. To ensure free exercise of right to freedom of association and the right to collective bargaining.

7. To collaborate with other agencies in the development of national economic and industrial policy.

8. To develop and monitor strategies for employment creation and advise on the labour and employment dimension of privatization and restructuring.

9. To contribute to enhancing the competitiveness of the economy, inter alia, through productivity-related policies and measures.

10. To promote the provision of social safety nets for retrenched and unemployed workers, such as: (a) severance pay, pension plans, unemployment benefits; (b) employment security through retraining.

11. To develop and implement employment and training policies and programmes for unemployed workers and vulnerable groups (youth, disabled workers, older workers, disadvantaged women).

12. To establish and maintain a labour market information system.

13. To train and develop the capacity and capability of the technical staff of the Ministry of Labour so that they may function effectively to realize these objectives.

d) Functions

(i) Policy Formulation and Implementation

- research and analysis of information for policy consideration (including labour force, household, and enterprise surveys; collection and analysis of administrative data etc.);
- coordination of activities of the various functions of agencies/units in pursuance of policy objectives;
- participate and contribute to national strategic planning and policy analysis from a labour perspective; and
- advising the ministers of labour on matters of labour and labour market policy.

(ii) Legal Services

- reviewing and upgrading of existing laws;
- formulating of new laws;
- legal advisory services to the ministry;
- harmonization of laws – regional
- Legal services for the ministry;
  (including enforcement and prosecution)
- promoting the exercise of fundamental labour rights; and
• international Labour standards matters – obligations under ILO Constitution and ratification.

(iii) Inspectorate Services
• occupational safety and health inspectorate;
• social inspectorate - conditions of work;
• monitoring and review to ensure compliance; and
• linking/collaborating with other related agencies.

(iv) Employment, manpower planning and labour market
• functions of national employment bureaux/services (including vocational counselling and guidance services);
• developing and creating strategies for employment (TVET, Skill development, HRD, LMIS);
• participate in national manpower/human resource development planning;
• become fully computerized and in tune with modern technology to deliver state of the art information to customers and users through on-line access; and
• develop a one-stop employment centre (access all employment services at one department).

(v) Industrial Relations
• promotion of collective bargaining;
• conciliation/mediation/arbitration services;
• ensure the active functioning of tripartite bodies;
• promote social dialogue/social partnership;
• encourage productivity alliances;
• active advisory services – building greater labour-management cooperation; and
• review and strengthen dispute settlement machinery.

(vi) Human Resource Development/Management
• human resource policy (recruitment, selection, placement, compensation, career development, performance appraisals, reward systems);
• develop internal training capacity for staff training and development;
• review and create appropriate organizational structure;
• enhance the qualification requirements for labour commissioners and labour staff; and
• labour commissioners/heads of labour administration and labour administrators should be trained in human resource management.

(vii) Outreach Programme
• to sensitize potential workers and managers, unionised and non-unionised, about their respective rights and obligations;
• to bring about an awareness of the Ministry of Labour/Labour Department – its role and functions;
• to inform the general public about the role, function and services that the Labour Department offers; and
• to conduct the above on an ongoing basis.

e) Staff Positions

In addition to adequately trained staff to carry out the necessary functions flowing from ILO Convention No. 150 and Recommendation No. 158 on Labour Administration, ministries of labour should consider the recruitment of suitable staff, with the expertise to enable the ministry to participate
actively and contribute to national planning and development. Expertise relating to the following positions may be useful in this regard:

- policy analyst/planner;
- labour economist;
- OSH experts;
- statistician;
- legal attorney; and
- technical training specialist.
REPORT ON A REVIEW OF THE FUNCTIONS
AND ORGANIZATIONAL STRUCTURE OF THE
DEPARTMENT OF LABOUR OF ST. VINCENT
AND THE GRENADINES - 2001
Samuel J. Goolsarran, Senior Specialist on Industrial Relations and
Labour Administration, ILO Subregional Office for the Caribbean,
December 2001

INTRODUCTION

A review of the functions of the Department of Labour of St. Vincent and the Grenadines was requested by the Ministry with responsibility for Labour, with the view to restructure the Department of Labour for more comprehensive and effective labour administration services in the interest of the national community.

The restructuring of the Department of Labour was part of the Government’s *first 100 days in Office Implementation Plan, 2001*.

The review aimed at:

- assessing the current responsibilities in relation to the essential requirements of the labour administration functions;
- identifying the new functions, demands and challenges for the department;
- discussing the required structure and resources for the department; and
- developing appropriate recommendations for submission to government.

TWO-DAY CONSULTATIONS

ILO Specialist on Industrial Relations and Labour Administration, Mr. Samuel J. Goolsarran, served as the principal resource person and facilitator for the Consultation which was held in St. Vincent from 14-15 November 2001, and involved some twenty-three persons from Government Ministries responsible for Labour, Public Service, and Finance, the Department of Labour, the St. Vincent Employers’ Federation, and the National Labour Congress.

The consultation received presentations from Senator Edwin Snagg, Parliamentary Secretary for Labour in the Office of the Prime Minister, Mr. Cecil Jackson, Executive Director of the St. Vincent Employers’ Federation and Mr. Cecil Pa’Jack of the National Labour Congress. The Speakers expressed strong support for a revitalized Department of Labour, well resourced and restructured appropriately to discharge fully its mandate in providing adequate labour administration services to the national community and to contribute to national development.

The speakers underscored the need for:

- the promotion of basic human rights in public administration;
- adequate resources to strengthen labour administration;
- capable labour administrators with a high sense of professionalism;
- a visionary approach for labour administration;
- adopting technological advances in labour administration;
- modernization of the Department taking into account staffing, structure,
the integration of social and labour policy;
- building wider national consensus on social and economic policy;
- linking employment policy to investment policy;
- higher national productivity;
- employment creation; and
- legal services and legislative reform.

Technical inputs were made by Ms. Patrice Roberts, Labour Commissioner who reviewed the legal framework, and ILO Specialist, Samuel Goolsarran who reviewed the labour administration functions in line with ILO standards, Convention No. 150 and Recommendation No. 158 on Labour Administration. These functions are detailed under the following six elements of Labour Administration as summarized in Attachment I, and constitutes an essential element of this report:

i. labour standards;
ii. industrial relations/labour relations;
iii. labour and safety inspections;
iv. employment, manpower and employment services;
v. research and labour statistics; and
vi. regional and international affairs;

The Consultation, in working sessions – in plenary and four working groups considered the following:

- the inputs of speakers/presenters, and comments from participants;
- the country’s labour legislation;
- statutory powers of the labour commissioner and the minister;
- the responsibility of the permanent secretary;
- the actual activities of the department;
- the responsibilities, which the department of labour should discharge;
- the new direction and challenges for the labour department;
- the organizational structure of the department of labour;
- the resources required to effectively discharge the labour administration functions; and
- accountability and reporting mechanism.

### RESPONSIBILITY OF THE MINISTER AND PERMANENT SECRETARY

The Constitutions of some Caribbean countries state that where any Minister has been charged with the responsibility for any department of government, he/she shall exercise general direction and control over that department and, subject to such direction and control, every department of government shall be under the supervision of a public officer whose office is referred to as the Office of Permanent Secretary.

This direction and control is of a general and policy nature. While the Minister is primarily concerned with the determination of policy, the Permanent Secretary and the technical and other staff under the Permanent Secretary, faithfully implement the policy decisions of the government of the day in an impartial and professional manner. The Permanent Secretary is also the accounting officer who manages the funds voted by Parliament for the ministerial departments, and answerable to the Public Accounts Committee of Parliament for public expenditure. The Permanent Secretary and the Minister’s principal technical staff are further concerned with providing advice and assistance in policy determination and formulation. This calls for an excellent working relationship between the Minister and the permanent staff of the civil service in a spirit of mutual respect and confidence between the Minister and the staff.
DEPARTMENT OF LABOUR

There was the general view at the consultations that the Department was only equipped to carry out the basic and routine service functions in labour administration, and that there is pressing need to improve the quality and output of the Department. The view was also expressed that the department should assume the full responsibility for an effective labour administration system as outlined in ILO standards. The general consensus was that the Department should be equipped with the required number of suitably qualified staff, adequate office accommodation and conference facilities, modern technology and training to enable it to undertake the broader and wider responsibilities inherent in a strong labour administration system.

This would require capability in the department to enable it to:

- contribute to national labour policy development and formulation including legislation;
- actively promote tripartism and social dialogue leading to social accords at the national, sectoral and enterprise levels;
- participate in national employment and manpower planning, labour force surveys and investment initiatives; and embark, in collaboration with the relevant agencies, on a programme of human resource development, particularly in the field of technical and vocational training, retraining of the workforce and the training of new entrants in keeping with the skills needs of the country.

The department would need strong support, oversight and direction from senior policymakers. This support naturally can come from the Permanent Secretary and Minister and a strong management for labour administration.

The proposals, suggestions and views of the four tripartite groups at the two-day consultation were discussed and general consensus was achieved on:

- matters falling under the purview of the labour department;
- the grouping of the functions under four technical units;
- the organizational structure of the department;
- the division of responsibilities between the labour commissioner and the deputy labour commissioner; and
- the existing and new staffing positions.

These are summarized and are submitted as the consensus recommendation of the national tripartite consultation in St. Vincent and the Grenadines as follows:

Matters falling under the purview and responsibility of the Labour Department

- statutory duties and functions of officials;
- principal adviser to government on labour matters;
- general management and co-ordination of the labour administration function;
- national labour policy formulation, including labour legislation;
- regional and international labour affairs;
- industrial relations including recommendations for good industrial relations policies and practices, and conciliation/mediation;
- national occupational safety and health policy and programme;
- social and technical inspections of workplaces;
- legal services including enforcement of the law;
- annual report of the department – its work, labour market information and statistics and assessment of the country's labour relations environment;
- research, studies and publications of timely reports;

• employment policy issues and public employment services;
• regulating private employment services;
• participating in national manpower planning;
• advisory services and outreach programmes to employers and trade unions;
• fostering linkages with other agencies and ministries for the coordination of the labour administration function;
• promoting tripartite consultation, social dialogue and social partnership; and
• management of resources.

Labour Commissioner

Reports to the Permanent Secretary/Minister:

• statutory duties and responsibilities;
• management of the labour administration functions and the department of labour;
• national policy development and formulation, including labour legislation;
• regional and international labour affairs, ILO relations – conventions, recommendations, reporting and other obligations;
• conciliation/mediation in industrial disputes, and reference to hearing officer;
• review and determine the validity of dismissal of employees for reasons other than good and sufficient cause;
• promoting tripartite consultations, social dialogue and social partnership;
• active advisory services to employers and their organizations and trade unions;
• national policy on occupational safety and health, and a programme of systematic regular labour inspections;
• research on labour and social issues impacting on labour and the publication of timely reports;
• fostering linkages with other agencies and ministries for the effective co-ordination of the labour administration function;
• training policy and staff development;
• review of reports from technical staff;
• management supervision and appraisal of staff;
• general oversight of the department’s finance vote;
• annual report of the department of labour, prepared in a timely manner for submission to the minister for transmission to Parliament, and for publication;
• preparation of monthly reports on the work of all units for the permanent secretary and minister;
• management and co-ordination of the work of the policy and labour relations, and standards and labour market units, and annual programme of work for all units and its execution; and
• such other related duties as may be assigned by the Permanent Secretary and Minister.

Deputy Labour Commissioner

Reports to the Labour Commissioner:

• management and co-ordination of the work of the employment and training, and labour and safety inspectorate units;
• conciliation/mediation in industrial disputes and referral to hearing officer through the labour commissioner;
• in-house training courses and staff development initiatives;
• annual programme of work of the employment and training, and labour and safety inspectorate units and its execution;
• advisory services to employers and their organizations and trade unions;
• preparation of cases and recommendations for prosecution;
• preparation of codes and guidelines for safe working practice;
• supervision and appraisal of staff in the units;
• assist the labour commissioner in the discharge of the statutory duties and responsibilities required of the department of labour;
• perform the duties of labour commissioner in the absence of the labour commissioner;
• preparation of monthly reports on the work of the units under incumbents’ supervision to labour commissioner for incorporation into the report of the labour commissioner to permanent secretary and minister; and
• such other related duties as may be assigned by the labour commissioner.

Recommendations

Based on the consensus at the consultation, it is recommended that these functions be incorporated under the following four technical units for the Department of Labour in St. Vincent and the Grenadines:

1. Policy and Labour Relations

• labour policy and legislation;
• industrial relations and conciliation/mediation;
• tripartism and social dialogue;
• active advisory service; and
• labour complaints.

2. Standards and Labour Market

• ILO standards and related matters;
• CARICOM labour agenda;
• research on labour, social and economic issues impacting on the labour portfolio;
• labour market information and labour statistics; and
• preparation of the annual report of the department.

The above two units - (1) and (2) - in addition to the in-house office/administration services unit, are recommended to be under the direction and supervision of the Labour Commissioner.

3. Employment and Training

• employment services – recruitment and placement, work permit;
• training of workers - technical and vocational training in collaboration with national training institutions and agencies;
• participation in national manpower planning;
• career guidance and counselling service; and
• regulation of private employment services.

4. Labour and Safety Inspectorate

• develop and promote a national occupational safety and health policy; and
• active programmes for systematic and regular labour inspections including occupational safety and health (OSH) inspections.

It is recommended that units - (3) and (4) above - be placed under the supervision and responsibility of the deputy labour commissioner.

Task Force Unit

In order to strengthen the labour administration system to enable it to contribute to national socio-economic policy formulation, it is recommended that a part-time task force
unit, drawn from the public service, be established under the Permanent Secretary/Minister. The unit should function as a standing committee with the capability to:

- provide legal advisory services to the ministry and department of labour, the permanent secretary, and minister, preparing legislation, and undertaking any necessary prosecution;
- promote social dialogue and social partnership accords, and serve as a social dialogue/social partnership secretariat;
- develop, formulate and recommend policy; and
- participate in national manpower, economic and social planning and investment activities.

This recommendation will require suitably qualified staff who may be mobilized from the public service in a standing committee on assignment/secondment at least initially, pending the appointment of permanent staff. Such staff can be drawn from among:

- policy analysts/planners;
- statisticians/accountants;
- labour economists;
- legal attorneys;
- labour experts; and
- other suitable experts.

Management System for Labour Administration

A management system is recommended for the support of effective labour administration services, well-coordinated and well-managed under the supervision of a senior management team comprising of the:

- permanent secretary;
- senior assistant secretary;
- labour commissioner; and
- deputy labour commissioner.

Its Functions

- meets fortnightly to consider labour administration matters;
- reviews operations of the department;
- implements government decisions;
- formulates policies; and
- develops and implements strategic plans/objectives.

Reports to the Minister

- recommends policy developments;
- advises on national labour policy, legislation, social dialogue/social partnership and participation in national manpower planning and investment initiatives; and
- reports on new initiatives and major activities of the department of labour, staffing and other resources.

Organizational Structure

The recommended organizational structure for the department is appended as Attachment II, to be implemented in the short to medium term as appropriate to the national situation.

Staffing of the Department

It is recommended that the ministries with responsibility for labour and the public service undertake an assessment of the current staffing situation of the department of labour having regard to the proposed new structure and the need for additional suitably qualified staff. The ministries may wish to:

- assess the capability and qualifications of current staff with the view to encourage further studies where applicable, and job-related training to enhance their capability;
- determine the number of new staff needed with the required qualifications and skills;
• source some of the suitable skills from the public service through re-assignments/secondments initially; and
• determine the appropriate levels/grades of the technical staff and their remuneration in terms of the importance, scope and responsibilities of the positions recommended in the new structure.

Physical Facilities and Equipment

It is recommended that the ministry undertake a review of the current accommodation and seek to provide adequate office accommodation and conference facilities, modern technology and equipment to enable the restructured department to discharge adequately, its functions and the new responsibilities.

ATTACHMENT I

Summary of Labour Administration Activities in line with Convention No. 150 and Recommendation No. 158 concerning labour administration, 1978.

Labour Ministries/Departments have the responsibility for the following elements in the System of Labour Administration flowing from ILO Convention No. 150, and Recommendation No. 158 on Labour Administration:

1. Labour Standards:
   • to be active in responding to ILO questionnaires leading to the preparation, development, and adoption of labour standards at the annual International Labour Conference (ILC);
   • to review and present ILO instruments – Conventions and Recommendations to the national Parliament, with appropriate recommendations after tripartite consultations;
   • to honour obligations as members of the ILO by responding to requests, and by providing reports to ILO on Conventions; and taking actions in line with the ILO Constitution with respect to Conventions and Recommendations;
   • to consider and promote the ratification of Conventions;
   • to provide an advisory service to employers’ and workers’ organizations with the view to promoting the regulation of terms and conditions of employment through collective bargaining in line with acceptable labour standards.

2. Industrial Relations/Labour Relations:
   • to promote the free exercise of employers’ and workers’ rights of freedom of association;
   • to encourage better conditions of work and working life and respect for the right to organize and collective bargaining;
   • to assist in the improvement of labour relations by working closely with employers’ and workers’ organizations;
   • to promote the full development and utilization of voluntary negotiations;
   • to contribute to improved work place relations through effective inspections;
   • to provide effective conciliation/mediation services for the resolution of collective industrial disputes;
   • to facilitate the machinery for arbitration as appropriate or reference to other disputes settlement machinery for adjudication such as industrial tribunals or labour courts;
   • to actively facilitate and promote tripartite consultations on:
(a) general labour policies and issues; 
(b) international labour standards and related matters; and

• to promote social dialogue and social partnership arrangements, at different levels and forums, for improved labour and industrial relations.

3. Labour and Safety Inspections:

The system of Labour Administration includes the promotion of OSH policies, and regular labour (social) and safety (OSH) inspections of work places/working environment, in particular to: -

• promote a coherent national policy on OSH, and the working environment; 
• provide for protection against all forms of danger in the working environment including exposure to certain agents (chemicals, radiation, asbestos, white lead, etc.) occupational cancer, handling dangerous machinery; air pollution, vibrations, noise, stress; 
• provide for protection in certain branches of economic activity i.e. construction, office, commerce, dock work, and in the field of agriculture; 
• secure enforcement of labour laws for the protection of workers, their safety, health and welfare; 
• advise employers and workers on labour and occupational safety and health; and
• ensure the protection of the following categories of workers in line with statutory requirements and good practices:

  √ employment of children and young persons with respect to minimum age for admission to employment, child labour, hazardous work, and hours of work, and apprenticeship; 

√ employment of women with respect to maternity protection, discriminatory practices and equality of opportunity; and
√ the worst forms of child labour.

Inspection attention should also be directed at:

√ working time: maximum hours, night work, rest periods and vacations; and
√ minimum wages and remuneration systems.

4. Employment, Manpower Planning and Employment Services:

The aim is to promote full, productive and freely chosen employment. The responsibility requires labour ministries/departments to:

• participate in the development of national employment policies, and programmes for human resources development, and self-employment; 
• work closely with agencies which are concerned with particular aspects of employment policy – both short-term and long-term employment; 
• coordinate or participate in the coordination of employment services, employment promotion and job creation programmes, vocational guidance and vocational training programmes; 
• participate in national manpower planning bodies through representation and provision of technical information and advice; and
• participate in the coordination and integration of national manpower plans with economic plans.

The labour administration system also provides for the effective operation of a free public employment service in terms of:
• recruitment, placement and training of workers (technical vocational training);
• linking and collaborating with national training institutions/agencies; and
• career guidance and counselling service.

Where they exist, the private employment services should be monitored and regulated by the labour administration authority.

The Labour Administration System is further required to ensure the protection of migrant workers – fair employment practices, and enrolment for social security.

5. Research and Labour Statistics:

• carry out research on labour issues as one of its important functions; and
• gathering, collating, analysing and publishing a regular series of labour statistics in order to monitor trends and to initiate remedial action.

Apart from the size and composition of the workforce and its employment, the statistical information in the labour field includes occupational safety and health, wages, working-hours, industrial relations, and vocational training.

6. Regional and International Labour Affairs:

The labour department, through its technical staff, has the responsibility to prepare itself and its minister to participate actively in:

• the annual ILC including the preparation for the Conference in relation to its delegates; reviewing reports and agenda items; meetings with Caribbean delegations;
• the meetings of CARICOM council of ministers responsible for labour:
  • preparation and follow up at the national level;
  • conferences of the regional and hemispheric labour ministers and ILO sub-regional conferences and other meetings, and prior preparation for such events; and
  • meetings of the CARICOM tripartite working party of labour officials on harmonization of labour legislation and national labour policy.

Co-ordination and Requirements for Labour Administration:

(a) Coordination

The effective co-ordination of the various functions and responsibilities of the system of labour administration is an essential task for labour ministries or labour departments to ensure:-

• proper coordination of the tasks and responsibilities associated with labour administration;
• that state agencies act in conformity with the legislation and accepted labour standards; and
• evaluation, publication and dissemination of information of general interest on labour matters.

(b) Adequate Resources

• adequate financial resources are required, taking into account the importance of the duties to be performed, as well as the material means placed at the disposal of the staff, and their own remuneration; and
• adequate number of suitably qualified staff who should receive initial and further training, and benefit from ongoing staff development initiatives, exposure and experiences to enhance their capability, and the development of management and leadership skills.
EXECUTIVE SUMMARY

Rationale and scope of the study

The enormous impact of new demands being placed on the role of labour in market-driven and liberalized economic relations is receiving growing attention in the search for an adequate and comprehensive response by political decision-makers in most countries. Increasing competitiveness and the inevitable demands for high levels of productivity in almost every sphere of economic and social activity entail the re-conceptualizing of the role and repositioning of Ministries of Labour as organs of the State. Such a role-redefinition will be expected to address issues of labour as the critical defining characteristic by which human resource development becomes the strategic policy arena to advance competitiveness and productivity.

This issue is of special significance for small open economies, vulnerable to global economic shifts and possessing limited options for diversification. For the Caribbean Community, the advancement to a Single Market and Economy (CSME), with the free movement of skills and capital, will also require innovative mechanisms and resources to support the restructuring of Ministries of Labour.

Such innovations, while addressing sector-specific issues for labour, are being situated within the wider context of State Modernization. This essentially entails the role of state institutions to be more clearly focused on policy formulation, supporting the necessary enabling legal framework, building harmonious relations among the social partners and protecting human rights, in society as a whole and also, for instance, in regard to freedom of association, collective bargaining, decent work, etc.

Awareness of the need for change and modernization have been consistently acknowledged at the highest level of decision-making in CARICOM Member States over the last five or six years. The pronouncements have not been accompanied in any significant manner by structural and organizational changes or deployment of resources to enhance research on labour productivity or to actively support the design and operationalization of social dialogue/social compact as an ongoing function of tripartism or multipartitism.

It is within this expanded understanding of the "modernization" issue that the current discussion will take place. Put simply, a complementary function by Ministries of Labour will need to be identified whereby a facilitating role can be performed. This will enable labour to contribute in an optimum manner, not merely as a factor of production but as an essential resource by which human skills, knowledge and several ranges of
expertise are endowed with the capacity, including training and organizational support, to become an indispensable means of “value-added” in the productive processes of society.

Methodology

This study was commissioned with the intention of ascertaining what concrete and tangible steps have or are being taken to achieve “modernization” of Ministries of Labour. At the same time, it was considered helpful on the basis of current practice, resources and orientation of Ministries, to chart the guiding principles on how a strategic re-direction may be pursued to address the challenges of the global economic environment and the demands of Caribbean regionalism.

In the Terms of Reference (TOR) for the study, the scope of work indicated that specific attention should be provided to:

a) establishing the requirements of ministries responsible for labour to be adequately equipped to respond to the challenges of the international economic system;

b) reviewing the capacities and performance of the said Ministries with respect to organizational structure and functions, roles, responsibilities, skills profile and technical capabilities, programme planning and evaluation and level of computerization;

c) an identification of linkages and synergy between ministries and other government agencies, the non-state actors, international institutions and related organizations; and

d) consideration of gaps between the current and required capacities of Ministries and the strategies by which identified “gaps” can be closed.

Primary data collection within countries was limited to a few countries from which a spread of generic issues affecting Ministries could be ascertained. Account was taken of the similarity in the historical background of labour relations and administration in the English-speaking Caribbean and on account of a relatively different legal framework for labour policies, it was considered worthwhile to include Suriname.

Four English-speaking countries were identified for field visits - Barbados, Guyana, Jamaica and Saint Lucia. Correspondence was initiated by the PROMALCO Project with government ministries, trade union representatives and employers’ organizations.

From the data collected through interviews and from a review of the existing extensive information on the modernization issue, the strategy paper has been presented to illustrate the commonalities of organizational structure, normal functions and resource capacity of ministries as currently existing in the Caribbean.

The findings of the study are indicative of new directions that ought to be pursued by which labour in general, and its administrative structures, can be empowered and enhanced to address the imperatives of a changing global economic environment.

The context: Global and Caribbean

The rapidly changing global economic environment has drawn dramatic attention to the need to place a greater emphasis on human resources and how best they can be equipped and mobilized to encourage the development of enterprises.

Capital investments, domestic and foreign, as sources of job creation are thereby expected
to address the underlying structural condition of high unemployment and underemployment in economies, such as ours in CARICOM, which vary between 12-22% of the labour force, according to Caribbean Development Bank (c.f. Annual Report, 2000).

On account of the current orientation of the global economy, competitiveness has become one of the main drivers of change and a key factor of enterprise development that places a high premium on productivity, greater flexibility and a mobile and well-trained workforce.

The new economic order demands that labour administration is adequately prepared to cope with an environment characterized by competition. In this regard, the State is expected to take on a new role and seek new avenues to facilitate and encourage the growth of enterprises that must now be viewed as partners rather than adversaries. Deeply ingrained perceptions of mistrust and prevailing attitudes that portray a self-serving role on the part of traditional “big business” are giving way to “partnership relations”, as promoted by ILO’s principles of genuine tripartism.

One of the major challenges for Caribbean countries is to design systems of labour relations by which Governments can facilitate and promote the opportunities presented by globalization.

This will call for embarking on various policy innovations and practical strategies to facilitate investment and enterprise development. If such strategies are to be realized, there will be serious implications for human resource development (HRD) and labour relations as the ability to attract foreign direct investment will be largely contingent on the supply of a labour force with the necessary skills, knowledge and competencies needed in the 21st century organization.

**Ministries of Labour: A brief overview**

It is not uncommon for senior public sector managers of Ministries of Labour to regard their portfolio responsibilities as a “Cinderella” in the wider functioning of government’s policy on social and economic development. Well recognized as pivotal for stability of the industrial relations climate, labour is rarely regarded as deserving of a prominent source of influence in government’s decision-making. A redirection has begun to appear with a new understanding of the role of “non-state” and civil society actors in governance, related to sustainable human development and social equity. An exception of note is to be found in recent changes in Suriname where the role of labour is accorded a position of considerable prominence for policy advice through the National Social and Economic Council (SER) that includes representation of business.

Moreover, there is growing attention to the promotion of social dialogue. By this means, labour, government and private enterprise, constituting the social partners, arrive at a compact, protocol or formal agreement to pursue common policies. Perhaps the most widely cited experience, in this area, among Caribbean Community (CARICOM) member states, is that of Barbados.

But even in Barbados, discussions with key labour officials reveal the need for strengthening and reconfiguration of the functions performed by the Ministry of Labour. For
instance, the advances made in establishing a common framework for a sound social partnership, bring with it the demands for appropriate organizational infrastructure and competent human resources. In the day to day circumstances of how Ministries are expected to function, new demands arise. As a result, activities and responsibilities to be addressed to ensure the economic benefits of a stable industrial relations climate, maintaining a fixed exchange rate and the obligation for consultation between employers and unions prior to reduction of the labour force will require a permanent mechanism for ongoing meetings and analysis of issues as part of the social dialogue.

The significant role to be attributed to a research and planning function for Ministries of Labour requires appropriate consideration. Research entails adequate capacity and facilities for data gathering, analysis and dissemination so as to inform decision-making. This in turn assumes that the Ministry enjoys a position of centrality by virtue of the services offered.5

Among services offered, beyond the traditional ones of conciliation, labour inspectorate, union registration and vocational training, there is evidence in countries of growing attention to Labour Market Information Systems, utilizing modern information and communication technologies (ICTs). The case of Trinidad and Tobago, as well as Jamaica, is instructive, by its expansion of information systems beyond labour market factors to include data on education and training institutions, programmes offered and entry requirements. These are components of their National Human Resource Management Information System (NHRMIS).

In conjunction with research and planning, Ministries discharge major responsibilities for the design of, and monitoring the compliance with, labour legislation. As expected, personnel for these functions vary across countries, given the shortage of specialized legal expertise, as well as high demands for such expertise in the private sector, which can provide more attractive compensation.

As distinct from legal advisory and monitoring functions, the legal framework, both regulatory and enabling, for the role of labour in a global economy and to support regionalism, is understandably in need of updating and reform. Changing circumstances in the workplace, introduction of new technologies and the need to satisfy environmental standards, for example, require new legislation and the requisite expertise to prepare and ensure its compliance.

Ministries of Labour in CARICOM are demonstrating increasing awareness of the need for change and the indispensable role of mobilizing human resources to address policy and operational processes for such changes to impact on levels of productivity and competitiveness in Caribbean economies.

These weaknesses are not restricted to government ministries/departments charged with labour administration, since they are in part derived from the inherited systems of administrative bureaucracies by which the traditional civil service functioned in a rules-based, hierarchal, regulatory environment. The demands for all state agencies to be facilitators of change, service-oriented and results-focused bring with them the need for the human resources, as the primary asset of society, to realize their potential in the most meaningful and self-fulfilling manner.

In general, however, Ministries appear to be:

- under-resourced with regard to in-house expertise to facilitate and coordinate the promotion of the social dialogue;
- deficient in equipment and trained personnel to utilize information and communication technologies for on-line, one-stop shop services on labour requirements for business development and investment promotion;
- limited in research capability to investigate, analyse and advocate policy options and generate public debate on unemployment and underemployment;
- without effective inter-agency linkages between ministries and departments of government which have overlapping responsibilities for human resource development; and
- restricted in the range of specialist skills and competencies for strategic planning and organizational development by which to optimise productivity.

To satisfy the dual purpose of regulating the industrial relations climate of society and promoting the development of human resources, labour ministries enjoy a pivotal role and responsibility in the functioning of the State. With the changing role of the State, the modernization of Ministries of Labour becomes inevitable.

**Recommendations**

Based on the findings of this study and relying on the extensive deliberations on the modernization of ministries of labour, that preceded this effort, four broad areas are suggested for action.

Firstly, the understanding of labour ministries as government agencies implies that their modernization must be situated within the wider context of state modernization or public sector reform/development and administrative restructuring.

At the heart of this issue is the imperative that the core business of each government agency must be defined with a clear mission and vision. It is more than likely that any such definition will inevitably indicate that in the performance of their core business, labour ministries will assume the functions of policy formulator, adviser and facilitator of an environment in which business and labour effectively function to produce goods and services for the development of society as a whole.

Secondly, labour ministries will be expected to define the regulatory framework for accountability and monitor compliance with labour laws. In this domain adequate research capability of multi-disciplinary teams, working in close collaboration with other government agencies, concerned with human resource development, will provide informa-
tion services on requirements for investment, economic priorities, labour demand and opportunities accessible by the electronic media.

Thirdly, the promotion and nurturing of industrial democracy by means of consensus-building between employers and workers has assumed growing importance for small societies.

The imperatives of inclusion, genuine partnership and multipartitism between various strata, classes and interests in society place a special responsibility for a culture in the workplace that facilitates the realization of human potential.

The coordination and monitoring of key issues by which the social dialogue is deepened and enlarged should be addressed as a core function of labour ministries.

Fourthly, the developmental and regulatory functions to be performed by labour ministries presuppose that they operated beyond an agency culture, as separate silos in the administrative apparatus of the State. Rather, it is necessary that they become learning organizations and champions of a holistic inter-agency collaborative machinery.

From the above broad thematic areas for a re-direction of the roles of Ministries of Labour, the specific requirements for skills, expertise and competencies can be explicitly defined. These are partly addressed in the Report of the Working Party on Modernization of Labour Ministries and will be elaborated in the ensuing discussion of this study.

---

Labour, Barbados. In September 2001, the Working Party provided a Report entitled: The Modernization of Ministries of Labour: Options, Challenges and Strategies.\(^7\)

In that Report, a discussion is provided of the concept and the need for modernization, taking into account various background papers and prior reports. Moreover, the Working Party considered the strengthening of the traditional mandates of labour ministries as the first priority of a modernisation drive (2001 Report, p.4).

Those mandates were seen as being centred on:

- promoting workers’ rights;
- intervening in labour disputes;
- providing a conciliation/mediation service;
- setting up and servicing arbitration tribunals;
- facilitating settlement of trade union recognition claims;
- labour and occupational safety and health policy, inspections and enforcement;
- recruitment and employment placement service;
- industrial and vocational training;
- statistical information gathering, analysis and publishing;
- promoting of international labour standards through legislation and policy; and
- tripartite collaboration and consultation.

The Working Party was particularly conscious of the need for more consensual relations as well as new forms of social dialogue at the national and enterprise level to be developed, due to the impact of globalization and the demands for economic competitiveness. As a result, major changes were to be expected in the management of labour relations.

In this regard, the formulation of a national labour policy, a critical responsibility of labour ministries, requires consultation with the social partners and coordination with other agencies. But since responsibilities for labour matters are not exclusively within the domain of labour ministries, an additional demand is placed on labour departments to keep abreast of developments across government agencies. Hence a coordinating and collaborative function for national policy formulation has become multisectoral with labour departments required to maintain closer working relations with ministries of finance, economic planning, education, immigration, commerce, trade and industry as well as statutory agencies.

According to the Working Party, an essential task for labour ministries or labour departments is to ensure:

- the proper co-ordination of the tasks and responsibilities associated with labour administration;
- state agencies act in conformity with legislation and accepted labour standards; and
- evaluation, publication and dissemination of information of general interest on labour and labour market matters.

Recognizing the changing role and new demands of labour ministries, the Working Party also emphasized the need for adequate financial resources and suitably qualified staff, as well as labour administration training and staff development.

The comprehensive nature of the 2001 Report is further illustrated by the attention given by the Working Party to the understanding of labour modernization in the context of the challenges of globalization.

In such a context an expanded role of Ministries of Labour in national social and economic development was inescapable. To this end, the Working Party pointed to a mix of measures notably:

- the improvement of internal efficiency and the optimum use of existing staff and financial resources;
- the establishment of objectives and measurable targets; and
- the redefinition and expansion of the labour portfolio beyond its current orientation.

Among the priority areas identified for immediate attention at the national level were:

- adequate staffing and task descriptions;
- training and staff development;
- active dispute prevention and resolution approaches;
- strengthened authority of labour departments; and
- adequate remuneration.

The above concerns address the internal organizational structures and capacity of modernized labour ministries. These concerns were even further elaborated by the Working Party in terms of a vision, mission, objectives, functions and staff positions and can be examined by the reader in the 2001 Report (see pp. 7-10).

Notwithstanding the detailed attention to those internal and operational requirements, there seems to be an additional need to advance the re-examination of the structure and facilitating role of Ministries of Labour in response to the wider context of the emerging, new understanding of the State and society, in which privatization and deregulation policies bring to the fore unprecedented challenges for labour.

The proposed strategic framework for the modernization of Ministries of Labour by this study will therefore focus on the macro-policy framework and institutional changes required for effective attention to human resource-oriented strategies. The imperatives that present an array of challenges with regard to labour standards and labour policy have arisen, according to Tokman, from “a transfer of traditional governmental responsibilities to the private sector and deregulation policies aimed at handing over to the market, the role previously held by the public sector in the area of resource allocation”.

With regard to resource allocation, referred to by Tokman (2001), this study will focus on those aspects of human resources linked to an understanding of labour, not merely as a factor of production, narrowly defined as if contrasted with capital and subservient to capital, but in fact as a core dimension of the human capital and embodiment of skills, knowledge and expertise indispensable for wealth creation in society.

From such a perspective, increasing competitiveness and the inevitable demands for high levels of productivity in almost every sphere of economic and social activity now

---

entail the reconceptualizing of the role and repositioning of Ministries of Labour as organs of the State. These issues of productivity and competitiveness at the enterprise level have given rise to the need for ministries of labour and the public sector, as a whole, to engage in a search for innovative mechanisms, principles and policies that encompass and adequately address human resource development strategies.

Put simply, a complementary function by ministries of labour will need to be identified whereby a facilitating role can be performed in the context of the dominant market-driven economic relations. This will enable labour to contribute in an optimum manner, as an essential resource by which human skills, knowledge and several ranges of expertise are indispensable means of “value-added” in the productive processes of society. In this regard, and particularly for small developing economies, job creation and gainful employment of the labour force become of paramount importance to counter-balance growing job insecurity and the tendencies to disregard international labour standards and fundamental labour rights. But the record shows, as in the case of Caribbean economies, persistently high levels of unemployment and under-employment continue to be a disturbing phenomenon. For instance, unemployment rates are below 12% in Belize and may be single digit (9%) in Barbados but are estimated at more than 20% of the labour force in Dominica (cf. CDB Annual Report, 2000).

Moreover, the anxiety with which the donor community and international financial institutions have attributed the role of the engine of growth for the private sector has not been consistently supported by effective measures to strengthen the capacity of the private sector in developing economies to adequately perform that role. For this reason, initiatives to improve the policy environment for private sector development and institutionalize new forms of governance, by which social compacts promote management-labour cooperation merit analysis and discussion so that human resource development strategies can play a key role in the sustainable development of small societies.

The Report of this study will attempt to advance the understanding of the above issues within the context of the ILO’s Project for the Promotion of Management-Labour Cooperation (PROMALCO), particularly from the perspective of the needs of enterprises, as clients of labour ministries. In addition, the analysis will examine ways to advance the productivity and competitive advantage of Caribbean enterprises through the optimum utilization of human resources.

The Report is presented in three sections. First will be an overview of challenges emerging from the global economic environment and implications for human resource development in general, and specifically, for labour in the changing workplace. This is followed by an analysis of prevalent organizational and operational structures in Caribbean labour ministries with a scenario for internal reorganization required to service new demands of enterprises and promote labour productivity in a changing labour market.

In a final section, guidelines and strategies for the repositioning of Ministries of Labour and a higher profile in the context of State Modernization are presented.

### CHALLENGES OF LABOUR AND THE GLOBAL ECONOMIC ENVIRONMENT

Globalization compels economic actors to compete at a cost lower than their competitors. With this, actors need to adjust
the way in which their labour markets function and enhance the competencies needed to reposition themselves. As a result, greater competition raises issues for the Caribbean to create more flexible labour markets and upgrade the level of education and training especially of the least skilled workers.

The Caribbean has moved from being a highly protected and closed region in the economic scheme of things to one which now not only has to respond to global changes affecting its labour force but also to anticipate the challenges and opportunities which will be presented.

The opening up of Caribbean markets which were for most of their post-colonial existence protected and treated preferentially will necessitate that enterprises adopt new modes of production and distribution. Despite the region’s inherent vulnerabilities and disadvantages, the new environment calls for open competition and survival of the fittest and most able.

This new dispensation will bring about fundamental changes in public administration and management. At the core of this however, is the need to ensure that labour can function adequately as one of the main constituent factors for competitive advantage.

In this regard, these unprecedented changes have influenced the way labour markets must now function. That is, a shift is taking place in how the supply of labour is able to meet the demands of a new economic order. As a result, new institutional responses are emerging, which entail considerable implications for the organization and management of human resources. In particular, a closer link has to be established and maintained between the demands of the economy for skills in specific areas and the supply of an adequately equipped workforce.

The design and introduction of Labour Market Information Systems are crucial for the achievement of this goal.

New public/private sector partnerships are being forged given the increasing role of the private sector for job creation and job security due to the pressures of global competition. This demands that ministries take a lead role as facilitators of business.

This new economic order demands that labour administration is adequately prepared to cope with an environment characterized by competition. In this regard, the State is expected to take on a new role and seek new avenues to facilitate and encourage the growth of enterprises which must now be viewed as clients rather than adversaries. Deeply ingrained perceptions of mistrust and prevailing attitudes that portray a self serving role on the part of traditional “big business” are giving way to partnership relations, as promoted by ILO’s principles of genuine tripartism.

One of the major challenge for Caribbean countries is to contemplate which system of labour relations is well suited to meet the needs of a region which has been characterized by a system that supports narrow age old functions, rather than a proactive player in ensuring that Governments are able to facilitate and promote the opportunities presented by globalization.

This will call for embarking on various policy innovations and practical strategies to promote investment and enterprise development. If such strategies are to be realized, there will be serious implications for HRD and labour relations as the ability to attract foreign direct investment will be largely contingent on the supply of a labour force with the necessary skills, knowledge and competencies needed in the 21st century organization.
Moreover, the changing enterprise environment will be shaped by cross-border entrepreneurial activities and have, as a result, the need to address a multi-cultural working environment in which both management and labour should have a shared vision for enterprise development.

*** METHODOLOGY OF THE STUDY

The Terms of Reference (TOR) for the study, indicated that specific attention should be provided to:

a) establishing the requirements of ministries responsible for labour so that the can be adequately equipped to respond to the challenges of the international economic system;

b) reviewing the capacities and performance of the said Ministries with respect to organizational structure and functions, roles, responsibilities, skills profile and technical capabilities, programme planning and evaluation and level of computerization;

c) an identification of linkages and synergy between ministries and other government agencies, the non-state actors, international institutions and related organizations; and

d) consideration of gaps between the current and required capacities of Ministries and the strategies by which identified gaps can be closed.

Consistent with the TOR, the consultants utilized a multi-phased approach whereby it was possible to optimize access to the already existing work on the modernization of ministries. Correspondence was initiated with labour officials requesting pertinent background information and simultaneously a review of the relevant literature was undertaken. In combination with that review, specifically addressing modernization strategies, the consultants acquainted themselves with the contextual issues affecting the role of labour in the global economic environment and their implications for the Caribbean.

With a limited budget for primary data collection within countries, it was only possible to undertake visits to a few countries from which a spread of generic issues affecting Ministries could be ascertained. Account was taken of similarity in historical background of labour relations and administration in the English-speaking Caribbean and on account of a relatively different legal framework for labour policies, it was considered worthwhile to include Suriname.

Four (4) English-speaking countries were identified for field visits - Barbados, Guyana, Jamaica and Saint Lucia. Correspondence was initiated by the PROMALCO office with government ministries, trade union representatives and employers’ organizations. Requests were made for relevant background information on the structure of ministries, strategic planning and reorganizational plans that may be underway or envisaged and any mechanisms established to promote dialogue and action among the social partners.

A schedule of field visits was prepared with mutual agreement and to the convenience of the consultants and liaison persons in government, unions and private sector. Meetings were held in Barbados, Jamaica, Trinidad and Tobago, Suriname and Saint Lucia.

A significant source of information and insights was derived from the participation of one of the consultants at a regional meeting on Caribbean Labour Administration in Antigua.
and Barbuda from September 25 - 29, 2001. Secondary sources were also identified from countries that could not be visited.\(^9\)

From the data collected through interviews and from a review of the existing extensive information on the modernization issue, the strategy paper has been presented to illustrate the commonalities of organizational structure, normal functions and resource capacity of ministries as currently existing in the Caribbean.

In conducting this study, background documents were reviewed and interviews held with informed persons in ministries of labour, employers’ associations and unions.

Although formal structured questionnaires were not utilized, the line of enquiry with the various respondents followed a general pattern. The general thrust of questions enable the consultants to ascertain the principal roles, responsibilities and functions currently performed by the ministries/departments of labour. The composition, structure and skills sets were also established. Two other features were enquired for information. The status of strategic planning and performance management/assessment of core functions and projections or proposals on the extent to which changes may have been envisaged.

A final issue addressed in the interviews centred on the approach to and modalities by which social partnerships or tripartite relations, were maintained and with what effect. In this regard the level of political and administrative commitment as perceived by the various stakeholders, was rigorously examined.

This information is provided as the traditional contextual background on the main emphases that are pursued by which labour ministries in general. In addition, the prospective directions for ministries to be empowered and enhanced to address the imperatives of a changing global economic environment are also presented.

●●● MINISTRIES OF LABOUR IN THE CONTEMPORARY CARIBBEAN: AN OVERVIEW

In the course of conducting this review, it was generally observed that senior public sector managers of Ministries of Labour regard their portfolio responsibilities as a Cinderella in the wider functioning of government’s policy on social and economic development. Well recognized as being pivotal for the stability of the industrial relations climate, labour is rarely regarded as deserving of a prominent source of influence in government decision-making.

An initiative that merits consideration is to be found in recent changes in Suriname where the role of labour is accorded a position of considerable prominence with the establishment of a National Social and Economic Council (SER) that offers policy advice and engages the political directorate in regular dialogue on matters of national interest. The views of business and labour are accorded equal treatment in promoting economic development, which requires a level of macro-economic stability and an industrial relations

climate favourable to management - labour cooperation.

Concern for such a view has become quite widespread in Caribbean societies, with the growing attention to the promotion of a social dialogue. By this means, labour, government and private enterprise, constituting the social partners, arrive at a compact, protocol or formal agreement to pursue common policies. Perhaps the most widely cited experience, in this area, among Caribbean Community (CARICOM) member states, is that of Barbados.

But even in Barbados, discussions with key labour officials revealed the need for strengthening and reconfiguration of the functions performed by the Ministry of Labour. For instance, the advances made in establishing a common framework for a sound social partnership, bring with it the demands for appropriate organizational infrastructure and competent human resources. Such an infrastructure will include a Unit or secretariat within or closely associated with the Ministry. Examples of similar organizational units can be found in the establishment of a “labour exchange bureau” or employment placement bureaus, which have been in existence for some time in several countries. The appropriate level and type of competence of staff required to give effect to the “social partnership approach” should be drawn from persons trained in participatory and facilitating methodologies, disposed to building coalitions and alliances outside of narrow functional or sectarian interests. This implies the ability to work with groups in shaping common policy directions that embrace government, business, unions and other organs of civil society in ways that advance industrial democracy. Training of such cadres in “labour studies”, broadly understood, will be a distinct advantage.

In the day to day circumstances of how Ministries will be expected to function, new demands inevitably arise. As a result, activities and the responsibilities to be addressed to ensure the economic benefits of a stable industrial relations climate, to maintain a fixed exchange rate and the obligation for consultation between employers and unions, before the reduction of the labour force, as prescribed by Protocols of the Social Partners, will require analytical and systematic attention through regular meetings and consultations on issues as part of the social dialogue.

Such mechanisms and the requisite competencies suggest that Ministries serve as a coordinating secretariat for the convening of working sessions, and reporting as well as monitoring the outputs of decisions taken by the social partners. Similarly, and of greater significance is the need for policy analysis and impact assessment of the consequences of policies or proposed legislation on the role of labour in the ever-changing global, regional and national environment. Examples of key competencies that should be reflected in ministries charged with advancing new modes of decision-making and policy formulation by involvement of the social partners will consist of: organization ability and skills in facilitating consultative processes; expertise in programme monitoring and evaluation; knowledge and experience in public policy analysis and impact assessment.

The kinds of challenges and new demands referred to above, indicate a gap between the traditional activities of labour ministries and changes required for “modernization” of structure, roles, responsibilities and current competency profiles in ministries. As will be illustrated subsequently, the current, dominant demands made for performance of “traditional” functions in contrast to alternative features required for an expansion
into “modern” roles continue to absorb a greater proportion of personnel time in ministries, as was frequently reported in the course of this study.

There is ample evidence of prior studies that depict the generic kinds of operations undertaken in the conventional roles and proposals on the nature and scope of the “requirements and challenges” that should be addressed by CARICOM Member States.10

While many readers may be familiar with the general and frequently-cited needs of labour ministries, it is useful to highlight these from the perspective of structural reforms of public administrative systems and indicate the implications for facilitating human resource-oriented strategies.

At the outset, the basic requirement is one of a redefinition of role. Since the role of the State has been inevitably modified under the pressure of the twin forces of globalization and trade liberalization resulting in market-driven, neo-liberal economic relations, the dominant command and control function of the entire state apparatus has been almost completely displaced. As a consequence, a ministry or department of labour, as an important arm of the administrative apparatus cannot effectively continue to pursue its traditional role. Or to put it differently, if the traditional role is pursued, it will do so at the cost of being irrelevant and ineffective.

This was the underlying awareness expressed at the Caribbean Labour Ministers’ Meeting in Jamaica in April 2000 by the ILO, through its Caribbean Director, when it was asserted that:

**internal management strategies and practices, long associated with the civil service culture, will need modernizing to reach the high performance, efficiency-driven and target-oriented organizational transition required.**11

A fundamental change in the role of labour ministries is recognized to entail the gradual movement away from a tradition and social concentration on the dual yet core function of managing labour relations and ensuring social protection. This must therefore give way to vigorous labour market planning, using active labour market policies to promote equilibrium between labour demand and supply. (ibid.)

Our observations indicated that in the case of most labour ministries the traditional demands of managing labour relations, attending to conciliation and mediation, conducting inspectorates, monitoring labour standards and reporting thereon, received predominant attention of labour officials. The deployment and use of the limited trained labour personnel remained heavily concentrated on traditional functions.

In the present circumstances, day to day demands of labour administration are already under resourced, technically qualified personnel in labour matters, were disproportionately biased in the observance of the administrative and regulatory tasks of ILO Convention

10 See Modernization of Public Institutions and Labour Administration: Requirements and Challenges - The Case of CARICOM. A Working Document: (No date). This is an invaluable resource on the recent literature pertaining to the “modernization dialogue” and “status report on initiatives” pp.12-22.

11 See Working Document p.12
No. 150 and Recommendation No. 158 at the expense of policy formulation and participation in national manpower planning and investment initiatives.\textsuperscript{12} The question arises therefore as to whether or not technical policy issues and technical labour administration matters cannot be more distinctly separated from general administrative management functions.

The “competencies and capacities” should be utilized in an optimum manner without having specialized labour policy and administration personnel spending a disproportionate amount of time and energy on primarily general managerial, administrative and, in some cases, glorified clerical functions such as leave approvals, vehicular availability and upkeep, etc.

This study concurs with the ILO’s concern that while competencies and capacities are in sync with the traditional policy priorities (labour relations and social protection), there is a gap between the competencies and capacities found at the Ministries and what is required to mount a challenge in the newer domain of employment and labour market policies (See Working Document, p.12).

The perception on the challenge in the newer domain must also link employment and labour market policies to the promotion of an enabling environment for investment as a means of providing decent work, with adequate attention to enhancing productivity by means of suitable incentives. These are all elements for facilitating appropriate human resource-oriented strategies. The latter is the central issue of this paper and the implications for which will be discussed in the next section.

However, prior to that discussion, it may be necessary to revert to the earlier remark on distinguishing functions of labour policy and administration from general administrative functions since this has implications for operations and the organizational structure of labour departments.

In our view, it seems worthwhile to pose a question on the kinds of recommendations proposed for “new functions/demands/challenges” and a required structure and resources for modernized departments, as proposed in the case of St. Vincent and the Grenadines.\textsuperscript{13}

Acknowledging there are limited resources, particularly in regard to suitably qualified human resources with specialized competencies for the new demands, which must primarily address the areas of integrated human resource development and strategic alliances with the social partners, it seems necessary to more sharply focus on the role and responsibilities of a labour commissioner. For instance, these may be better centred on policy advisory functions and for the development of corporate synergies. These will include collaboration with other senior public management officials so as to address cross-cutting, inter-ministerial tasks, as well as to network with trade unions, private enterprise and regional counterparts. As a result, ministries of labour will be integrally involved in a process of building strategic partnerships for management-labour cooperation in support of improved productivity and competitiveness through more effective and efficient use of human resources.

\textsuperscript{12} This advisory function for “a management system” is proposed by the Goolsarran Report (December 2001) on St. Vincent and the Grenadines. See p.11.

\textsuperscript{13} Goolsarran Report 2001: pp.2 and 5-11
TABLE 1: INDICATIVE PROFILE OF GAPS BETWEEN “TRADITIONAL” AND “MODERN” FUNCTIONS

<table>
<thead>
<tr>
<th>Traditional practices centered on</th>
<th>New demands for:</th>
</tr>
</thead>
<tbody>
<tr>
<td>i) Labour administration, mainly conciliation mediation, compliance with labour legislation</td>
<td>Observance of international labour standards, promotion of decent work, attention to HIV/AIDS in the workplace</td>
</tr>
<tr>
<td>ii) Development and advisory services on labour legislation</td>
<td>Revision of labour laws and expansion for attention on occupational safety and health, protection of growing number of non-unionized workers</td>
</tr>
<tr>
<td>iii) Promoting industrial peace and stable industrial relations</td>
<td>Active promotion of industrial democracy, social partnerships, national productivity, etc.</td>
</tr>
<tr>
<td>iv) Regional and international reporting through labour surveys, etc</td>
<td>Compliance with international Conventions, identification of “best practices” for international adoption</td>
</tr>
<tr>
<td>v) Research for manpower planning and labour market information</td>
<td>Research studies and strategic planning on human resource development, with related government departments, assessing impact of globalization, incentives for investment and competitiveness not abusive of labour</td>
</tr>
<tr>
<td>vi) Employment, training and job placement (labour exchange bureau; seasonal farm work, etc.)</td>
<td>Linkages with national, regional, international training institutions for skills enhancement; one-stop-shop and on-line access to job opportunities.</td>
</tr>
</tbody>
</table>

These tasks require a separation of functions and the allocation of general administrative responsibilities, as is usually done for personnel management, to persons other than a Labour Commissioner or Deputy Labour Commissioner. The implications of this in generic terms will enable ministries of labour to be the beneficiaries of standard management principles that provide for policy, operational and administrative functional units. By this means, such tasks as management supervision and appraisal of staff are placed in the administrative units and specialized skills, experience and expertise more efficiently placed in Policy and Operational Units. To put it differently, the most competent and experienced neurosurgeon can more effectively optimize specialized knowledge not as a hospital administrator but in charge of teams of surgeons!

The tendency has persisted in many government agencies that Chief Policy Advisers with specialized technical competencies are made to assume administrative managerial functions, for which they may be ill-disposed and ill-equipped, not to mention inefficiently and ineffectively utilized.
Given the growing awareness on the part of policy-makers and officials for labour administrations to be modernized, the linkages between conceptions of the role of labour and organizational changes are extremely pertinent. Taken from a broad perspective, many initiatives on the changing role of labour and the associated concomitant functions of labour departments can be noted and these will entail the shape of “new” ministries.

An attempt to portray an indicative profile of contrasting features between the conventional and “modern” functions is shown in Table 1. Although these features are not mutually exclusive they illustrate core functions that provide a distinguishing characteristic of the duties performed or to be performed with the requisite skills in Ministries of Labour. A shift to the new emphases will be expected to facilitate a structural reorganization by which to meet the demands of human resource-oriented strategies in national and regional economies.

---

**REPOSITIONING OF LABOUR MINISTRIES: FUNDAMENTAL REQUIREMENTS**

Acknowledging the need for change, initiatives aimed at the modernization of ministries have been pursued in the following areas:

**Review of labour legislation.** This entails concern for employment rights as in Barbados as well as severance and termination of employment (Guyana) and social protection. Attention to technological changes and the application of standards with regard to safety and health are also being addressed in model labour legislation being promoted within the Caribbean Community (CARICOM).

**Skills development for knowledge-based economies.** In this regard, technical and vocational training with much emphasis on information technology skills has been frequently cited by ministries (Barbados, Jamaica, Saint Lucia and Suriname).

**Applications of ICTs to Labour Market Systems** The design and development of Labour Market Information Systems with internet-based applications are receiving growing attention as information and communication technologies (ICTs) are a main feature of operations within ministries. Both in terms of improving access to information on opportunities in the labour market and to upgrade efficiencies within ministries by computerization for record-keeping, data analysis and report preparation, the scope for ICT applications in the modernization process is well underway in several Caribbean Countries.

**Promotion of social dialogue** The considerable potential and growing need to overcome adversarial labour relations in order to advance productivity at enterprise and sectoral levels have been a strong impetus for the promotion of collaborative and strategic partnerships among governments and the social partners. Efforts in almost all countries have been undertaken but with varying levels of impact. The complexity of issues and divergent interests of management, labour, the political directorate and financial institutions are proving to require skilful handling and the strengthening of a share vision that includes economic growth with

---

14 An extensive summary of these initiatives is available in the Working Document, pp. 13-16.
good governance, equity and social justice. Inherent challenges in the social dialogue are increasingly giving rise to new tensions in society.

**Enhanced policy research and planning capacity.** There is widespread consensus on the expansion of the role of labour in the economy and the demands for labour administration systems to be responsive to the dominant market forces that shape economic relations in society. This necessitates the analysis and understanding of the political economy and social effects of development policies which increasingly tend to be favourable to capital investment at the expense of labour. Informed decision-making on national policy or specifically, for the measurement of productivity and to determine equitable means by which to share economic benefits, or burdens, requires on-going data collection and analysis. Some of this may of necessity require collaboration by ministries with research agencies in universities and elsewhere. Moreover, to effectively serve as a secretariat for advancing the social dialogue and strengthening the social compact, ministries must be recognized as reliable services of objective data to earn the credibility of an unbiased agent in discussions with unions and private enterprise for policy formulation, the resolving of conflict or promotion of productivity bargaining.

The above thematic areas can be considered as the core elements of a strategic framework for the repositioning of ministries. In order to effectively respond to the challenges of the global economic environment in which Caribbean and other developing societies must attempt to realize the potential of their human resources, it has been argued that labour productivity must be increased significantly.

For this to be achieved, skills must be enhanced, technical and vocational training promoted on a systematic basis and technologies utilized for access to information and new knowledge areas and work processes. In addition, the rigidities of labour market segmentation must be removed and accelerated access to job opportunities provided by labour market information systems, with a match of labour demand and supply that is highly efficient.

The role of labour will thus be redefined from being perceived as a marginal factor of production to become an essential productive resource as the embodiment of knowledge and skills which are indispensable to enhance competitiveness and productivity at the enterprise level. A redefined role of labour in society necessitates the reform, or conveniently designated modernization, of the administrative apparatus of the State. The focus of which, for labour matters, will be formulation of national policy, regulatory and legal mechanisms and other institutional arrangements for a conducive ethos and organizational culture so that labour administration systems can facilitate productivity.

By such administrative and institutional arrangements, labour interests become more interactive on cross-cutting issues, and can bridge gaps with traditionally compartmentalized and sometimes competing government bureaucratic agencies, concerned with finance, health, business development, economic planning, education and social security. All of which have a direct impact on

---

15 In a recent-paper David L. Rogers suggests “an active research and policy (R&P) unit within each MOL.” see Labour and Economic Policy in the Caribbean: The Case for a New Role of Ministers of Labour. Discussion paper at the June 2002 CGGED Meeting.
labour and human resource management and development.

Within the above strategic framework, ministries of labour can be repositioned to become demand-driven, service-oriented, pro-active and facilitating instruments for the institutionalization of productivity and competitiveness throughout the workplace.

Although the awareness for such a vision to be realized was evident in the course of undertaking this study, the following limiting factors, both structural and behavioural in nature, were found to characterize the prevailing situation of ministries of labour:

i) an absence of effective inter-agency linkages between ministries and departments of government, which have overlapping responsibilities for human resource development. On the demand side, both in the productive and services sectors of the economy, the need for personnel at various levels to work with agriculture or in promoting tourism in new areas, for instance, should be the subject of discussions and needs analyses for manpower planning in junction with ministries of labour. Similarly, close working relations with labour and providers of technical and vocational training will enable employment bureaux to better match job vacancies and available skills. Of great significance will be linkages between agencies promoting investment, those issuing work permits and labour ministries.

ii) a shortage in the range of specialist skills and competencies for strategic planning and organizational development by which to optimize productivity. Understandably, the demands of a changing external environment, now increasingly driven by the needs of economic competitiveness, will place considerable pressures on labour ministries to adjust and re-examine their mission and mandate. In such circumstances, the range of specialist skills, previously appropriate for the satisfaction of statutory duties in keeping with labour codes of a pre-globalization era, cannot be expected to effectively address the “new” situation. Therefore, the number and types of expertise now needed will have to assume a profile and mix, which are adequate for ministries to become demand-driven, service-oriented and able to facilitate improved productivity in the workplace. Personnel should possess the relevant knowledge and experience in areas such as change management, performance management, productivity economics and systems analysis.

iii) limited research capability to investigate, analyse and advocate policy options and generate public debate on unemployment and underemployment. The research tasks to be undertaken by modernized ministries will support their redefined mission and strategic objectives in ways that allow internal customers to be informed and apprised with adequate knowledge of the changing workplace, displaying diversity of gender, ethnicity, age and lifestyles. At the same time, external customers, particularly policy makers will receive the needed support for better-informed decision making on the complex issues of productivity, competitiveness, decent work and standards that respect human rights.

iv) a deficiency in the availability and deployment of in-house expertise to facilitate and coordinate the promotion of the social dialogue; and the ability to engage in mediating activities among public and private sector organizations, as well as structured relations with regional organizations such as the Caribbean Congress of Labour and the Caribbean Employers’ Federation.

Ministries of labour as facilitators of human resource development (HRD) strategies
v) a lack of equipment and trained personnel to utilize information and communication technologies for on-line, one-stop shop services on labour requirements for business development and investment promotion.

The above weaknesses are not restricted to government ministries/department charged with labour administration, since they are in part derived from the inherited systems of administrative bureaucracies by which the traditional civil service functioned in rules-based, hierarchal, regulatory environments. The demands for all state agencies to be facilitators of change, service-oriented and results-focused bring with them the need for the human resources, as the primary asset of society, to realize their potential in the most meaningful and self-fulfilling manner.

To satisfy the dual purpose of regulating the industrial relations climate of society and promoting the development of human resources, labour ministries enjoy a pivotal role and responsibility in the functioning of the State. With the changing role of the State, the modernization of Ministries of Labour becomes inevitable.

According to Goolsarran (2000):

“It is the responsibility of the labour ministry to promote the development and application of sound labour and employment policies. As the principal advocate of the labour force, the labour ministry must be equipped with adequate resources, including a cadre of competent and suitably qualified staff and advisers to enable them to effectively discharge labour administration and its technical and advisory services”.

CONCLUSIONS AND RECOMMENDATIONS

Based on the findings of this study and relying on the extensive deliberations on the modernization of ministries of labour, that preceded this effort, the following broad areas are suggested for action.

First, the understanding of labour ministries as a government agency implies that their modernization must be situated within the wider context of state modernization or public sector reform/development and administrative restructuring.

At the heart of this issue is the imperative that the core business of each government agency must be defined with a clear mission and vision. It is more than likely that any such definition will inevitably indicate that in the performance of their core business, labour ministries will assume the functions of policy formulator, adviser and facilitator of an environment in which business and labour effectively function to produce goods and services for the development of society as a whole.

Secondly, labour ministries will be expected to define the regulatory framework for accountability and monitor compliance with labour laws. In this domain adequate capability of multi-disciplinary teams, working in close collaboration with other government agencies, concerned with human resource development will provide information services on requirements for investment, economic priorities, labour demand and job opportunities accessible by electronic media.

Thirdly, the promotion and nurturing of industrial democracy by means of consensus building between employers and workers has assumed growing importance for small societies.
The imperatives of inclusion, genuine partnership and multipartitism between various strata, classes and interests in society place a special responsibility for a culture in the workplace that facilitates the realisation of human potential. Moreover, explicit account has to be taken of increasing diversity in the workplace in regard to gender, ethnicity, race and homosexuality, for instance; and the prevalence of HIV/AIDS, which need better education and counselling systems to deal with employee relations.

The coordination and monitoring of key issues by which the social dialogue is deepened and enlarged should be addressed as a core function of labour ministries.

Fourthly, the developmental and regulatory functions to be performed by labour ministries presuppose that they operated beyond an agency culture, as separate silos in the administrative apparatus of the State. Rather, it is necessary that they become learning organisations and champions of a holistic inter-agency collaborative machinery.

Fifthly, but most importantly, it is recommended that the concept of decent work should be placed at the forefront of all discussions and plans for the Modernization of Labour Ministries - however constituted.

It is our view that the increasing importance that is being placed on the provision of Decent Work as a “right” in the workplace makes the Ministry of Labour a pivotal player. Such attention re-emphasizes the importance of ILO Convention No. 81 - described as the most important international instrument in the field of labour advocacy. For it is one thing to trumpet the importance of providing decent work, but it is another to actually provide it, or to pay more than lip service to its provision. Hence the requisite monitoring mechanism must be provided and enforced by an institution apart from the key players themselves - employer and employee representative. A Labour Inspectorate staffed by top quality officials is a “must” in such circumstances.

As a consequence of the foregoing we wish to draw more than passing attention to the Report of the Director-General at the 1999, 87th Session of the International Labour Conference - captioned Decent Work.

The opening paragraph of the Preface states:

“This Report proposes a primary goal for the ILO in this period of global transition - securing decent work for women and men everywhere. It is the most widespread need, shared by people, families and communities in every society, and at all levels of development. Decent work is a global demand today, confronting political and business leadership worldwide. Much of our common future depends on how we meet this challenge.” (emphasis added)

And in a most thought provoking section, the Report refers to “strategies for Governments” with regard to labour policies in this way:

“Just as employers’ and workers’ organizations have to deal with a new world of work, so do governments. Traditionally the ILO’s government partner has been the ministry of labour. Here too, however, the situation has become more complex. Over the years, the position of ministries responsible for labour has been changing. Many ministries of labour now have relatively narrow areas of responsibility and, when it comes to broader issues of economic and social policy, their voices are often not heard. Indeed, many countries no longer have a ministry of labour at all; employment and labour affairs are handled through a unit that might address such related issues as competitiveness, enterprise development or gender. Government policy also has an impact on workers and employers...
through many other ministries, particularly those of finance, industry or planning.

In these circumstances, the ILO has to be involved with several government partners to encourage a more coherent and integrated set of labour policies. In the case of labour authorities, the ILO has to help them use their limited resources to best effect, whether for encouraging social dialogue, for resolving labour disputes, or for exploring new ways of organizing labour inspection.

The State is also a large employer and itself engages in social dialogue and industrial relations, by consulting and bargaining with organizations that represent its own employees. Periods of structural adjustment and transition have raised many difficult issues that are best addressed by negotiation and consultation. The ILO can support these efforts through balanced advisory services to administrations and public sector trade unions, helping them with bargaining techniques, dispute prevention and resolution, and participatory restructuring. Similarly, the ILO can continue to track privatization efforts, discovering best practices that involve effective social dialogue. (end of quote)

By such a comprehensive overview of a vision of “modernized” labour ministries, the critical importance of optimizing the human resources of society and labour in particular, has been lucidly portrayed.

While those observations contain enormous generic applicability at the global level, they also carry tremendous significance for Caribbean societies. Both within the framework of a CARICOM Single Market and Economy (CSME), built on the pillars of free movement of labour and of capital, as well as beyond to the wider Caribbean, the implications of those remarks deserve decisive policy decisions to enable labour and ministries of labour, repositioned and reshaped, to fulfill once again, an historic mission in the transformation of Caribbean societies.

THE WAY FORWARD: TOWARDS A PLAN OF ACTION

In light of the preceding discussion, a brief outline is provided of some basic actions that should be taken in charting a “way forward” by which to realize the modernization and structural reorganization of Ministries of Labour in the contemporary Caribbean.

Four basic steps will merit consideration:

i. a retreat and visioning-exercise for strategic directions;
ii. a performance management audit;
iii. a briefing document for a policy directive; and
iv. information systems and facilities.

By means of the above measures, a paradigm of “modernization and transformation” would have been articulated, the desired level of performance recognized and the human and technological resources provided, as the means by which expected outcomes should be achieved.

At the outset, ministries should engage in an in-house retreat. The benefit of an external facilitator should be considered since this enables open and honest self-criticism and the deflection of blame away from personalities and colleagues with whom there may be long standing differences. Such a retreat can encompass a “visioning” exercise which results in a restatement of a mission, vision, core values and strategic direction for the ministry as a team of professionals dedicated to accomplishing goals that have been agreed upon by all members of staff.
Within a framework of strategic objectives, it will be important to conduct a performance management audit of all posts. By this means, an objective assessment of the tasks being performed and their effectiveness in contributing to the stated goals of the ministry will be determined. On the basis of objective criteria, it will then be possible to assess the relative importance and justification for the continuation or otherwise of specific tasks/positions and incumbents.

Subsequent actions in the process of modernization should entail the preparation of a position paper outlining the new configuration of posts, size and requisite skills to be obtained in order to overcome the identified gaps and satisfy the functions of a “modernized” entity.

Accompanying the human resource requirements will be the organizational infrastructure of Information and Communication Technologies (ICTs) for an appropriate management information system and the necessary equipment and facilities for the realization of optimum performance.

In summary, a process of modernization would have been initiated and the basis has been established against which the attainment of key performance indicators can be measured. Modernization of labour ministries, both in theory and practice, would have been engendered as a living reality.

Beyond conceptualization and outputs of Working Groups, on this important issue, this Report is aimed at assisting with a “vision” of change to be turned into the basic steps for action and hopefully a tangible expression by which Ministries of Labour will significantly contribute to the development of human resources in the Caribbean.

●●● REFERENCES


TERMS OF REFERENCE

Given the need for higher levels of tripartite collaboration in the era of globalization, in consultation with the Ministry of Labour, Trade Unions’ and Employers’ Organizations, and related agencies, to undertake a comprehensive review of the labour administration system of Guyana with reference to:

- the mandate and function of the labour administration;
- its operational effectiveness;
- its organizational structure, staffing, and management;
- co-ordination and integration of its works and services;
- its influence on the formulation of national, social and labour policies; and
- other related matters.

To make appropriate recommendations for a more effective labour administration system for Guyana.

MEETINGS

The following meetings were held during the period of the review (20–29 October):

Two meetings were held with the Minister, the Honourable Dr. Henry Jeffrey. One of these meetings was held privately.

Two meetings were held with Mr. M. Akeel – Chief Labour Officer and his Deputy, Mr. D. Sookdeo.

Two meetings were held with Mrs. B. Hunt, Chief Recruitment and Placement Officer.

One meeting was held with Dr. E. London of the Occupational Health and Safety Division.

An open and wide-ranging meeting was held with the Labour / Conciliation Officers of the Ministry.

A meeting was held with the President, General Secretary and Officers of the T.U.C.

A meeting was held with Mr. David Yankana, Executive Director of The Consultative Association of Guyanese Industry. Mr. Yankana was extremely helpful in terms of supplying information and private sector contacts.

A meeting was held with Officers of the Private Sector Commission.

A meeting was held with Mr. Kenneth Abrahams of the Privatization Unit of the Ministry of Finance and with Mr. Philip Kelly, Consultant to the Unit.

The opportunity was taken to attend the 50th meeting of the National Tripartite Committee.
OVERVIEW: MINISTRY OF LABOUR

(i) The Ministry functions under a number of major handicaps in the context of its current operations. Difficulties exist in a number of fundamental areas and, particularly, in relation to its functions, facilities, staffing, vacancies, availability of office technology, budget allocation, information and research capabilities.

(ii) The Ministry operates, in effect, in an executive policy vacuum with the emphasis largely upon achieving reasonably adequate levels of operational effectiveness. This is due for the most part because of changes in the Ministry’s overall remit over the years and the attitude adopted by central government to its role and function in the wider area of public administration. Its basic activities do not appear to have expanded in the context of preparing the Ministry for a wider strategic role in the development of the Guyanese economy or beyond the supply of specific labour administration services.

(iii) The Ministry operates / oversees a diverse range of functions, which are not always compatible or complimentary to one another but are distinct political functions in their own right and operate as equally distinct administrative units.

(iv) The Staff of the Ministry require greater motivation and greater levels of training, specialist assistance and technical support. They also require a renovated building or new premises in order to function effectively and efficiently and to provide for clients and citizens the confidential environment that is necessary for the satisfactory conduct of business.

(v) The Ministry suffers from a major functional image problem and will need specific budgetary support for undertaking any new initiatives with the social partners, the implementation of the provisions of new legislation and if it is to play a vital and strategic role in the public and labour administration of Guyana.

(vi) Specific action is needed to address all of the above issues if the creation of a more dynamic and policy-driven Ministry is to be created rather than merely relying upon the functional, regulatory and administrative role it currently undertakes in a limited position and in limited circumstances. It will require expert assistance if it is to develop such a role in the future.

(vii) The Ministry should be allowed to take complete control for the management of its own budget on a day-to-day basis, subject to the normal annual or quarterly accounting requirements. In-house financial expertise should be made available to achieve this goal. Discussions should be initiated with the Ministry of Finance to achieve this accounting/budgetary objective.

It is recommended that a new post of Director of Labour Administration should be created to co-ordinate all of the labour administration functions of the Ministry and to plan, develop, drive and administer a more dynamic policy and mission for the Ministry which is allied to specific targets and objectives.
OPERATIONS

Industrial Relations

(i) The industrial relations service of the Ministry has gone through a traumatic period of change with vacancies reaching such a level that it required remedial Ministerial action to ensure the effective survival of the service. A considerable number of new officers have been recruited in recent times from outside the Ministry. These staff are on fixed-term and special contractual pay arrangements. Serious concern has been expressed, also, by the social partners regarding this situation. Most of these staff are inexperienced and require specific industrial relations training and skills development.

(ii) There have been considerable developments over the last year in terms of new labour legislation involving the Prevention of Discrimination, Severance and Termination of Employment and Trade Union Recognition and Occupational Safety and Health Acts. All of these will require additional resources/systems to ensure their effective implementation and a Ministry wide programme of training to ensure that the purpose, function and inspection requirements of these Acts are known to the social partners and to individual enterprises, trade unions and workers.

(iii) Labour inspection, therefore, is becoming a larger operation in the Ministries’ scale of activities and industrial dispute referrals are becoming more complex to resolve given the nature and scope of business and work organization issues in the developing public and changing private sector market of the economy.

(iv) Expectations of the service from among employers and trade unions are high, but are not always matched by a realistic negotiation position or skilled advocacy by these same parties themselves. The combination of these difficulties allied to the issues addressed in (i) above requires that a specific programme be put in place to enhance the skills of all involved in the negotiation process – management / unions / conciliators. The Ministry itself needs to develop a seminar/workshop programme for the social partners on these matters which addresses new issues of competitiveness, privatisation and labour market changes.

(v) An unhealthy level of conciliation time is taken up with issues in the Sugar Industry, but this perhaps reflects the historical nature of the industry and its labour-intensive and management aspects and practices. Otherwise, the number of days lost due to industrial disputes in the Guyanese economy is quite good by international standards.
RECOMMENDATIONS

√ The industrial relations service should be divided into two operational units – one dealing with conciliation (collective and individual) issues, and the other dealing with inspection/prosecution requirements. This should allow the Chief Officer and his Deputy to maximize the strengths of a limited pool of available staff. This division should also assist in processing cases under new legislation. At a later stage both sections could be integrated but only when the requirements and the workload of existing and new legislation has been assessed following a reasonable period of operation. It is common international practice that the role of the conciliator is separated from that of the labour inspection/prosecution aspect of breaches of labour legislation. However, given the resource implications for the Ministry, an elaborate bureaucracy is not sustainable in this area of activity.

√ A training programme should be put in place for recently recruited staff so that they can become better acquainted with new legislation, conciliation skills, information retrieval and new management/union approaches/practices arising from work re-organization and privatization. The I.L.O. should be in a position to assist with such a programme on site or by sending key officers to other locations for training in these aspects of industrial relations.

√ The industrial relations section requires basic levels of technology/word processing, photocopying facilities and assistance with the establishment of a database. These facilities will be essential under the provisions of recently enacted labour protective legislation and to track changes in collective bargaining trends.

√ The unit should have its own budgetary sub-head within the Ministry. The sub-head should include travel, subsistence and in-service training provisions. Responsibility for its management should lie with the Chief Industrial Relations Officer and through him to the new post of Director of Labour Administration (or relevant financial officer).

√ A specific review of the industrial relations situation in the Sugar Industry should be undertaken and appropriate recommendations made to both union and management for improvements in the day-to-day grievance/pay issues which arise and which should not lead to any frequent disruption of production, cutting or the processing of sugar cane.

√ Unions and management have indicated their preference for a speedier form of arbitration. I believe consideration should be given to some form of ad-hoc non legal Labour Court/Tribunal structure to meet this concern. There are insufficient requests for arbitration each year to justify a permanent body at this stage but this may change in the future as the economy grows, develops and diversifies. Such a structure should be established on a tripartite model.

√ The position of the contract Industrial Relations/Labour Officers should be addressed and regularized as a matter of urgency. Otherwise, a repeat situation of a loss of experienced staff will arise in the near future due to the uncertainty regarding the current staff’s career expectations and security of employment.
LABOUR MARKET SERVICES

(i) The Ministry operates a Recruitment and Placement Service. All parties, the Ministry Officials and the Social Partners wish to develop a more dynamic and comprehensive role for this area of the Ministry’s activities. What they envisage in terms of employment, placement, skills acquisition, re-training, unemployment initiatives and employment incentives will require a singular national commitment to build and develop a larger and more all-embracing human resource policy.

(ii) As presently constituted and resourced, the Ministry would not be capable of sustaining such a policy initiative. It is believed that given the history of the service, some relevant experience in this area resides within the Ministry but it requires to be supplemented in order to achieve the objectives set out above. A greater interface is necessary between employment opportunities which are available and locating the individuals to fill such vacancies. A major level of work requires to be undertaken by the Recruitment and Placement Service to fulfil this role. It may require to undertake this task with other agencies in both the public and private sector given the current restrictions on resources. An overall national training / placement authority may be necessary in this regard.

(iii) A recent report (April 1997) on Vocational and Management Training, for the Private Sector Commission of Guyana, identifies considerable skills and educational gaps and deficiencies which present major problems for the development of the private sector in the country. These problems specifically relate to technician level and middle management requirements. It also recommends that the private sector give serious consideration to the introduction of a payroll levy for the support of new policies in the area of technical education and training. This would create a necessary financial resource base to develop a wider and more comprehensive role for this area of the Ministry’s activities or for the national authority suggested in (ii) above.

RECOMMENDATIONS

√ The Recruitment and Placement unit be charged with preparing an overall plan for the development of a national human resource database for the Ministry and that such a plan incorporate the necessary requirements for maintaining an annual survey of skill requirements in industry.

√ That the Ministry has available to it the necessary statistical skills required to undertake the above task.

√ That the Ministry seek to co-ordinate its work in this area with other relevant bodies and with other initiatives which may emerge in the future, particularly, in the Private Sector Commission, the University of Guyana and the Guyana Technical Institute and in the public industries of the country. The Minister/Ministry should take the initiative in developing a proposal for the development and funding of a national training / recruitment / placement authority.

OCCUPATIONAL SAFETY

AND HEALTH

(i) A number of issues were raised regarding current difficulties in the area of occupational health and safety. Concern was expressed regarding certain practices in the Sugar, Bauxite, Timber and Gold Mining industries which required greater monitoring and more detailed reporting mechanisms in relation to industrial accidents.
(ii) There appears to be a need for a greater level of education programmes on the issue of proper safety and occupational health practices and the appropriate use of protective clothing, the controlled use of hazardous material / substances and potentially dangerous equipment.

(iii) Again, issues regarding the recruitment and retention of specialist staff were raised and the necessity to fill existing vacancies in order to meet the supervisory, monitoring and investigative functions of the new occupational health and safety legislation were emphasized.

(iv) The absence of testing and laboratory facilities was highlighted. It was felt that a need for a co-ordinated testing facility was necessary. Delays in assessing the cause of certain industrial accidents involving toxic substances was due to the necessity of forwarding the relevant material for testing abroad.

### RECOMMENDATIONS

- **√** That the Ministry and the Occupational Health and Safety Unit, in association with the I.L.O., undertake an assessment of the technical and specialist requirements in this area (this may already have been undertaken).

- **√** That this assessment also include a review of the appropriate specialist staffing requirements and facilities which are necessary to implement the legislation in this area.

- **√** Further detailed consideration be given to an industry by industry training programme on health and safety issues with a programme of site visits and policy safety statements for enterprises and public services.

### TRIPARTISM TO SOCIAL PARTNERSHIPS

(i) The current Tripartite Committee operates under the aegis of the Ministry for Labour and is chaired by the Minister. This is an extremely useful forum for the discussion and resolution of issues of concern to the social partners and provides an excellent structure for an ‘exchange’ of views, if not actual negotiation, on labour market changes, labour legislation and industrial disputes.

(ii) The Committee contains the nucleus of a structure by which a potentially useful debate could emerge in relation to the development of an agenda for social partnership discussions. This would require a more specific commitment by the trade union movement to such a process and a more regular attendance at meetings of the Tripartite Committee. I believe some recent developments in labour laws, including the enactment of the Trade Union Recognition Act, will assist such a development. The former President of the T.U.C., Mr. Gordon Todd, also made various positive statements in relation to developing a social partnership / consensus agreement at the recent Annual Conference of the T.U.C.

(iii) In addition, a major level of analysis has already been undertaken on the issues, structures and potential changes which need to be addressed in Guyana – the “National Development Strategy for Guyana – Shared Development Through a Participating Economy”, and published by the Ministry of Finance in March, 1996.
**RECOMMENDATIONS**

√ The Minister, with the support of the President/Prime Minister, should initiate discussions at the Tripartite Committee on a possible agenda for a potential Social Partnership agreement which would include pay, productivity, public sector reform, employment policy and issues concerning training, education and social solidarity. A formal invitation should be given to the Social Partners to engage in this new departure.

√ As part of this process, a Working Party of the Ministry for Labour and Finance should extract from the existing “National Development Strategy” (with other available expertise if necessary) a practical programme of issues of concern which are suitable for negotiation within a Social Partnership framework.

√ The Tripartite Committee should also consult with other relevant agencies which the Committee believe could have a positive input to negotiations on particular aspects of any potential agreement or social contract. This would be particularly important in areas of social solidarity measures, education, training and industrial development, including privatization policies and enterprise proposals.

**STRATEGIC MANAGEMENT: MINISTRY OF LABOUR**

(i) The Ministry requires assistance in developing a clearer focus for its activities, particularly, as it has a considerable diffusion of roles and administrative functions outside of the purely “Labour” remit. The Ministry, therefore, requires to establish clearer objectives in the area of industrial relations, human resource policies and the potential role it could embrace in terms of promoting a Social Partnership agreement. This requires consideration of the creation of a new post of Director of Labour Administration to oversee and report to the Minister and Permanent Secretary on all labour administration issues.

(ii) Senior Management in the Ministry requires some specialist advice with the above tasks and consideration should be given to obtaining this type of assistance on an ongoing, rather than on a permanent basis. If the Ministry is also to become a self-accounting Ministry in its own right, then the demand for the above type of management role will become imperative.

(iii) A Senior Management team should be brought together within the Ministry to achieve the objectives in (i) and (ii) above as early as possible with a view towards establishing a more policy driven focus for its existing services and the likely new functions they may have to perform during any process to obtain a social partnership agreement and to review its operation if such is agreed.

(iv) A suggested structure and policy role for the Senior Management team is outlined, as is a possible framework for a strategic management process within the Ministry.
FRAMEWORK FOR A STRATEGIC MANAGEMENT PROCESS

1. Strategic Review and Analysis
   Involves:
   - reviewing/clarifying mandate
   - analysing internal environment - strengths/weaknesses
   - analysing external environment - opportunities/threats
   - identifying client’s interests with a view to establishing and developing a strategic position

2. Mission
   Involves:
   - developing a mission statement
   - setting high-level objectives

3. Strategic Choices
   Involves:
   - identifying and selecting strategies
   - formulating strategic action statement/plan

4. Implementation
   Involves:
   - preparing and initiating action programmes
   - setting divisional objectives and performance targets
   - identifying and installing required supports

5. Implementation
   Involves:
   - preparing and initiating action programmes
   - setting divisional objectives and performance targets
   - identifying and installing required supports
PROPOSED MANAGEMENT SYSTEM - LABOUR ADMINISTRATION

**Senior Management Team Membership**
- Permanent Secretary
- Director of Labour Administration
- Chief Labour Officer
- Head of Occupational Health and Safety
- Head of Labour Market Services

**Functions**
1. Meets weekly
2. Reviews Operations
3. Implements Governments Decisions
4. Formulates Policies
5. Develops and Implements Strategic Plan

**Reports to Minister**
- Suggests Policy Development
- Advises on Legislation
- Reports on Staffing, Budgetary Issues

**Tripartite Committee**
- Liaison with Social Partners
- ILO Convention
- Legislation

**Functions**
- Conciliation Arbitration
- Inspection Prosecution
- Replacement/Recruitment
- New Policy Initiatives
- LMI

**Training**
- Tripartite Committee
- Education

**Director of Labour Administration** (New Post)

**Head of Labour Market Services** (Retitled Post)

**Permanent Secretary**
Kieran Mulvey  
Samuel J. Goolsarran  
Patrick. I. Gomes

Strategic visions for labour administration in the Caribbean: Study reports

Port of Spain, International Labour Office, 2003

The designations employed in ILO publications, which are in conformity with United Nations practice, and the presentation of material therein do not imply the expression of any opinion whatsoever on the part of the International Labour Office concerning the legal status of any country, area or territory or of its authorities, or concerning the delimitation of its frontiers.

The responsibility for opinions expressed in signed articles, studies and other contributions rests solely with their authors, and publication does not constitute an endorsement by the International Labour Office of the opinions expressed in them.

Reference to names of firms and commercial products and processes does not imply their endorsement by the International Labour Office, and any failure to mention a particular firm, commercial product or process is not a sign of disapproval.
FOREWORD

In this era of globalization, labour administrations must be guided by a new strategic vision in which they are active contributors to the process of making their economies more stable, equitable and competitive. To realize this vision, they must assume new roles and responsibilities responsive to the emerging demands of rapidly changing labour markets, marrying these contemporary functions with traditional ones. This call for modernization presents no less a challenge for labour administrations in the Caribbean than elsewhere, and is as formidable as it is unavoidable as the region gears itself for the establishment of the CARICOM Single Market and Economy (CSME) and the Free Trade Area of the Americas (FTAA).

This publication, a compilation of reports emanating from reviews carried out by the ILO Subregional Office for the Caribbean since 1997, presents a comprehensive assessment of the operations of labour administrations in the Caribbean. It offers recommendations on how they can effectively transform themselves to become principal actors in the development of the region, playing a critical role in efforts to enhance regional productivity and competitiveness.

It is hoped that this compilation will inspire the functional and organizational restructuring necessary for labour administrations in the Caribbean to realize their full potential.

The Office is grateful to the authors of the reports appearing in the publication: Kieran Mulvey, Chief Executive of the Irish Labour Relations Commission; Patrick I. Gomes, Executive Director of the Caribbean Centre for Development Administration (CARICAD); and Samuel J. Goolsarran, Senior Specialist in Industrial Relations and Labour Administration of the ILO Subregional Office for the Caribbean. I would also like to acknowledge the contributions of the governments and social partners, whose visions for labour administration in the Caribbean are also reflected in the reports.

Finally, a word of appreciation to ILO’s Programme for the Promotion of Management and Labour Cooperation (PROMALCO) for their financial assistance in publishing this report and to Suzanne Joseph and Roma Wong Sang who provided editorial, design and publishing support.

Grace Strachan
Director
July 2003
TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Section</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Foreword</td>
<td>i</td>
</tr>
<tr>
<td></td>
<td>Acknowledgements</td>
<td>v</td>
</tr>
<tr>
<td></td>
<td>Introduction</td>
<td>vii</td>
</tr>
<tr>
<td>I:</td>
<td>A wider strategic vision for social partnership and development - 1997</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Kieran Mulvey</td>
<td></td>
</tr>
<tr>
<td>II:</td>
<td>The modernization of ministries of labour: Options, challenges and</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>strategies - Report of working party - 2000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Samuel J. Goolsarran</td>
<td></td>
</tr>
<tr>
<td>III:</td>
<td>Report on a review of the functions and organizational structure of the</td>
<td>19</td>
</tr>
<tr>
<td></td>
<td>Department of Labour of St. Vincent and the Grenadines - 2001</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Samuel J. Goolsarran</td>
<td></td>
</tr>
<tr>
<td>IV:</td>
<td>Ministries of labour as facilitators of human resource</td>
<td>29</td>
</tr>
<tr>
<td></td>
<td>development (HRD) strategies</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Patrick. I. Gomes</td>
<td></td>
</tr>
<tr>
<td>V:</td>
<td>A review of the labour administration system in the Cooperative</td>
<td>53</td>
</tr>
<tr>
<td></td>
<td>Republic of Guyana - 1997</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Kieran Mulvey</td>
<td></td>
</tr>
</tbody>
</table>
ACKNOWLEDGEMENTS

The ILO Subregional Office for the Caribbean expresses its thanks and appreciation to all those who participated in interviews and consultations from various countries in relation to these studies and the members of the Working Party appointed by the Caribbean Labour Ministers. Their inputs, through discussions and information, contributed immensely to the findings and recommendations emanating from the final reports.

Specifically, we place on record our sincere thanks to Kieran Mulvey, Chief Executive of the Irish Labour Relations Commission, Patrick I. Gomes, Executive Director of the Caribbean Centre for Development Administration (CARICAD), and Samuel J. Goolsarran, Senior Specialist in Industrial Relations and Labour Administration for undertaking the assignments.

It is to be acknowledged also that the studies undertaken by Patrick I. Gomes on behalf of CARICAD was financed by the ILO Project -- Programme for the Promotion of Management-Labour Cooperation (PROMALCO), while the other studies were financed by the ILO Subregional Office for the Caribbean for the Consultancy of Kieran Mulvey, and the staff time of Samuel J. Goolsarran.

Finally, we wish to acknowledge the work of Suzanne Joseph, Information Services Assistant, ILO Subregional Office for the Caribbean, who prepared the layout and design of the reports for publication.
INTRODUCTION

A Strategic Vision for Labour Administration in the Caribbean presents a compendium of five reports, commissioned by the ILO Subregional Office for the Caribbean since 1997 on comprehensive assessments of Labour Administrations in the Caribbean. The studies reviewed and examined the mandates of labour ministries, their operational effectiveness, organizational structure, staffing and management, co-ordination and integration of their services, and their influence on the formulation of national social and labour policies.

These studies were undertaken in consultations with governments and their social partners in the light of the need for higher levels of sustained national dialogue in an era of globalization, with the view to promote modernization of labour administration services in the context of state sector reform in public administration.

Mulvey’s reports on Barbados, Guyana, Jamaica, and Trinidad and Tobago, October 1997, call for a more strategic focus for ministries of labour for future developments in the Caribbean region. Mulvey underscores the need for reform and the importance for ministries of labour to be equipped to respond to the rapid pace of change within the framework of globalization and market changes. He argues for a “wider strategic vision for social partnership and development” for labour administrations, and calls for public service reform to revitalize and provide for a more strategic policy, planning and functional role for ministries of labour. Ministries of labour must be revitalized and upgraded in their role and status in a re-organized enterprise and employment oriented direction to be responsible for industrial policy, manpower planning, the development of new plans for local industry and for the implementation and coordination of all existing and new labour market regulations and measures. Mulvey further emphasizes the importance of tripartism and social dialogue and notes that in the Caribbean, “tripartism needs to be strengthened, encouraged and supported. This requires mutual support, respect and understanding. It also implies a high degree of trust between the social partners. The building of that trust, its maintenance and its sustainability requires a high degree of commitment and leadership”.

The report of the Working Party on the Modernization of Ministries of Labour: Options, Challenges and Strategies - April 2002 notes that critical issues affecting the labour portfolio placed the role of ministries of labour at the forefront of national social and economic planning. Measures are identified to move ministries of labour towards this new role to improve efficiency in the use of both human and financial resources, the formulation and adoption of strategic objectives and the redefinition and expansion of the labour portfolio.

Several priority areas are identified in the report, including: adequate staffing and other resources, personnel development, attractive remuneration to influence the retention of staff, effective dispute prevention and resolution mechanisms, active tripartism and social dialogue, and strengthened statutory authority for departments of labour. The report also defines the vision, mission, objectives, functions, and staffing for labour
ministries in the Caribbean. The vision is for active participation in the development and implementation of policies to realize the national social and economic agenda.

The reports on Guyana by Mulvey, and on St. Vincent and the Grenadines by Goolsarran are case studies on functions and organizational structure of labour administration. The report on Guyana, October 1997, recommends a reorganization of the labour administration function for more effective co-ordination, direction and management of work organizations and resources under the authority of a new position of director of labour administration. The report also recommends a framework for a strategic management process in terms of: strategic review and analysis, mission, strategic options and choices, implementation, and monitoring/feedback, under the supervision of a senior management team.

The study of labour administration in St. Vincent and the Grenadines in December 2001, during a national tripartite consultation, considered the responsibilities of the Minister and Permanent Secretary and notes that the Minister exercises general direction and control and subject to such general direction, the ministry/department is under the supervision of the Permanent Secretary. The direction and control is of a general and policy nature while the Permanent Secretary and staff faithfully implement the policy decisions of the government in an impartial, neutral, and professional manner. The report assesses the capacity of the department of labour, identifies the matters falling under the preview of the department, defines the key tasks/responsibilities of the labour commissioner, the deputy labour commissioner, and recommends the grouping of the essential functions, under four technical units. The report further proposes a task force unit drawn from the public service in a standing committee to support the broader functions of labour administration and a senior management system similar to Guyana.

The Caribbean Centre for Development Administration (CARICAD) report by Patrick I. Gomes supports some of the views and recommendations contained in the above studies under reference. This report argues that the labour ministry as an agency of government implies that modernization must be located within the wider context of state modernization or public sector reform and administrative restructuring, and must assume the function of policy formulation, advisor and facilitator. Ministries of labour are required to define the regulatory framework for accountability and to maintain compliance. The report emphasizes the need for ministries of labour to be pro-active in the promotion of and nurturing of industrial democracy by means of consensus-building.

The report further calls for a deepening of the social dialogue leading to social compacts by which common visions, needs and goals can foster optimum productivity and enhance competitive economies. The imperative of genuine partnership in Caribbean Societies place a special responsibility for the development of “a culture in the workplace” that facilitates the human potential”. Ministries of labour are specially positioned to give leadership to the social dialogue process and encourage a change of organizational culture in the world of work. Ministries of labour should therefore become learning organizations and champions of a holistic, inter-agency collaborative machinery. Their mode of operation and service delivery are required to be set within a strategic plan, with distinct targets to be achieved.
This compendium provides a wide source of direction and guidance for the reorganization of labour administrations to be more effective. If measures recommended in the various reports are implemented, as suitable to national situations, they can enable labour administrations to contribute to national planning, and to give leadership in fostering and promoting sustained social dialogue for the achievement of national social partnership accords.

These reports are recommended to national governments, ministries/departments of labour for consideration and appropriate action at the national level.