

## **Fair employment at the workplace:**

### **A case study on HIV in five Chinese-owned companies in Kampala, Uganda**

#### **Executive Summary**

Thousands of Chinese companies invest, trade and bring technology abroad under China's Belt and Road Initiative (BRI). African countries, as BRI's priority countries, are hosts of a great numbers of Chinese companies' operating businesses. Uganda, which concluded a BRI partnership with China, was jointly selected by China's Ministry of Human Resources and Social Security (MOHRSS) and the ILO Office for China and Mongolia, for a study focusing on the provision of equal employment for workers in Chinese-owned companies.

Fair employment for persons living with HIV was selected as a focused area, with the view that it could serve as an example for building strategies to address discrimination on other grounds such as health-status, gender or age. This choice was based on the fact that addressing discrimination on the basis of HIV status is a priority for African countries. In addition, the topic has been widely discussed at the global level between governments, workers and employers' organisations, which led to the adoption in 2010 of an ILO Recommendation concerning HIV and AIDS and the World of Work (R.200).

It was reported that by the end of 2017 there were more than 500 Chinese-owned companies operating businesses in Uganda. In Uganda, the construction and manufacturing companies accounted for 78.0% of the national industrial output value. Therefore, the study team selected five Chinese owned companies from these two sectors, including three State-owned construction enterprises and two private manufacturing ones.

The study relies on both qualitative and quantitative data. It is based on the analysis of a questionnaire-based survey among 500 Chinese and Ugandan workers, in-depth individual interviews with 42 workers from both countries, five group meetings with each company management team, and discussions with stakeholders including the national labour authority, employers' and workers' organizations, local NGOs, and UNAIDS.

The key findings of the study suggest that the Chinese companies' participation in the local economy increases the employment of Ugandan and improves the work skills of the local labour. Overall Chinese companies are welcomed by local people.

However, due to the differences in language, culture, legal system and environment, Chinese companies face challenges in communicating at workplace and in the community. They have encountered difficulties in tackling labour disputes, in particular these related to the sensitive issue of HIV. Management of the Chinese companies were found to seldom participate in activities organized by local partners such as government authorities or employers' organization. Moreover, information and experience sharing among Chinese companies appear to be limited, despite the establishment of a Chinese Chamber of Commerce in Kampala.

The study found that all the Chinese companies have taken measures to improve communication at workplace. Some created mechanisms for workers to voice and complain or provided language training, while others organized social activities such as parties inviting local workers' family members or created WeChat groups in order to better understand their local workers.

The study also showed that the management in the five companies lack capacity to address labour disputes such as the ones related to HIV, and very few of them took proactive measures to tackle the challenge. Many Chinese workers and management reported their fear of infection, demonstrating profound misunderstanding about the disease's transmission. Some companies had developed a workplace HIV policy, but it was not practical nor systematically or fully implemented at the workplace.

Overall, the Chinese companies implemented HIV Voluntary Counseling and Testing at workplace, however, for some positions such as kitchen assistants, workers were required to undergo compulsory HIV testing before hiring.

Recommendations to the Chinese Ministry of Human Resources and Social Security (MOHRSS):

- Develop country-specific handbooks providing employment and labour related guidance and information to companies operating in BRI countries, including Uganda, which would need to be updated annually. The prevention and settlement of labour disputes - taking HIV as an example - should be one of the key components of these handbooks..
- Facilitate to create a post of labour attaché in the Chinese embassy in Uganda and other BRI countries to coordinate labour issues for Chinese companies and workers abroad and provide support.

### Recommendations to the China's Academy of Labour and Social Security

- Take the lead in creating a fair business alliance under the BRI. The alliance's role would be to facilitate information and experience sharing between Chinese companies in mainland and overseas. Best practices on reducing HIV related discrimination in employment in overseas operating Chinese companies could be shared with companies in China. The work of the fair business alliance could thereby contribute to reducing employment discrimination in China
- Cooperate with the Chinese Enterprise Chamber of Commerce in Uganda and encourage Chinese companies' participation in local employers' organizations, in particular the sector-based employers' organization.
- Strengthen cooperation with the Headquarter of the three State-owned companies selected in the study and help them to address employment and labour related issues based on International Labour Standards such as the Discrimination (employment and occupation) Convention (No 111) ratified by China and the Recommendation concerning HIV and AIDS and the World of Work (No 200). Suggestions include the creation of HIV related workplace policies and strategies, the integration of HIV related labour issues into the staff' pre-departure training, the integration of HIV issues into the companies' capacity building programmes, and the upgrading of collective bargaining skills for companies' management.

### Recommendations to the ILO:

- Facilitate the sharing of good practices on fair employment based on international labour standards including Convention No 111 and Recommendation No 200 between China and BRI countries
- Further develop and adopt context-specific guidelines on fair employment at workplace in both English and Chinese
- Extend the current HIV program in Uganda to the five companies having participated in the study and provide support to Chinese companies for the design of company-level workplace response strategies
- Strengthen M&E of the workplace HIV Programme.