



# ► Social dialogue for constructive labour relations, application of international labour standards and decent work

## Programme Factsheet

### Background

While grievances and conflicts are an inevitable part of the employment relationship, they cause work disruptions, decreased productivity, project failure, absenteeism, turnover and termination. Lack of clear laws and regulations in the area of conflict resolution can also be a deterrent to foreign investment.

Policies and programmes to address disputes focus on responding to grievances and conflicts and mitigating its impacts after it has occurred. There is a need for more attention, energy and funding to be focused on preventing disputes from occurring in the first place, through **social dialogue as primary conflict prevention**.

Social dialogue in the world of work is key to balancing the interests of workers and businesses in industrial relations. It is the most cost-effective strategy for addressing disputes. It generates the saving across the dispute mediation, judiciary and welfare services. Primary conflict prevention also results in a more productive business; reducing costs associated with repeated staff absenteeism following incidents of conflicts, higher staff turnover, impaired work performance, including underutilization of installed capacities, recruitment and re-training.

To support and reinforce social dialogue, the application of international labour standard is needed to guide the strategies for national action as in the International labour standards lay down the

### ► PROGRAMME IN BRIEF:

**Official Title:** Social dialogue for constructive labour relations, application of international labour standards and decent work.

**Timeframe:** 2020-2021

**National Partners:** SEPFOPE, CCI-TL & KSTL

**Areas of Impact:** Economy, Business & Workers community

**Funding Sources:** RBSA, ILO

basic minimum social standards agreed upon by all the players in the global economy.

Social dialogue also seeks to promote peaceful and fruitful relations between workers, governments and businesses to achieve objectives of economic growth and diversification. The Strategic Development Plan (SDP) (2011-2030) outlines Timor-Leste's ambition to transition from a Least Developed Country (LDC) to an upper middle-income country by 2030. An important endeavour in the Plan is to diversify the economy that is highly dependent on revenues from oil and gas.

## The program:

The COVID pandemic has compounded the challenges. Recovery and building back better will require even more accelerated efforts to demonstrate effectiveness. Besides the consensus-based policies through tripartite dialogue needed for economic recovery, the attention also needs to be paid to bipartite workplace level relations to promote collaborative industrial relations culture to avoid conflicts that will affect productivity of investments and become hurdles in the recovery process.

While there are many immediate causes for conflicts in labour relations, the underlying root cause often is the inadequacies of social dialogue and conflict resolution mechanisms which then lead to labour disputes being piled up in the overburdened civil courts where they lay pending. It is therefore important that not only Government's conciliation/mediation services are improved but also bipartite workplace level dispute/ grievance-handling mechanisms are made more effective. Conditions for decent work, productive, and innovative enterprises.

## Strategy

The objective of this program is to strengthen the social dialogue for constructive labour relations and the effective application of international labour standards for decent work in Timor-Leste. The project will work with Representatives of Timor-Leste Trade Union Confederation (KSTL); Chamber of Commerce and Industry Timor-Leste (CCI-TL) and Secretariat of State for Vocational Training and Employment (SEFOPE) to:

### ► **Strengthening Social Dialogue institutions for addressing current and emerging challenges in the world of work.**

- Promote Tripartite policy dialogue on measures for employment, working conditions, and other related issue as part of COVID recovery response;

- Promote bipartite social dialogue and capacity building to put in place arrangements for workplace consultations and cooperation for managing changes and address challenges at work in a way that respects principles of ILS and does not undermine the role of trade union;
- Support Constituents review of dispute resolution mechanisms to enable improvements in bipartite and government provided conflict management services; (focus on grievance handling, and conciliation/ mediation);
- Development of technical resources and training on labour standards, dispute resolution and workplace cooperation to support the policy, practice and priorities of CCI-TL and KSTL. These resources will include – improved voice and representation of women in social dialogue.

### ► **Promoting the ratification of the Tripartite Consultation (International Labour Standards) Convention, No. 144**

- Technical support to constituents for ratification of Convention No. 144 following tripartite validation and the submission of the advocacy letter by SEFOPE to the appropriate Ministry and the Council of Ministers.

## Project Contribution

