



**STATEMENTS 2011**

**Official Launch of the 2011 Outstanding  
Labour-Management Council (LMC) for Industrial Peace**

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**23 March 2011  
Manila, Philippines**

Undersecretary Cacdac and Director Ubaldo of the Department of Labor and Employment  
Our constituents representing the Philippine government,  
employers' and workers organizations  
Representatives from Labour Management Councils and Committees  
Distinguished guests and speakers  
Ladies and gentlemen, magandang umaga sa lahat!

It is an honour to be part of today's official launch of the 2011 Search for Outstanding LMC for Industrial Peace.

Promotion of industrial peace is a critical element for achieving decent and productive work and therefore central to our work within the ILO. As such, I would like to commend the National Conciliation and Mediation Board (NCMB) in coordination with the Philippine League of Labor-Management Cooperation Practitioners (PHILAMCOP) for its role in promoting industrial peace and enhancing workplace relations through labour-management councils and committees in the country.

From its inception, "tripartism" has been the ILO's guiding principle. Governments, employers' and workers' organizations have an equal voice in shaping policies and programme, to achieve sustainable inclusive growth through decent and productive work.

Productive and competitive enterprises are essential to achieve "decent work", that is, employment which ensures respect for rights of workers, provides social protection and an environment of social dialogue.

Social dialogue is an essential element of a successful labour-management council (LMC). This bi-partite approach enables management and workers to prevent and resolve labour concerns and disputes and to achieve what both parties need through cooperative approach, partnership and consensus.

Social dialogue happens in discussions, consultations, sharing of information or at its highest form – negotiations. A well-functioning and frequently utilised social dialogue mechanism at the establishment level brings significant benefits to workers and employers. Social dialogue provides the central platform to help with: preventing minor disagreements and misunderstandings from escalating into bigger conflict.

It creates an environment that allow workers and employers to discuss business practices and working conditions which can improve quality and productivity which in turn make firms more competitive and profitable and improve remuneration. It develops trust and confidence, while promoting partnership and cooperation which in turn support a strong society which I believe is our underlying goal.

Today, there are thousands of labour-management cooperation programmes that arose from social dialogue. In Europe, labour-management cooperation pledges are found in most collective bargaining contracts. A large portion establishing committees to deal with specific problems: including absenteeism, safety and health, work-life balance, gender equality, productivity and health insurance.

Well-known companies such as the Xerox, Intel, and the AT & T attribute their workplace cooperation programme successes to such practices as:

- Involving workers and their representatives in discussions about work-related issues;
- Recognizing efforts of everyone in the organization by using workers' skills and individual and team strengths;
- Soliciting ideas from workers at all levels;
- Guiding team decisions to match overall organizational objectives;
- Involving workers in decision making by providing free flow of information and clear definition of the decision-making process;
- Encouraging workers toward cooperation rather than internal competition;
- Establishing a climate of openness and trust;
- Implementing the consensus decision-making process.

As an example, during the initial months of the global economic crisis, companies in Germany such as Porsche, Mercedes-Benz brought workers and management together to discuss how to deal with the impact of the crisis. The two sides worked together to establish a work sharing arrangement that allow the firms to avoid layoff. This simple act protected workers jobs at a time of crisis and allowed the firms to maintain their highly skilled workforce and resume producing quality produces as the economy stabilised and began to recover.

The ILO has been promoting and supporting social dialogue through its numerous programmes and activities. In June 2009, governments, employers' and workers' organizations unanimously adopted the Global Jobs Pact. The Global Jobs Pact is sustainable economic growth through promoting decent and productive jobs and protecting people. It proposes a portfolio of policies aimed at:

- generating employment,
- extending social protection,
- respecting labour standards, and
- promoting social dialogue while
- shaping a fair and sustainable globalization.

The Philippines through the government, employers' and workers organizations in the country has taken the initiative to prepare the Philippine Jobs Pact. Best practices, workplace programmes and mechanisms to promote labour-management cooperation are key elements for the country to achieve sustainable and inclusive growth.

Sustainable and inclusive growth built on the foundation of decent and productive employment which again server as the cornerstone for both economic and social progress. Therefore, I would encourage each of you to take an active participatory role in shaping, prompting and implementing the Philippine Jobs Pact.

Today, the search is on for LMCs rising above the challenges we are facing today and improve and sustain labour relations. This is a great opportunity to recognize LMCs for their initiatives and foresight to strengthen partnership among management and workers. Initiatives which helped prevented disputes and improved cooperation for not only the benefit of employers and workers but more importantly the benefit of the communities in which we all live.

It is equally important to recognize the NCMB in coordination with PHILAMCOP and partners for advocating industrial peace and productivity through this Search for Outstanding LMC for Industrial Peace.

The NCMB has been a partner of the ILO in promoting conciliation and mediation of labour conflicts. Since 2005, the ILO Manila office in partnership with the International Training Centre-Turin and the NCMB has been conducting training and capacity building for conciliators, mediators and arbiters of DOLE and its attached agencies.

Again, we all look forward to hear many initiatives and best practices on LMC from the Philippines. Certainly, there is real enthusiasm for positive growth and development in the country.

As we highlight the importance of social dialogue and cooperation, we also think about ILO constituents and the people of Japan, deeply affected by the tsunami. Japan is a country which has supported strong and harmonious labour-management relations over the years. We have seen how people worked together to cope with the disaster not just at the national but also international level.

Bringing governments, employers and workers together is important to the ILO. We stand ready as your partner to work with you.

*Mabuhay!*

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