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ILO HIGH-LEVEL EVALUATION OF OUTCOME 13

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Collective Bargaining and Dispute Resolution in the Public Service

Preface

As part of the high-level evaluation of the ILO's strategy for achieving sector-specific Decent Work, the evaluation team conducted a Success Case Study of the Public Service Sector Specialist's efforts to develop a manual on collective bargaining and dispute resolution.

A Success Case Study is a quick and simple process that combines analysis of extreme groups with case study and storytelling. The essential purpose of a Success Case Study is to determine how well an organizational initiative is working.

A Success Case Study¹ also identifies and explains the contextual factors that differentiate successful from unsuccessful adopters of new initiatives. The evaluation team sought to discover the following:

- Exactly what did they use, when did they use it, how, when, and so on?
- What results did they accomplish?
- How valuable are the results?
- What environmental factors enabled their application and results?

¹ Brinkerhoff, R. (2003). The Success Case Method - Find out Quickly What's Working and What's Not. San Francisco, CA. Berrett-Koehler.

Introduction

This Success Case Study tells the story of the *Manual on Collective Bargaining and Dispute Resolution in the Public Service*. The initiative began as the follow-up to an action programme, evolved to become a Working Paper, and later into a manual. The publication was validated through an experts' meeting at the International Training Centre in Turin. The manner in which two of the meeting participants used the information and the results that they obtained is highlighted.

Action Programme

In 2005, the ILO's Sectoral Activities Department (SECTOR) published a practical guide for strengthening social dialogue in public service reform, which proposed mechanisms for participatory decision-making, and formed the basis of an Action Programme (AP) approved in March 2005 by the ILO's Governing Body.

The AP was directed at improving the capacity of public service stakeholders to engage in meaningful social dialogue and establish appropriate and sustainable social dialogue mechanisms for national development and poverty alleviation. The AP was implemented in three countries: Ukraine, United Republic of Tanzania and Sri Lanka.

Follow-up to the AP

In January 2009, SECTOR decided to follow-up the Action Programme by writing a new practical guide. It was planned to use money earmarked for work in Sri Lanka which had stalled due to a lack of interest from the government. To that sum, DIALOGUE contributed to engage a consultant to draft a manuscript as well as to provide technical inputs.

The manuscript was written by Professor Clive Thompson, a labour lawyer on the faculty of universities in Australia and the Republic of South Africa. Dr. Thompson's previous work involved the facilitation of workplace dispute resolution through advice, education, facilitation, mediation and arbitration.

The first draft of the manuscript, delivered in January 2010, contained examples from Europe, South Africa and Australia. The manuscript was piloted in Liberia with mission costs being covered by the Netherlands-funded Poverty Reduction through Decent Employment Creation (PREDEC) program for Liberia, as part of the effort to support "recovery and effective functioning of public institutions, including the Ministry of Labour and the other ILO constituents following the prolonged civil war."² Refinements were made to the manuscript during the summer of 2010.

Working Paper No. 277

In November 2010, the ILO's Sectoral Activities Department published the manuscript as a Working Paper (No. 277) entitled *Dispute Prevention and Resolution in Public Services Labour Relations: Good Policy and Practice* for distribution in the STM Committee session of the Governing Body meeting.

During its next meeting, in March 2011, the Governing Body decided that:

[i]n order to support the priorities defined in four DWCPs regarding the Labour Relations (Public Service) Convention, 1978 (No. 151), it is proposed that specific activities, such as workshops and technical support, be developed to promote the ratification of the Convention and provide targeted assistance to its effective implementation in line with

² Evaluation summaries, ED/MAS, 30 April 2010, http://www.ilo.org/wcmsp5/groups/public/---ed_mas/---eval/documents/publication/wcms_142991.pdf.

the needs and priorities defined in these Programmes in coordination between SECTOR, the Industrial and Employment Relations Department (DIALOGUE) and the International Labour Standards Department (NORMES).

The specific activities³ were integrated into the Programme and Budget's Outcome 13. The success of the activities would be measured by indicator 13.1, the number of member states that, with ILO support, implement sectoral standards—in this case, Convention No. 151. This represents a noteworthy attempt to integrate instructions from the Sectoral Activities Programme with those from the Programme and Budget.

Manual

In December 2011, Working Paper No. 277 was further developed and republished as a manual entitled *Manual on Collective Bargaining and Dispute Resolution in the Public Service*. It was also translated to Bosnian, Macedonian, French, Spanish, Serb and Portuguese. During 2012, it was translated to Arabic, Greek, and Ukrainian.

The goal of publishing the manual was to showcase an array of mechanisms, mostly interconnected, that governments and social partners around the world have developed to minimize and resolve disputes—and especially interest disputes in collective bargaining—in the public services.

Specifically, the manual aimed to identify approaches and practices around the world that have enabled unions and public sector employers to engage in negotiations regarding wages and conditions of work on a fair footing and with minimal disruption to public services.

It was anticipated that the manual would become the main tool to support the political will of governments that decide to adopt consultation and dispute resolution mechanisms. It provided examples that, with ILO technical assistance, could easily be adapted to a national context. It was not meant to be a tool to transplant mechanisms from developed countries to developing countries.

At the time of publication, some sixteen countries had expressed their will to conform to these principles by ratifying Convention No. 151, adopting legislation that conforms to it, or committing to do either one, in their respective Decent Work Country Programmes.

The manual provided examples from systems that allowed governments and workers to face the challenges posed by economic crises. The manual addressed the following components of a labour relations system in the Public Service:

- Foundations: social dialogue; stakeholder recognition; engagement framework
- Dispute Prevention: joint training; joint research; productive bargaining; facilitated negotiations; promoting model workplaces; joint problem solving; effective change management; good faith bargaining; maintaining agreements; dealing with change
- Dispute Resolution: dispute resolution agencies; dispute system design; enlisting assistance; facilitated discussions; fact-finding; joint problem solving; conciliation and mediation; arbitration; industrial action; integrated dispute resolution; review and renewal.

³ The activity was implemented in eight countries Bosnia and Herzegovina, Botswana, Brazil, Dominican Republic, El Salvador, Former Yugoslav Republic of Macedonia, Philippines and Serbia

Validation Workshop

From 27-29 July 2011, the manual was validated during a workshop⁴ conducted at the International Training Centre (ITC) in Turin, Italy. The objectives of the workshop were to:

1. validate the manual;
2. receive useful inputs to revise and finalize the manual;
3. share good practices and experiences on labour relations in the public service;
4. exchange views on topical issues related to industrial relations in public service.

The validation workshop was designed as an expert meeting, and, at the same time, an opportunity for participants to further strengthen their knowledge on the subject. Thirteen experts attended representing the Governments and the Public Sector Trade Unions from Argentina, Brazil, Cambodia, Namibia, the Philippines, South Africa (RSA) and the Former Yugoslav Republic of Macedonia (FYROM).

Day One

The goal for day one was to review the introduction and first eight sections of the manual and to exchange views on bargaining approaches and preparing for bargaining. The first morning of the workshop, Carlos Carrion-Crespo, the Public Service Sector Specialist, provided the rationale for why a manual of best practices on labour dispute prevention and resolution was needed. Afterwards, the experts discussed the roles that the bargaining parties have, and whether public sector workers should have a right to bargain in the first place. The participants also discussed preparation for bargaining and bargaining approaches. Special attention was paid to youth and gender issues. Following the discussion, there were country reports on the Philippines and the RSA.

Day 2

The goal for day two was to review sections 9 to 21 of the manual and exchange experiences on bargaining mechanisms and dispute resolution system design. After a country report on Argentina, the participants considered different examples of bargaining mechanisms and the issues that need to be taken in consideration when bargaining in the public sector. The group discussed the distinction between peace obligation and the good faith requirement during negotiations. A country report on Namibia followed. The participants also considered criteria for the design of dispute resolution systems. Country reports on Macedonia and Brazil followed.

Day 3

The goal for day three was to review the eleven final sections of the manual, to discuss dispute resolution mechanisms and how to disseminate the manual and to agree on the next steps. After a country report on Cambodia, dispute resolution mechanisms were discussed. It was noted that a good mediator tries to get the parties to continue negotiations. An indication of successful mediation is that bargaining continues and the process does not lead to arbitration. However, there are different ways to conduct mediation and thus there is not a single ideal recipe. Dissemination, other issues and next steps were discussed before the closing. The comments and suggestions agreed by the participants of the workshop were incorporated into the draft.

Workshop Evaluation

At the end of the workshop an evaluation was conducted. A questionnaire was administered with Lickert scale-like questions using a one to five scale (one-low and five-high). The responses to two of the questions contained

⁴ ED-DIALOGUE paid for the workshop.

in the questionnaire are found below. The high means and the low Standard Deviations indicate that most the participants expected to apply some of what they learned for the benefit of their institution/employer.

| Questions | Mean | % 4 & 5 | S D | N |
|--|------|---------|------|----|
| How likely is it that you will apply some of what you have learned? | 4.69 | 92 | 0.61 | 13 |
| How likely is it that your institution/employer will benefit from your participation in this activity? | 4.69 | 92 | 0.61 | 13 |

Success Case Study

The purpose of the case study was to determine how, if at all, participants had used the information from the workshop over the past year, what results they had achieved, and what were some of the contextual factors that differentiated successful from unsuccessful adopters of new initiatives.

As a first step, participants were invited to participate in a web-based screening survey containing eight yes or no questions that could be completed in ONE minute. Despite a reminder and a deadline extension, only two responses were received. This finding, in and of itself, suggests that the participants’ expectations may have been overly optimistic.

Of the two participants who responded, one, Cambodia's Independent Civil-servants Association (CICA), reported promising results. The other, Brazil’s Public Services International (PSI), reported difficult challenges. The following sections report the results from interviews with workshop participants from each organization.

Cambodian Context

Since 1979, successive governments have striven to rebuild the capacity of people and institutions that have been battered by nearly three decades of armed conflict. A milestone in Cambodian history was the adoption of the 1993 Constitution, which enshrined a liberal democracy with separation of powers, rule of law and human rights for all citizens.

Within this legal framework, however, rests the reality that decades of conflict and instability have negatively influenced many aspects of Cambodia's legal, judicial, social and economic institutionalism. Many sectors of activities, public as well as private, are being re-established and revived⁵.

Public Service Sector

The government aims to create an effective legal framework for civil service and develop a policy to improve the quality of public services. In other words, the accessibility and transparency of public services need to be improved and resources should be used in a more sufficient way.

⁵ Improving the legal and judicial services for Sustainable Development, Social Justice and Poverty Alleviation: Cambodia Case Study by Sum Manit, Member of the Council for Legal and Judicial Reform, General Coordinator of the International Relations Institute of Cambodia (IRIC), November 2006

The dispute prevention and resolution mechanisms established by law apply only to the private sector. The Cambodian private sector has well-developed ADR mechanisms, a three-level court system and is planning on establishing a Commercial Court. The public sector has its own mechanisms for dispute resolution which are not as formalized or detailed as the processes for the private sector.

After a National Workshop on Legal and Judicial Reform in December 2003, the Council for Legal and Judicial Reform drafted an administrative code to create dispute resolution mechanisms to include the public sector which would allow citizens and civil servants to challenge the Government's decisions and regulations.

Cambodia's Independent Civil-servants Association (CICA)

Public Service sector staff is represented by Cambodia's Independent Civil-servants Association. CICA sent a representative to the validation workshop who returned with information that the NGO is successfully using to help move Cambodia toward ratification of ILO Convention No. 151 (Public Services).

CICA has very low capacity because Government restrictions on the right to freedom of association and collective bargaining have eroded CICA's membership base and limited its activities. Moreover, this year CICA has not received sponsorship support so does not have funds to train its members or other civil servants in the country.

Specific Actions taken by CICA

CICA translated sections of the draft manual, particularly those relating to facilitated discussion, joint problem solving, conciliation, mediation and fact finding. CICA then broadly circulated the translations in an attempt to mobilize its membership.

To complement the information sharing, CICA conducted two workshops for its members to train them on dispute resolution in the public sector. Workshop information was shared at the provincial branch while the NGO's President was in attendance. CICA is using the draft publication to develop the capacity of its membership.

The President of CICA is also working with a Department Head within a Ministry to resolve a dispute concerning a CICA member in the work place. The CICA member would like to work a second job to complement his income; however, the law prohibits civil servants from doing so. A resolution has not been reached because of the inflexibility of the legal system. This effort constituted a field test of the draft manual.

A petition drive is planned to demand that the Government ratify Convention 151 and to ask the Government, as well as the Association of Southeast Asian Nations (ASEAN) community to help resolve this case and other issues, including migrant worker issues. CICA recognises the need to protect their right, and resolve their cases.

CICA has also broadly disseminated the draft manual among its partner organizations (see bulleted list below). The draft manual has served as the centrepiece of a call for solidarity. CICA realizes that the issue of ratification is so complex and its capacity is so low, that it alone cannot influence the government. However, CICA believes that a national coalition of civil society or NGOs, workers organizations, associations or any other related groups might have more leverage.

- Cambodia Labour Confederation (CLC)
- Independent Democracy of informal sector Association (Idea)
- Cambodian Food and Services Worker's Federation (CFSWF)
- Cambodia Youth Network (CYN)
- Coalition of Cambodian Farmer Community (CCFC), in solidarity house meeting

CICA created a dispute resolution committee. This is important because it represents a modification of the industrial relations system. The President of CICA is chairperson for dispute resolutions. He is able to solve all problems related to civil servants be they CICA members in Phnom Penh or in the province. Below is a description of the Committee's actions.

At the provincial level, it is the duty of branch leaders to solve issues within their domain. If a dispute cannot be resolved, the branch leader can send the matter to the president in Phnom Penh. The committee and executive committee discuss the issue to find the best resolution, particularly important issues related to the Ministry or Government. However, some problems cannot be easily resolved.

In one such case, a CICA member, who was a school director, filed a corruption complaint. As a result, he was sent to work in another town 60 km from home. Neither CICA's president nor its executive board could intervene on the director's behalf because the Minister of Education had made the determination. Following this conflict, the CICA member decided to stop fighting with government leaders about his case.

Though the CICA committee cannot always resolve an issue, it can negotiate to lessen its severity. The CICA president can go to the province to negotiate if conflict resolution cannot be reached or facilitate between CICA members and their leadership. Nonetheless, members sometimes do not discuss an issue or file a complaint to CICA about their case because they do not want anything bad to happen to their family.

When asked about the factors that enabled them to apply the information and to accomplish the results, CICA named four factors:

1. Dispute resolution through the court system is prohibitively expensive and time consuming. Thus, CICA has high motivation to develop alternative methods of dispute resolution.
2. The success described has been achieved in an environment where collective bargaining has been prohibited. Therefore, despite the high motivation, CICA must be cautious.
3. There are some high profile cases of dispute resolution, for example a land concession dispute, which might set a precedent for how disputes are resolved in the future.
4. This year, Cambodia is the president of the ten-nation Association of Southeast Asian Nations (ASEAN). There is hope that this might influence Cambodia to ratify conventions, like C 151, that have been ratified by other ASEAN countries.

Brazilian Context

On 15 June, 2010, the State ratified ILO Labour Relations (Public Services) Convention (No. 151). Brazil is now developing mechanisms for social dialogue and conflict resolution in the Public Service. The new collective bargaining bill, of which the core elements are freedom of association, collective bargaining and right to strike, is now under discussion.

The bill seeks to provide guidance for the management of labour disputes and collective bargaining, including guidelines and principles on stakeholder questions such as who has a mandate to sign agreements. Also, it is hoped that the bill will establish a permanent bargaining table.

Brazil's Public Services International (PSI-Brazil)

Public Service sector staff is represented by Brazil's Public Services International. PSI-Brazil sent a representative to the validation workshop. However, PSI-Brazil has faced challenges that have limited its ability to use the workshop materials in order to achieve results.

According to PSI-Brazil, the content of the manual is excellent. It will help public service staff to get the respect that they deserve from governments. PSI-Brazil thinks that the manual should be diffused all over the world. However, there is the rub.

In order to diffuse the manual all over the world, it first needs to be translated and adapted. Translation takes time and this has led to delays in diffusion of the materials. PSI-Brazil did not have the resources to undertake translation and adaption by itself. Therefore, they have been waiting to receive the materials translated into Portuguese.

Conclusions and Recommendations

A comparison of the CICA and PSI-Brazil cases gives some indication of why one organization experienced relatively good results, in the face of difficult challenges, and another was not able to overcome the challenges that it faced.

Both organizations were resource challenged. However, CICA was highly motivated to translate and adapt the materials that it received at the validation workshop and to use them to mobilize, train and promote solidarity.

The industrial relations system in which PSI-Brazil works is more open. Therefore, PSI-Brazil may not have felt the same sense of urgency as CICA. As a result, it was able to wait to receive the translated the materials from ILO Headquarters.

There are two possible recommendations that arise from this study

- SECTOR should identify and work with highly motivated partners to develop sectoral materials
- To the extent that resources permit, SECTOR should fast-track the translation of sectoral materials in order to build on the enthusiasm from validation workshops.

A case study of the Decent Work Pilot Programme in Morocco

Preface

A finding of the high-level evaluation of the ILO's strategy for Outcome 13 was that the majority of DWCPs had little or no reference to sector-specific programmes.

However the evaluation team was able to identify a precedent setting effort to take a sectoral approach to Decent Work—the 2002 Decent Work Pilot Programme (DWPP) that was implemented in Morocco.

The main focus of the Moroccan Pilot Programme was the textile sector. There were two elements of the programme—the first related to the improvement of social dialogue at enterprise and sector level and the second to measures needed to boost the competitiveness of the Sector through the improvement of the quality and the quantum of employment.

This case study explains the context, implementation, and results of the DWPP. Afterwards, the analysis deals with some of the advantages of designing Decent Work Programmes around sectors.

Introduction⁶

At the beginning of the new millennium, Morocco's political and democratic transition combined with ambitious reforms aimed at putting the country on a higher growth path. Textiles were at the forefront of export-led growth and were seen as a key sector. In Morocco, textiles were a heterogeneous chain of 1,106 highly structured establishments and informal economy units that generated revenues of 15 billion Dirhams (about €1.5 billion).

The textile sector was the biggest employer in Morocco, accounting for more than 220,000 jobs in the formal economy and at least as many informally. Given that women made up more than 70 per cent of the workforce in the textile and garment sector, there was a distinct gender dimension to policies regarding this sector.

However, Morocco's textile sector faced serious internal and external challenges. Internally, relations between unions and employers were often tense and strikes were a frequent occurrence. Externally, the international quota system established by the Agreement on Textiles and Clothing was scheduled to end in January 2005. It was widely anticipated that the sector would experience increased global competition.

Failure by the textile sector to compete effectively in a liberalized international trading environment would have had a big impact on joblessness, which, at the time, stood at about 11 per cent countrywide and considerably higher in urban areas.

Decent Work Agenda⁷

The ILO's decent work agenda was seen as a way to address the internal and external challenges facing Morocco's textile sector. The decent work agenda provides a framework for development that promotes opportunities for women and men to obtain decent and productive work in conditions of freedom, equity, security and human dignity. It calls for policies and measures in four inter-related areas:

- Create greater opportunities for women and men to secure decent employment and income
- Enhance the coverage and effectiveness of social protection for all
- Strengthen tripartism and social dialogue
- Promote and realize standards and fundamental principles and rights at work

In order to introduce the agenda in Morocco, a Decent Work Pilot Programme (DWPP) was designed and implemented. The aim of this programme was to help countries, like Morocco, integrate decent work into their policy agenda, structures and wider society. This involves reinforcing capacities of governments, employers and workers through a range of activities. The pilot programmes are developed together with these constituents and tailored to each country's specific needs.

⁶ The ILO Decent Work Pilot Programme (DWPP) 2000 – 2005 Country Briefs

⁷ Ibid

Focus of the DWPP⁸

The decision that Morocco's pilot programme focus on the textile and garment sector was taken after a joint mission undertaken by the ILO Office in Algiers, the ILO Sub-regional office in Cairo and ILO HQ was assessing the 1999-2001 ILO country activities.

As the mission discussed the new "country programme" for the years ahead, it became clear that social partners were concerned with the ILO way of working in recent years because of the numerous diverse missions, workshops and reports, which then did not result in action.

The constituents encouraged the ILO to support national priorities through concrete high quality advisory services. Knowing that social dialogue at the overall national level was difficult, and knowing the challenges faced in the textile and garment sector, it was suggested to take a sectoral approach to the DWPP in Morocco.

This responded to a national priority: strengthening the textile and garment sector. It also addressed the concerns of social partners who wanted practical changes, encouraging the ILO to play a facilitative role in easing the growing tensions between workers and employers in the industry.

The DWPP was officially launched during the 2002 International Labour Conference when the Minister of labour and ILO Director-General signed the new technical cooperation framework for Morocco that included the DWPP programme. It started its activities in July 2002.

Constituent Participation⁹

The involvement of textile sector workers and employers, as well as the government, was at the heart of Morocco's DWPP. Given the history of strikes and tense relations in the sector, the commitment of the social partners in the DWPP signalled recognition of the need to move to more constructive patterns of labour relations.

Nonetheless, getting tripartite discussions going was something of a challenge at the time the DWPP was launched, in part because of rivalry among trade unions. The programme's early stages included a coordinated effort to mobilize employers, unions and ministries to play an active role in the programme.

To this end, a number of individual consultations were held before convening the first tripartite steering committee meeting in 2002. ACT/EMP and ACTRAV played a crucial role at that stage and lobbied their partners. Useful contact was also made with the ICFTU.

Once the participation of all the social partners and the government was secured, the substantive activities of the Programme began. The ILO provided technical advice and services to stakeholders on the social dimension of the sector's competitiveness in the global market and on its required restructuring.

Tripartite Steering Committee and Industrial Council¹⁰

⁸ Decent Work Pilot Programme: Morocco Case Study – An example of a sectoral approach. Final draft 14.01.2005

⁹ The ILO Decent Work Pilot Programme (DWPP) 2000 – 2005 Country Briefs

¹⁰ Ibid

A tripartite national steering committee was established to monitor and guide the pilot programme activities. The steering committee was made up of the following members:

- The Ministry of Employment and Vocational Training and the Ministry of Industry, Trade and Economic Modernization
- The National Agency for the Promotion of Small and Medium-Sized Enterprises (ANPME)
- National and sectoral employers' organizations: Morocco General Confederation of Employers (CGEM) and Moroccan Textile and Garment Industry Association (AMITH)
- The three national workers organizations represented in the sector: Moroccan Union of Labour (UMT), Democratic Confederation of Labour (CDT) and the Morocco General Union of Workers (UGTM)

The first Committee meeting was held in September 2002. A short mission in January 2003 to the French Institute of Fashion allowed for the exchange of information on the respective EU and ILO work undertaken with the Moroccan association of employers in the textile and garment sector.

An important development was the decision by workers and employers to create an Industrial Council in the textile sector in May 2004. This body was made up of representatives of AMITH, UMT, CDT and UGTM, with an observer from the Ministry of Employment and Vocational Training. The Ministry of Labour submitted the draft council's statutes to the social partners. The presidency rotated among the membership. The industrial council aimed to:

- Build understanding, encourage cooperation and help resolve conflicts among employers and workers;
- Improve social policies within the sector;
- Promote decent work, including the fight against discrimination and the application of other basic labour standards;
- Monitor economic and social developments within the sector as well as the impact of globalization and international trade;
- Consider ways to develop the sector, both economically and socially
- Work together to combat social dumping;
- Propose ways of safeguarding employment to public authorities.

Connected to this Industrial Council initiative was the organization of trade unions along an industrial basis. Only one workers organization, the UMT, had a garment workers federation at the start of the programme. Later, the CDT created its own garment workers' organization.

Research¹¹

The DWPP commissioned a national consultant, who was trusted by the social partners, to study the social determinants of the Moroccan textile sector's competitiveness. The terms of reference were designed with and agreed upon by the members of the Tripartite Steering Committee

The study, completed in April 2003, revealed that while the export-oriented activities were leading the growth of the sector, the activities geared towards the domestic market and the informal economy generated most of the employment. The sector was composed of informal units as well as of heterogeneous modern enterprises

Decent work deficits were identified mainly, but not exclusively, in the informal economy units. These ranged from illegal recruitment to precarious types of employment, inadequate social protection coverage, poor working conditions, inefficient management and unsteady social dialogue practices

Wages were often lower than the legal minimum wage and women suffered from wage discrimination. Those employers willing to redress these deficits were faced with a number of internal and external structural constraints. Objective factors such as seasonality of exports, the size of the informal economy, conditions imposed by the buyers, sub-contracting arrangements and prevailing labour relations patterns were found to affect job security

¹¹ A pilot programme in Morocco to boost the Textile and Clothing industries' competitiveness through the promotion of Decent Work. International Labour Office, April 2004.

The study also emphasized that successful restructuring of the textile sector depended on the commitment of all parties concerned (Employers, Workers, and Government) towards the sector's upgrading. Upgrading included responding to training needs, ensuring decent working conditions, and providing social protection to attract and keep young qualified workers.

It also revealed that developing sound labour management relations within the firms was necessary to preserve social peace. Full respect of freedom of association was certainly a key prerequisite. Given that women were composing the vast majority of workers for the sector, the gender dimension needed to be duly taken into account.

The tripartite Steering Committee discussed the findings of the study in May 2003 and agreed to develop an action plan on that basis to promote decent work and the competitiveness of the textile sector.

Theory of Change¹²

The Theory of Change (ToC) of the DWPP was based on the assumption that complex criteria determine where textile and garment production is located. These comprise not only the traditional determinants of competitiveness such as production costs, investment climate or political and economic stability, but also criteria of social nature.

The relative importance of the latter is increasing with the need for flexibility and good governance. Indeed, enterprises' capacity to produce just-in-time quality products, which satisfy the market and the final consumers, has become a more important competitiveness criterion than labour costs alone.

Because the global market for textile and garment products was extremely diversified, it was also more demanding in terms of quality and was primarily conditioned by consumer's needs and taste. Hence, enterprises needed to be very reactive and to adjust rapidly to preserve their competitiveness

Furthermore, controversy about poor working conditions and child labour made many retailers and clothing companies, especially well-known brands, anxious to ensure that basic labour standards were respected during production.

The ability to respond to these criteria was closely bound up with decent work. Respect for basic labour standards, preserving and creating jobs, strengthening social protection and improving management-labour relations through dialogue contribute to dynamic and competitive enterprises.

Moroccan enterprises could not ignore these "*new rules of the game*" and would gain from adopting a pro-active attitude by valorising their social image in a manner that would respect the national context and was not imposed by outsiders.

A Multi-phase and Multi-strategy Programme¹³

Morocco's DWPP had multiple phases and each phase had multiple strategies. The first phase involved, facilitating tripartite discussions and entailed getting all the partners around the discussion table. This in itself represented a challenge because of rivalries among Workers organizations.

During its first phase, the DWPP had a two-fold strategy. First, it facilitated social dialogue by bringing the Government and the social partners around the table to discuss the challenges such as productivity, working conditions, employment and vocational training policies, and respect for fundamental rights at work.

¹² The ILO Decent Work Pilot Programme (DWPP) 2000 – 2005 Country Briefs

¹³ *Decent Work Pilot Programme* Country Briefs: Background document for the ILO Staff Seminar. Promoting Policy Integration at the National Level Country Strategies on Decent Work. Turin, 9-11 July 2003. National Policy Group Policy Integration Department.

Second, it implemented an initial strategy to upgrade the sector's competitive performance that had been developed by the Moroccan Textile and Garment Industry Association (AMITH). In agreement with the Moroccan government, this called for sector restructuring through reduced costs as well as an improved investment climate based on greater economic stability.

During its second phase, the DWPP provided some support to the implementation of the tripartite action plan (see next section). Support was provided through the mobilization of the ILO technical department concerned. The ILO also sought to mobilize extra-budgetary resources for operational activities within enterprises.

Action Plan¹⁴

The phase leading up to adoption of the Action Plan was important in providing a diagnosis of the sector's needs and problems as well as securing agreement among the social partners on the way forward. This process contributed toward improving relations between employers and unions, a crucial element in building a stronger textile and garment sector.

On 16 December 2003, the Tripartite Steering Committee formally approved the "National Tripartite Action Plan to promote the competitiveness of the Textile and Clothing Industries through the promotion of Decent Work".

The action plan reflected the discussions of the social partners, as well as the analysis and research carried out for the project. Through a range of activities, it aimed to respond to the evolving needs of Morocco's textile companies and their workers. The plan was organized around the following themes:

- Improved social dialogue and industrial relations
- Upgrading company performance on social issues
- Placing greater value on human resources
- Productivity gains through improved working conditions
- Meeting women's specific needs
- Reinforcing social protection
- Taking into account the informal economy in the sector's development

Running through the themes of the Action Plan is the need for Morocco's textile companies to improve their performance on social matters. This process became known as *mise à niveau sociale*, or social upgrading. Social upgrading involved a wide range of labour standards, such as minimum working age, non-discrimination, freedom of association and prevention of forced labour.

The time devoted to consultations, initial research and drafting an Action Plan reflected the need to ensure that the programme responded to the specific need of Morocco's textile companies and their employees.

Gender¹⁵

With such a high percentage of women working in Morocco's textile sector, promoting gender equality was an integral part of the pilot programme. The national studies provided data related to gender whenever possible, highlighted specific problems encountered by women and put forward recommendations for the Action Plan.

While the Action Plan included a specific strategy regarding discrimination faced by women; it also sought to address gender equality through its other components. To this end, a coordinator hired by the programme worked to ensure

¹⁴ A pilot programme in Morocco to boost the Textile and Clothing industries' competitiveness through the promotion of Decent Work. International Labour Office, April 2004

¹⁵ The ILO Decent Work Pilot Programme (DWPP) 2000 – 2005 Country Briefs

that all the activities called for under the Action Plan take into account women's specific needs and problems. The coordinator also raised awareness and informed the social partners on gender issues in the textile sector.

Implementation¹⁶

Activities under the DWPP's Action Plan covered the period 2004-2005 and were carried out by government, workers and employers, as well as officials from a number of different ILO sections. A core group from NPG, SECTOR and NAMAT was set up to implement the programme in close coordination with ILO Algiers, ACTRAV, ACT/EMP and all on-going ILO projects in the country.

Early in the implementation, coordinated efforts went into sensitising and convincing the social partners and various ministries of their interests – both individual and collective – to play an active role in the programme.

Later during implementation, activities included training, advice, technical assistance and research. When taking part in these activities, companies often appointed management and worker representatives. These partners helped to ensure that training materials and sessions were tailored to the needs of their own enterprise and its staff.

The cooperation between management and worker representatives to tailor the materials set in motion the process of improving management-labour relations through discussion and dialogue. Overall, the programme fostered informed tripartite discussions at company and sector level on a wide range of issues.

The ILO provided support to the implementation of the action plan by seeking to mobilize extra-budgetary resources on specific actions and by providing integrated technical advice drawing on all its four strategic objectives and involving more than ten technical units at the headquarters and in the field.

Tra de Maroc¹⁷

A significant development was the agreement by the Spanish government to fund a project, Tra de Maroc, which shared the DWPP objectives and supported some of the DWPP activities. Tra de Maroc devised ten training modules on social upgrading that were implemented over a period of nine months.

The modules combined training with support activities and were delivered at the intra- and inter-company levels. At the end of each training session, the coaches helped teams of management and worker representatives to identify priorities and opportunities for improvement and shape them into an action plan that they implemented themselves.

Achievements¹⁸

The DWPP brought about constructive dialogue involving all partners, including three different trade unions, which culminated in the adoption of a National Action Plan to promote the competitiveness of the textile and clothing sector. The Plan was an integrated economic and social strategy.

Promoting social dialogue and improving industrial relations

¹⁶ *Decent Work Pilot Programme* Country Briefs: Background document for the ILO Staff Seminar. Promoting Policy Integration at the National Level Country Strategies on Decent Work. Turin, 9-11 July 2003. National Policy Group Policy Integration Department

¹⁷ ¹⁷ Decent work project in the textile and clothing sector in Morocco Tra De Maroc: Improving competitiveness in the textile and clothing sector through decent work. Employment Policy Department, Country Employment Policy.

¹⁸ The ILO Decent Work Pilot Programme (DWPP) 2000 – 2005 Country Briefs

The Plan included improved social dialogue at sector and enterprise level and upgrading at enterprise level using decent work as a productive factor. The Plan was implemented by the constituents with the support of the Ministry of Trade and Sector and with financial assistance from Spain.

a) At national sector level:

The programme successfully promoted a culture of social dialogue, which resulted in a tripartite agreement on a decent work strategy for the sector and a decision to set up a bi-partite industrial council.

- A tripartite agreement on a decent work strategy for the sector—following a series of discussions and workshops, the social partners agreed on a tripartite National Action Plan to Improve the Competitiveness of the Textile and Clothing Industries through the Promotion of Decent Work. This tripartite agreement reflected the needs and concerns of each of the social partners and spelled out activities to be implemented by the parties, either individually or jointly. Priority areas that required ILO assistance for implementation were identified at a later stage. The three priorities were: i) social dialogue; ii) social up-grading of enterprises and iii) training and skills.
- The decision to set up a bi-partite industrial council—unions and employers established an industrial council, with observer status for government representatives. They are currently drafting the statutes of the council. The ILO provided assistance to the process as well as to the operations of the Council through the Spanish funded Tra de Maroc project.

b) At the regional sector level:

Steps were taken by the DWPP to promote a culture of social dialogue within each of the six regions of production of textiles and garment. Tripartite meetings were organized in five out of six regions and generated promising dynamics everywhere. The ILO assisted the development of social dialogue at the regional level through the Spanish funded Tra de Maroc project.

c) Data, tools and capacity to engage meaningfully in social dialogue

Research and analysis: To support the above-mentioned initiatives to promote a culture of dialogue, the DWPP gave the social partners a sound information basis, accessible to all.

- Two studies by national experts providing a social and economic picture of the textile and garment sector were presented in January 2003. Full and summary versions of the studies were circulated widely. in French and Arabic. They are also posted on the Internet with all the major documents of the programme such as the Tripartite National Action Plan.
- Social partners were provided with instruments for determining social and economic performance of sector (*Tableau de bord économique et social*).
- Continued monitoring of sector, particularly following the end of quotas for international trade. A paper analysing the trends of the first six months was produced.
- Rapid assessment of child labour in textile sector was carried out. This focussed on three sites – Salé, Temara and Rabat –where there was a high prevalence of child labour in the informal economy.
- As part of Morocco's effort to improve and extend coverage of social protection, ILO experts evaluated the social protection needs of women textile workers.

d) Training was provided to workers organizations to strengthen their capacity to participate in dialogue with employers and government. This included training in negotiating techniques, economic analysis, the country's new labour code and international labour standards.

Upgrading enterprise performance on social matters:

The DWPP informed tripartite discussions on issues such as the links between productivity and working conditions; enterprise restructuring, adjustment and access to markets; employment policies and the role of the social partners in the design and implementation of skills development programmes, and the increasing attention paid to the respect of workers' rights and working conditions in the global market.

a) Design and development of training programme and material

The steering committee and the ILO agreed on a training programme for textile and garment enterprises. Company participation was voluntary, with each company naming worker and management representatives. Training took place over several sessions. Training material developed by the programme was divided into six modules covering areas such as: productivity; improving management-employee relations; managing human resources better; improved working conditions; and relations with suppliers, buyers and subcontractors. The aim was to develop and apply an action plan to improve productivity and working conditions in the enterprise.

b) Training of trainers and enterprise upgrading:

Through the Spanish funded project, training was provided to national trainers. Trainers were mentored during their training of the first group of enterprises.

c) A coherent training and skills strategy for the sector

The programme supported an effort by the Ministry of Employment and Vocational Training to consolidate and set guidelines for various national training programmes regarding the textile and garment sector.

d) A strengthened role of companies in training

A programme was developed to strengthen the role of companies in training. This included an information campaign in Rabat, Casablanca and Tangeirs; the training of trainers and master apprentices for companies in the Casablanca-El Jadida region; and setting up a pilot training scheme with a gender focus in Rabat-Sale.

Meeting needs of women textile workers and promoting gender equality:

Given that women make up more than 70 per cent of the workforce in textiles, there was a distinct gender dimension to policies regarding this sector. This was the first time that the gender dimension was explicitly recognized and addressed.

a) A gender strategy was designed to ensure that the implementation of the National Action Plan to boost the competitiveness of the Sector through Decent Work met the needs of women workers and promoted gender equality.

b) A consultant on gender issues was hired. The consultant had a dual mandate:

- To ensure that all programme activities take into account women's specific needs and problems;
- To inform and raise awareness among the social partners on the gender dimensions of decent work and upgrading enterprise performance and competitiveness.

Analysis

Analysis of the data presented in the previous sections of this case study showed the following benefits to using a sectoral approach to decent work:

- Taking a sector as the point of interface for planning of ILO support helps coherence, complementarity and synergy. The value added of decent work becomes more obvious and impact is improved¹⁹.
- Decent Work Programmes at the sectoral level appear to be a good alternative when it is not possible to have constructive social dialogue at the national level among tripartite constituents that is necessary to establish a Decent Work COUNTRY Programme.
- A meta-analysis of lessons learned by Decent Work Country Programme evaluation was sponsored by the Evaluation Unit. The study showed that a weakness of DWCPs is that Social Partners often do not have a sense of ownership. The results of this case study suggest that a sector level decent work programmes creates a sense of ownership that is sometimes missing.

¹⁹ Decent Work Pilot Programme: Morocco Case Study – An example of a sectoral approach. Final draft 14.01.2005

- Managing the DWPP as a process has shown essential. The social partners adopted the programme as theirs not only because it was built on national concerns, but also because there was a lot of work done on partnership building and continuous consultation²⁰.
- It is essential to build on national partners' interests and concerns from the outset, to ensure that it is "their programme". However, despite national ownership, many things would not have been pursued if ILO commitment had ended up²¹.
- Gender issues are often not a priority of Decent Work COUNTRY Programmes and they have a hard time integrating with the outcomes. This appears not to be the case with sector level decent work programmes. Gender issues integrate easily and their importance becomes readily apparent.

²⁰ Ibid

²¹ Ibid

Annex: *Key Programme Dates*

June 2002 – Signature of Agreement between Morocco and the ILO

September 2002 – Steering Committee Established

January 2003 – National Studies Completed

December 2003 – Adoption of National Action Plan

January 2004 – Action Plan Begins

May 2004 – Decision to set up Industrial Council

September 2004 – Draft statutes submitted to social partners by Ministry of Labour

June 2005 – Spanish Government Agrees to Finance Key Programme Activities
Morocco's pilot programme is designed and run by the country's social partners in collaboration with the ILO.