International Labour Organization Sectoral Activities Programme TMCOPU/2003/11

### Note on the proceedings

Tripartite Meeting on Challenges and Opportunities facing Public Utilities

Geneva, 19-23 May 2003

International Labour Office Geneva

#### **Contents**

Introduction
Part 1. Consideration of the agenda item.
Report of the discussion
Introduction
Composition of the Working Party
Presentation of the report and general discussion
Theme I: The provision of utility services and its impact on employment
Theme II: Governance, corporate social responsibility and efficiency in utility services 14
Theme III: Social dialogue in the provision of utility services
Theme IV: ILO action 2
Consideration and adoption of the draft report and the draft conclusions by the Meeting 2
Conclusions on the challenges and opportunities facing public utilities (electricity, gas and water)
General considerations 2
The provision of utility services and its impact on employment
Governance, corporate social responsibility and efficiency in utility services
Social dialogue in the provision of utility services
ILO action
Part 2. Resolutions
Consideration and adoption by the Meeting of the draft resolution
Resolution concerning future ILO work programme and future action for the public utilities sector
Text of the resolution adopted by the Meeting
Resolution concerning future ILO work programme and future action for the public utilities sector
Part 3. Other proceedings
Panel discussions 3
Meeting skills needs in the electricity, gas and water industries
Discussion
Public-private partnerships in public utilities
Closing speeches
Evaluation questionnaire
List of participants

#### Introduction

The Tripartite Meeting on Challenges and Opportunities facing Public Utilities was held at the ILO in Geneva from 19 to 23 May 2003.

The Office had prepared a report <sup>1</sup> issued in English, French and Spanish to serve as a basis for the Meeting's deliberations. It addressed the following topics: globalization in the utilities sector; employment-related issues; sustainable development and renewable energy; public or private delivery of water and waste; and social dialogue.

The Governing Body had designated Mr. M. Lambert, Employer member of the Governing Body to represent it and to chair the Meeting. The three Vice-Chairpersons elected by the Meeting were: Mr. M. Ilolov (Tajikistan) from the Government group, Mr. M. Javed from the Employers' and Mr. D. Elbrecht from the Workers' groups.

The Meeting was attended by Government representatives from: Benin, Cameroon, Egypt, Greece, Luxembourg, Malaysia, Philippines, Switzerland, Tajikistan, Uganda and Yemen as well as 17 Employer representatives and 15 Worker representatives. Representatives of the Governments of Germany, Nigeria and the United States were also present at the sittings.

Representatives from the following international non-governmental organizations attended as observers: the International Confederation of Free Trade Unions, the International Federation of Chemical, Energy, Mines and General Workers' Union, the International Federation of University Women, the International Organisation of Employers, the Organisation internationale de l'énergie et des mines, Public Services International, Union Network International and the World Confederation of Labour.

The three groups elected their Officers as follows:

Government group:

Chairperson: Mr. M. Ilolov (Tajikistan)

Employers' group:

Chairperson: Mr. A. Calsiano
Vice-Chairperson: Mr. C. Hyder

Secretary: Mr. J. Dejardin (International Organisation of

Employers (IOE))

Workers' group:

Chairperson: Mr. M. Jeram

Secretary: Mr. D. Boys (Public Services International (PSI))

The Secretary-General of the Meeting was Ms. C. Doumbia-Henry, Officer-in-Charge and Deputy Director of the Sectoral Activities Department. The Deputy Secretary-General was Mr. W. Ratteree of the same Department. The Executive Secretary was Ms. S. Tomoda. The Clerk of the Meeting was Ms. S. Maybud. The Experts were:

TMCOPU-N-2003-07-0102-2-EN.Doc 1

1

<sup>&</sup>lt;sup>1</sup> ILO, Tripartite Meeting on Challenges and Opportunities facing Public Utilities, Geneva 2003: *Challenges and opportunities facing public utilities*, 79 pp.

Mr. J. Beaulieu, Mr. D. Belau, Mr. M. Hahn, Mr. Y. Kamakura, Mr. M. Meletiou, Mr. J. Sendanyoye, Ms. K. Thompson, and Ms. C. Wiskow.

The Meeting held six plenary sittings.

The Chairperson opened the Meeting by noting that water, gas and electricity companies provided essential services that were amongst the most important to national and global economic development. Strong and dynamic utility sectors were prerequisites to a healthy economy and instrumental in the fight against poverty. Poverty was the worst undignified form of human existence and he had witnessed it first hand. The Meeting was extremely timely, following the discussions of the World Summit on Sustainable Development and the Third World Water Forum. The impact on employment of the issues discussed in those fora was often left out. Utility industries were capital and knowledge intensive, but employment levels and working conditions had a significant impact on the productivity of the overall economy. Electricity and water consumption stimulated employment and productivity, and created decent work, particularly in severely impoverished regions suffering from the economic and social divide. He pointed out the pent up demand for utility services in the developing world. Concerning multinational enterprises, he recognized that they have transferred technology and know-how to developing countries and countries in transition in order to build supply and distribution capacity, but acknowledged that sometimes there had been difficulties during the transition process. Jobs were often lost during the merger and acquisition process, and socially responsible restructuring needed to be considered. The Chairperson recalled his participation in the ILO's Tripartite Forum on Promoting the Tripartite Declaration Concerning Multinational Enterprises and Social Policy and looked forward to the discussions concerning these significant matters in this Meeting. In closing he referred to the four themes presented for discussion: the provision of utility services and its impact on employment; governance, corporate social responsibility and efficiency in utility services; social dialogue in the provision of utility services; and ILO action.

Ms. S. Paxton, Executive Director of the Social Dialogue Sector welcomed participants to the ILO on behalf of the Director-General. She recognized this very timely discussion and recalled the current relevance of the 1999 conclusions from the previous sectoral meeting. Issues such as globalization, governance, employment and social dialogue would be discussed this week, and she stressed the importance of identifying ways to turn the challenges of these into opportunities. Employment in the sector accounted for about 1 per cent of national workforces, but had an extensive impact on overall economies. Some of the changes facing public utilities had been changes in ownership structures, increased competition, changes in regulatory and legislative frameworks and/or business diversification all of which had an impact on working conditions, pay and job security. Ms. Paxton highlighted the loss of jobs in the sector which resulted from the various forms of change the industry had faced, noting that job creation in other areas had not compensated for the decline. Consumers and workers of four large state-owned enterprises in China, Korea and France were either currently involved in or would undergo the privatization process. Summarizing the profile of employment in the sector, she pointed out the severe gender imbalance in some disciplines and the ageing workforce, indicating a challenge to recruit young women and men into the sector. Governments, employers and workers shared an interest in stable and sustainable labour markets that ensured a supply of skilled and productive labour, but which called for job security. In addition, there was a demand for the expansion of services to unserved areas, in particular in Africa and Asia. Extending service was also a means of creating employment in the sector either through engaging private enterprises or by expanding the public service. Good practices in the field of governance and corporate social responsibility demonstrated how profitability and good working conditions can go hand in hand. Explaining the benefits of social dialogue, she recalled the 90th Session of the

International Labour Conference in June 2002 which adopted a resolution calling on governments, employers' and workers' organizations to promote and enhance tripartism and social dialogue. Managing issues during change could also be accomplished through the social dialogue process. In closing she suggested that the deliberations provided the ILO and its constituents with practically oriented guidance to deal with the challenges and opportunities the sector faced today.

Part 1

Consideration of the agenda item

#### Report of the discussion<sup>1</sup>

#### Introduction

- **1.** The Meeting met to examine the item on the agenda by way of five thematic discussions. In accordance with the provisions of article 7 of the *Standing Orders for sectoral meetings*, the Officers presided in turn over the discussion.
- **2.** The Employer spokesperson was Mr. Tinslay and the Worker spokesperson was Mr. Jeram. The Meeting held five sittings devoted to the discussion of the themes.

#### **Composition of the Working Party**

**3.** At its fifth sitting, in accordance with article 13, paragraph 2, of the Standing Orders, the Meeting set up a Working Party to draw up draft conclusions reflecting the views expressed during the course of the Meeting's discussion of the themes. The Working Party, presided over by Mr. Olweny, representative of the Government of Uganda, was composed of the following members:

#### Government members

Luxembourg: Mr. Daleiden

Tajikistan: Mr. Ilolov

Uganda: Mr. Olweny

#### Employer members

Mr. Asante

Mr. Boyett

Mr. Dewan

Mr. Tinslay

Mr. Turkoglu

#### Worker members

Mr. Ieraci

Mr. Jeram

Mr. Kim

Mr. Kuzichev

Mr. Ott

<sup>&</sup>lt;sup>1</sup> Adopted unanimously.

#### Presentation of the report and general discussion

- 4. The Co-Executive Secretary, Mr. Beaulieu, introduced the report to the Meeting, which had been prepared using a wide variety of sources. He noted that equitable access to affordable and efficient electricity, gas, water and sewerage services concerned everyone since they were the foundation for economic and social development all over the world. The industry's globalization had led to a quick surge in private multinational multi-utility companies that had created rapid changes in employment and service. This was part of a dynamic process of restructuring on a global scale, partly driven by international lending institutions. This transformation created a greater need for developing and improving social dialogue mechanisms at the national, regional and international levels to help the change process. The report highlighted the sectors' employment decline, its ageing workforce and demands for workers to become more efficient through multiskilling. The report explained that there was an opportunity for employment growth through expanding services, which could also have great potential for enhancing income levels and the productivity of less developed areas, in turn contributing to the realization of the United Nation's Millennium Development Goals (MDGs). There had been a recent convergence of private enterprises into water and sanitation services. The State continued to have a responsibility to ensure that basic services were delivered whether the provider was public or private. In closing, the report emphasized the important role of the European Union's social dialogue mechanisms which helped to identify, address and distribute the costs and benefits of change equitably.
- 5. The Chairperson of the Employers' group thanked the Office for the report, which would permit an important discussion. However, the report had not focused on the positive effects of globalization. This process had been going on for hundreds of years, but a recent paradigm shift, often referred to as "globalization", had opened up new markets and created an avenue for advanced technologies to further accelerate change. The problem was that globalization had occurred at a breathtaking speed and with diverse effects on different countries. Hopefully this Meeting would permit an exchange of experiences and identification of common denominators through constructive dialogue that could be applied equally across the globe. The fundamental objective of private enterprise was to make profits. Governments needed the investment that private companies could supply. Referring to job cuts, if the problem was cyclical, it could be solved, but structural issues were more difficult.
- **6.** The Employer spokesperson reiterated the point that profits were essential for private companies. However, the costs should not be a drain on taxpayers or governments. Recalling earlier discussions in the Employers' group meeting, he noted that some governments have had positive experiences with privatization while others had disastrous ones. The employers and the workers should work together as they had an obligation to make governments aware of the pitfalls surrounding privatization so that the right policies concerning social issues could be made, for instance, support to workers faced with structural adjustments.
- 7. The Worker spokesperson welcomed the ILO's initiative in convening this Meeting. Major trade unions in this sector from all continents being present, the members of the Workers' group would bring expertise and hands-on knowledge to the Meeting as they represented the key players in providing quality services in this sector. The Workers' group expressed two concerns: (1) sufficient action had not been taken on the resolutions adopted by the last ILO meeting held in 1999; everyone present should strive to do better this time by being proactive in the Meeting's follow-up in line with new objectives of the sectoral activities programme; and (2) the Workers' group was looking forward to working with the Employers' group and Government representatives, but was disappointed by the absence

from this Meeting of major employer players on the international scene. Key themes of the Meeting included:

- access to energy and water were basic human rights, as recognized by various United
   Nations declarations; utilities should not be treated as commodities;
- the social good of such services should be placed before private profit in all reform processes, particularly in view of many reforms that had been characterized by a failure to meet basic requirements;
- social dialogue had been non-existent in some areas and the full weight of national laws must be brought to bear to eradicate corrupt practices and to ensure the highest standards of corporate governance; the ILO, other United Nations and regional organizations such as the European Union could contribute considerably to these goals;
- privatization would not absolve governments of the responsibility of providing basic human needs.

With regard to employment and labour standards, reforms in utilities had often been driven by a desire to cut costs and maximize profits, as pointed out in the report prepared by the Office, and for which he could also testify from his 25 years of experience in these services. When cost cutting took priority over the public good and service delivery, health and safety suffered, as did research, training and quality of service. Such developments also led to increased human suffering and cost to governments in terms of support to the unemployed. In concluding, he stressed that all had a joint responsibility in achieving the United Nation's MDGs, to reduce poverty and ensure that workers were fully involved in this process through social dialogue.

### Theme I: The provision of utility services and its impact on employment

8. Mr. Nikolai Rogovsky, employment specialist of the ILO Management and Corporate Citizenship Programme, gave an initial presentation on the aspects of flexibility and stability as core issues of enterprise strategy and social dialogue. Enterprises needed to reach a balance between flexibility, as a prerequisite for competitiveness, and stability, as a necessity to maintain workers, corporate values and organizational continuity. The experiences of the project on socially sensitive enterprise restructuring (SSER) held some key messages. Flexibility and stability were not mutually exclusive, and neither should prevail over the other, as there were human as well as economic rationales for a balance. Restructuring of an enterprise should always be anticipated, dealt with as a long-term, ongoing process combining flexibility and stability, but SSER studies revealed that these aspects were still rare in most companies. Downsizing did not always constitute the best solution in a restructuring process but, if chosen as an option, there were many tools available to downsize in a socially sensitive way. A 1997 study in the United States had revealed sizeable declines in employees' morale, increased resignations and greater staff turnover after worker displacement. Unemployment, furthermore, affected a worker's dignity and family equilibrium in addition to lost wages and benefits. A key to the success of restructuring was a shared agreement between workers and employers and other stakeholders involved which could address workers' needs, set achievable targets and be measurable and controllable. A 1992 study of utilities companies in the United States suggested that workers' individual performance depended on flexibility aspects, such as influence over employment practices and work organization and on stability through perceived job security. In Western Europe social dialogue was a reality, but this was not

- the case in many Central and Eastern European countries. Concluding, he noted the range of ILO activities on socially sensitive enterprise restructuring the training of constituents, the development of policy guidelines, the promotion and sharing of good practices and publications and quoted a Chief Executive on the crucial relationship between flexibility and a stable job environment for productivity and efficiency.
- 9. The second keynote speaker, Mr. Paul Boyett, Director of Talent Management, Corporate Human Resources Department of the Duke Energy Corporation, United States, presented information on his company, which was present in more than 20 countries, changes in the energy market and in the business environment in the United States. Factors such as the Enron Corporation collapse, global political instability, market restructuring, the decentralized nature of the market with 50 states regulating energy production and distribution and a general downturn in economic prospects had created greater challenges for companies to maintain competitiveness in an atmosphere of general distrust of business. Restructuring of the electricity sector had slowed, with state regulatory authorities postponing or avoiding decisions, although national government regulators continued to focus on deregulation of wholesale markets. Labour force trends in the utilities industry were affected by demographic changes, specifically the decline in the numbers of young people and the departures of older workers which created a major challenge for human resources planning and productivity. Solutions included asking retirees to stay longer to help train new entrants, and outsourcing of services. Deregulation of the electricity market would impact on employment depending on the regulatory approaches, including some job contraction. Measures to moderate job losses included imposition of transition charges by utilities, limits on interregional electric transmission capacity and inclusion of retraining and severance costs in competitive transition charges. Retraining was essential for the reskilling of people. Mergers and acquisitions would lead to consolidations and associated efficiencies but overall human resources planning would remain a challenge due to demographic changes.
- 10. The third keynote speaker, the Worker spokesperson, expressed the hope that representatives of Governments, who were key players in public and private sector service provision, would participate more. He agreed that workers could not be productive in an atmosphere of job insecurity. The ILO report noted that proper water, sanitation and energy service provision still had a long way to go in significant parts of the world, notably African and Asian countries. Two models predominated in utility provision, one driven by short-term, cost-cutting considerations, the down side of flexibility, and an alternative model driven by long-term considerations based on investments, job stability, career development and skill transfers and sustainable development, a model which guided utilities in the Western European countries. This was the model recommended for developing countries.
- 11. The Employer spokesperson summarized employers' perspectives on the impact of privatization and restructuring on employment. The divergences between developed and developing countries meant that generalizations were not possible and that some models working in one country would be inappropriate in another. The capacity to anticipate change might be poor in many countries, but governments influenced the agenda of change, and sometimes this and other factors did not allow for forward-looking planning. Employers recognized the importance of training workers to cope with problems in restructuring and privatization processes. The measures for creating an adequate skill mix within the workforce would have to differ according to the countries' needs and situation; employers encouraged recourse to formal training and apprenticeship programmes. There was also recognition that skilled workers would be in short supply in the future. Utilities industries in many countries did not have a very "sexy" image which attracted younger people, who sought work in more modern and glamorous industries such as telecommunications. It was an open question whether utilities in all countries would do

enough to attract the brightest and best individuals to future jobs. Finally, corporate culture was very important. Successful employers had a corporate culture encouraging high morale and loyalty, motivating employees to work over a long period for the company, thus creating stability. The predictions a few years ago of constant job changes throughout life had clearly been wrong; employers realized this and sought to create conditions for long-term commitments.

- 12. The Chairperson highlighted the importance of attracting young people to any industry as one of the key challenges of a business. Decent education and training for everybody was a prerequisite for tackling the challenge of a sufficient supply of skilled workers; companies that failed to invest in education would suffer in the long run. The role of governments was to encourage fundamental basic education for everyone from children to adults, after which companies had a role to train people for the jobs of the future. Training opportunities influenced the attractiveness of a workplace, and served as a hedge in the event of downsizing. Given that fewer people spent their whole life in the same company, training and flexibility were crucial to employability in different workplace settings.
- 13. The representative of the Government of Tajikistan confirmed that education was an important challenge for his country. Fortunately, a well-developed system of professional and technical education existed from the time of the Soviet Union. Tajikistan hoped to develop this system further with new methods, so that it could constantly train new generations of workers to replace those who retired or left the workforce. The Government was trying to restructure the education system in terms of institutions, technical support and management training, but this required investment in financial and human resources. The utilities services were of central interest for his Government, especially in terms of the training of specialists. He agreed with the observation that differences in social dialogue subsisted between Western European, Eastern European and Central Asian countries. Notwithstanding, the complex issue of employment in the utilities industry would only be addressed successfully through a tripartite approach, establishing a real dialogue between the three parties.
- 14. A Worker member from Australia stated that governments throughout the world were looking to reform their public utilities, and to involve the private sector in their provision. Needs must come before profits, however, for all to share in the benefits of reform. Universal access to utility services was critical, especially for rural communities. Provision of water services in developing nations should be seen as a health issue, with those providing the services responsible not only to shareholders, in the case of privatized services, but also to the users, especially communities they served. In some developing nations the issue was about bringing services to those that did not have them, while in others it was about using electricity grids to raise living standards through jobs, business growth and access. In some states of Australia and in New Zealand, privatization had put strains on energy capacity and on economic growth. Businesses now looked at energy supply even in developed countries before establishing operations there. Ensuring the availability of energy and water should not be reduced to a "business case", but rather elevated to meeting communities' needs, ensuring service, access, and planning to continue to meet their needs over the next 20, 30, 50 or 100 years.
- 15. A Worker member from France did not believe that the provision of services and its impact on employment could be viewed dispassionately by workers around the world who had lost jobs as a result of restructuring by multinational companies. The practices of powerful private sector enterprises in the energy sector, especially those from the United States, should not be emulated. The California example showed how private enterprises operating in areas of public interest had abdicated their obligations, leaving taxpayers with the costs. State-owned EDF in France, from which he came, was one of the world's major energy enterprises. However, its behaviour around the world was sometimes no different from that

of other multinational groups which workers denounced for ignoring employment concerns in their quest for greater productivity and higher profits. Workers accepted the idea of discussing what should remain within public ownership, as it was clear that the distribution of electricity, water, transport services and telecommunications could not be placed at the same level. Debate on what services should be under public or private ownership should not imply that there were no badly managed state-owned enterprises, or that there were no well-managed private enterprises in the public utilities sector.

- 16. An Employer member from the United States agreed that there were exemplary publicly managed companies and that private companies were not necessarily always more effective, but they had different motivations. In California, there had clearly been instances of market manipulation and inappropriate behaviour by some players, but the state had also put in place very strange, ill-conceived rules, resulting in market turmoil which was expected to be long lasting. Its attempt to nullify contracts that had been entered into in good faith would result in substantial drawbacks from the marketplace for capital as well as a reluctance of companies to go into those markets. Companies had a responsibility to be ethical and to operate within the boundaries, and governments needed to carefully think through their privatization rules.
- 17. The Chairperson reiterated the governments' role in regulation to avoid situations like those caused by Enron. One of the biggest scandals in British corporate history concerned Robert Maxwell's "robbery" of the Daily Mirror newspaper pension scheme of British £400 million to keep his company afloat. As a result of a subsequent rigorous regime for pension schemes, all companies now suffered from a rule aimed at ensuring no one could replicate this experience. He also reiterated his previous view that young people in developing countries should have the opportunity for proper education, with the responsibility for basic education lying with governments.
- **18.** An Employer member from Argentina contended that strict distinctions between private and public were difficult: the case from France involving EDF, which had participated in the privatization of electricity services in his country, showed that public enterprises could act like any private enterprise. It should be borne in mind that where services were privatized, and such a process could involve non-governmental representatives of civil society, the ultimate responsibility for its provision remained with the State. The government must create the necessary legislative framework, respecting the right of private property.
- 19. The Worker Vice-Chairperson of the Meeting noted that the world economy had been restructured in favour of capital since the 1980s. Together with international financial institutions, workers were pushing for restructuring and access to provide services in developing countries. Such countries lacked the capacity to deal with multinational enterprises, with the result that those states' sovereignty to determine their own economic priorities had been undermined. There were contradictions in statements about attracting young people into the sector, when education had become unaffordable for many poor people. The question of governments' role as either a mere facilitator or as a direct provider of services was fundamental.
- 20. The representative of the Government of Uganda shared his country's experience with privatization beginning in 1994. His Government had learnt from earlier mistakes, giving a role in the privatization and liberalization process to the workers of public utilities. Regulatory mechanisms had also been put in place in the process of privatizing posts and telecommunications and electricity beginning in 1997. As yet, water had not been privatized and would anyway concern only urban centres, with the Government retaining responsibility for supplying rural populations. Responsibility to ensure access, efficiency and pricing, particularly of water, would remain fully with the statutory bodies which were

being put in place. Workers retrenched as a result of the process were being paid compensation, while remuneration for those who were able to transfer to the new bodies was carried forward to the successor companies. The new, gradual approach had minimized the usual pain associated with privatization and liberalization of public utilities.

- **21.** An Employer member from Nigeria noted agreement regarding the role of governments in providing such basic services as education, health and security. It was necessary for workers to appreciate the dynamics that had made governments realize they were not really good business managers, inviting private operators into partnerships to provide services. Governments' role should be to provide or to facilitate the provision of infrastructure.
- 22. A Worker member from Brazil stated that Duke Energy was one of the worst employers in Brazil. It did not act according to any collective agreement, because there was no such agreement, with the company refusing to speak to any trade union representative. He wondered how, in view of such facts, the company hoped to implement basic ILO labour standards.
- 23. In response, the Employer member from the United States stated that he had no details of his company's operations in Brazil, but would be willing to know more about the alleged problems. His company had a set of enterprise-wide business values and cultural norms which aimed at fostering teamwork, ethics and being a good employer. It had invested heavily in Brazil over the previous five years and had a vested interest in making sure its operations were effective and efficient.
- 24. A Worker member from Canada shared his country's experience with the impact on employment of changes in service distribution. Canadians recognized the importance of public utilities in the provision of services, with governments often elected on the basis of promises to provide such services publicly. Universal access of a quality service at affordable prices had contributed significantly to economic growth and social development, through the creation of good jobs within the distribution industry, and the establishment of companies to process various raw materials. This economic development had enabled Canada to adopt important social policies on health and education, which in turn ensured the country's current quality of life. This happy situation had been seriously disrupted since 1982. Canada's powerful neighbour, the United States, was trying to control or to impose its model of public utilities. Canadian electricity workers were trying to adjust to industry restructuring, and a multiple point plan had been put in place which governments and enterprises, whether public or private, must take into account in restructuring: electricity distribution must generate employment and economic development; the notion of a public utility must be absolutely maintained in electricity distribution as electricity was a right; restructuring must be done in a way that ensured continued reliability of distribution; and restructuring must incorporate social and environmental considerations. In addition, restructuring must neither negatively impact public finances, i.e. it must be done without transferring any of its costs to the public, nor have any negative effects on any category of consumers.
- 25. An Employer member from Chile drew attention to the huge advantages of globalization, deregulation and privatization. In his country, increases in service access to nearly universal coverage in, for example, water had been accompanied by increases in salaries of public services sector workers of over 100 per cent over the previous ten years, at a time when the general levels of salaries in the country had increased by only 36 per cent. The sector had also recorded a 15.7 per cent increase in jobs between 1990 and 2000. Investments by large multinational enterprises helped to provide the very high levels of coverage required nowadays, and resources freed as a result of privatization had been applied to other priorities, helping the country to develop and raising incomes several fold.

- **26.** A Worker member from Kenya believed governments should not abdicate their responsibility to provide such essential services as water and electricity. Responsibility for provision of such services should not be shifted to private companies, whose main interest was profit. Multinational enterprises expanded into poor countries such as Kenya not to extend services to those people who did not have them, but to take over existing networks: in the subsequent restructuring jobs were lost and cases of environmental damage as in his country could be cited. There were also examples of illegal payments to induce privatization in a framework of weak governance and corruption, so that while privatization, in theory, is supposed to improve economic efficiency, it had in practice brought the economy to its knees.
- 27. The Worker spokesperson highlighted areas of disagreement as well as of understanding. There was agreement that governments had a key role in setting the framework; utilities needed to attract young people; and employed people should be well treated and developed so the businesses and citizens they served could prosper. Workers had difficulty with the view that when service delivery was privatized, governments remained the provider of last resort, as this implied that private companies could take all the profits, leaving the taxpayer to pick up the bill as soon as something went wrong. In addition to Kenya cited earlier, developed countries such as the United Kingdom had experienced such negative examples in, for instance, provision of nuclear energy. Workers also wished to engage in more discussions regarding the role of governments and institutions, such as the ILO, in promoting social dialogue.
- **28.** In reply to previous questions and comments, Mr. Rogovsky agreed that progress in restructuring and meeting the need for an educated workforce was being made in the transition countries of Central Asia. In such situations and mindful of concerns for job security, proper education and training could not be emphasized enough, along with social dialogue and development by governments of an institutional framework for market development.

### Theme II: Governance, corporate social responsibility and efficiency in utility services

29. The first keynote speaker, Mr. Michael Urminsky of the ILO's Multinational Enterprise Programme, introduced the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy. <sup>2</sup> He hoped that knowledge of this instrument – which had been adopted by tripartite consensus - would facilitate the rest of the discussion by providing a model of corporate social responsibility (CSR). Tripartite adoption was in fact rare since most other instruments dealing with CSR were often adopted by NGOs or by the social partners only. The Tripartite Declaration was unique in being addressed to the tripartite constituents, multinational enterprises (MNEs) and domestic enterprises alike. Although it was voluntary it contained references to Conventions and Recommendations, as well as to the Declaration on Fundamental Principles and Rights at Work. It also covered freedom of association, child labour, non-discrimination, safety and health, wages, employment, training and conditions of work. The Tripartite Declaration had specific paragraphs on responsibilities for governments and for MNEs, as well as statements of rights or principles, including specific roles for employers and workers. It was followed up by means of a special ILO Governing Body subcommittee, a survey, an interpretation procedure to offer advice and other promotional activities, including technical cooperation and tripartite dialogue which could lead to plans of action. The Tripartite Declaration

<sup>&</sup>lt;sup>2</sup> Adopted in November 1977, revised 2001.

might provide a specific reference point for the Meeting on how to promote partnerships between governments, employers' and workers' organizations, an aspect not dealt with in the report. The Tripartite Declaration set an increase in employment as a target and prescribed consultations on national social development goals. A section also dealt with safety and health and urged MNEs to make information available to other subsidiaries around the world.

- **30.** A second keynote speaker, the Worker spokesperson, felt that CSR was important for governance in the water and utilities sector and that governments had a role to play in enacting laws and curbing undesirable behaviour. Workers took issue with the belief that the market would regulate itself, rather feeling that a democratic process built on transparency and checks and balances was needed involving citizens and workers. The ILO could assist where democracy was weak or non-existent. With regard to the General Agreement on Trade in Services (GATS), like the British company, Thames Water, workers did not believe that the water sector should be included. CSR was about being a good citizen, protecting the environment and respecting occupational safety and health standards. Senior executives should be rewarded for success not for failure, or for ruining their companies. CSR was about high ethical standards, not about sponsoring an opera or a charity. A good example was the World Bank's procurement guidelines. On the issue of efficiency, one only had to look at the railway system in the United Kingdom to see that privately run companies were not more efficient than public ones. However, good quality service needed investment and profits did not serve as a measure of efficiency. Other indicators included the number of complaints about the company, workforce accidents, and fines or prosecutions for pollution violations or breaches of occupational safety and health measures. A good record on these matters would show the level of efficiency and to what extent CSR was being taken seriously.
- 31. The third keynote speaker on the theme, Mr. Tom Goldie, Employer member from Canada, made a presentation on Hydro One, a transmission and distribution company which was a sister company of Ontario Power mentioned in the report. The company's employees were 90 per cent unionized, and it fell under the provincial jurisdiction of the (provincial) Ontario Labour Relations Act. The Act, promulgated in 1948, guaranteed freedom of association, provided for a first agreement by negotiation or arbitration, forbade strikes or lock outs during the life of the agreement and balanced the rights of employers and employees. Transparency was covered by legislation which included items such as disclosure of executive pay, and a web site existed where executive salary levels could be consulted. Up to 50 per cent of executive pay was performance based vs. only 4 per cent of workers' pay, based on agreed targets and indicators. "Successor" legislation also provided that "employees go with the work", i.e. when a company was sold, the employees stayed with it together with their right to unionization. Legislation also guaranteed non-discrimination, union security and a grievance arbitration process. In addition, Hydro One respected seniority in the event of lay-offs, provided employees protection in times of privatization or outsourcing and had codes of conduct to deal with occupational safety and health (OSH), harassment, diversity and violence at work. The company had support for the initial public share offering from the unions because they saw it as a source of employment growth; employees would be offered a stock plan and all previous provisions would remain in place. A two-year job guarantee was offered to affected workers in the part of the company being sold, in addition to guarantees on successor rights. The process succeeded because it was commercially beneficial and had the support of the workers. The system worked well in Ontario because of the economies of scale which permitted a return on investment. CSR had two components, one which was legislated and one which was voluntary.
- **32.** The Worker spokesperson said that in the United Kingdom there were some laws and regulations, occasionally union supported, that provided for ownership sharing. However,

in many cases the results have not been satisfactory, as the air traffic system demonstrated. The ILO should be encouraged to look into the issue of share ownership particularly because such schemes were also risky. The workers felt that the destiny of companies should be determined by the people who work in them and not by others such as the shareholders.

- 33. A Worker member from Canada expressed the view that efficiency in public services should not be assessed on profit and benefit measures only but also on other issues such as access for all, continuity of quality, planning for growth, contribution to environmental protection, and safety and health. Efficiency assessment should take place in an open debate where workers and users had the right to speak. In consultation with consumers, civil society and workers' representatives, public service providers should adopt appropriate strategic plans to meet demand and to address labour availability for up to five or six years. Finally, the case of Hydro One cited earlier involved a public service that was privatized in connection with the provincial government's search for profits, and had provoked widespread debate within the union movement.
- **34.** The Employer member from Canada referred to the employee share ownership programme (ESOP) in his company, which the employees viewed as a way of addressing their concern over the lack of performance related compensation for them although it was available to senior staff. The programme operated on the principle that both employers and workers benefited financially if a company did well, and vice versa. Yet, in his company the risks for the high-end staff were greater 50 per cent of their pay whereas for the low-end staff this risk was only 4 per cent. Through the abovementioned agreement a more level playing field had been created which helped to bring the workers and management closer together in terms of their common objectives.
- **35.** The Worker spokesperson suggested that executive remuneration packages should be linked to corporate performance but more often than not they were based on share prices. This was another area of concern in relation to corporate responsibility.
- **36.** A Worker member from Germany referred to the democratic governance and transparency in decision-making that existed in Germany in relation to public-private transformation. Such processes involved the workers and the public and these experiences could be useful for other countries. The workers were concerned over cases in which large transnational or national companies acquired shares in smaller companies. Considerable damage had been inflicted on the workforce of two small companies in Germany in which an American company bought shares. The case illustrated the importance of government involvement to ensure democratic decision-making in the provision of energy. The issue of co-decision-making in a company should not be linked directly with privatization but as a prerequisite for democratic management and transparency, both in the public and in the private sector.
- 37. Summing up the position of the group, the Employer spokesperson declared that the policy for water, electricity and gas was a public responsibility and the private sector should only be involved in the provision of these services. On this point it was important to cement the position of government responsibility regardless of the delivery process chosen for the service. While governance should be transparent and scrutinized it should not be regulated but should be voluntary, and have a strong social and benchmarking process. Some companies had indeed run into high-profile problems with governance but on the other hand there were tens of thousands that had done it right. Too much regulation would become a millstone for countries, especially developing countries. Social responsibility lay with all partners and not only with employers. Finally, workers should not be fully involved in all decision-making processes; moreover, the ILO's work should not extend into policies or guidelines that deal with management prerogatives.

- 38. An Employer member from Argentina added that privatization would only be possible if there was a legal framework in place that would be respected by all parties. Governments should furnish the legal framework that would establish a specific role for each party. The case of electricity privatization in Argentina, which had been very successful, was illustrative. It had occurred in the context of two major crises between 1999 and 2001 that had left the country in a major recession. Nevertheless, in this case workers participated in the process through the trade unions, there was a programme of financial participation for the workers up to 10 per cent of the overall package and this was not perceived as a way to buy the workers' agreement. Chances of success improved when a global framework and a monitoring body to oversee public-private transformations could be established. While participation of all parties was important, some decisions could not be left to others. Globalization was a reality that speeded up privatization due to competition, and this context required decisions to ensure efficient delivery of services to the largest possible number of people. Workers and employers had a key role to play in this framework.
- **39.** The Chairperson remarked on the existence of a general consensus that the smooth transition from the public to the private sector required proper legislation.
- **40.** The Worker spokesperson insisted that compliance with laws on safety and health, environmental protection, shareholder value, licence conditions, the duty to produce annual reports and proper financial records were not solely management prerogatives, nor was executive remuneration in the context of interlocking directorates. For the workers, corporate social responsibility translated into transparency, accountability and being monitored by shareholders, citizens and the government. Workers supported the democratic process for electing board members. A code for transparency in decision-making in both public and private companies was also a basic requirement for the workers.
- **41.** A Worker member from Argentina, referring to the institutional transformation of electricity in Argentina, pointed out that the workers had never agreed with the privatization of this strategic sector. After privatization, service had degraded due to poor policies. The electricity sector had been sold or given in concession for up to 99 years to certain companies that now had monopolies in the best markets. Workers recognized the need for profitability but it should be equitable and balanced. The restructuring in Argentina had led to a 50 per cent reduction of the workforce, with many of these being replaced by subcontracted workers who did not have the right to be members of trade unions. Moreover, incidences of fatal accidents had demonstrated the poor performance of the private sector in safety. The 10 per cent property share promised to workers as part of the reform deal had not been honoured. After all the institutional reforms, about 2 million Argentinians were still without electricity. Workers wanted investors to invest and welcomed social dialogue for reform taking into account technological changes and other factors, as long as these reforms were accompanied by fair wages and maintenance of workforce levels. Workers were prepared to work together with employers because they understand the social role to be played by employers and companies.
- 42. The representative of the Government of Luxembourg, while noting considerable differences in available resources among countries in different regions, confirmed the important role that public authorities have to play in water and energy provision, services which were essential to life, economic development and social progress. These resources were the collective property of all, with the State acting as guarantor of these common goods through its role of ensuring proper access to water and energy, as it would do for any essential service. On the other hand, their distribution should be left to intermediaries who have the ability to do it, within a legal framework that would safeguard equity in distribution. Private and public services were complementary, with the mix varying according to culture and political organization. Governments did not form a single block

but represented elected governments that in many cases are a result of coalitions and responded to different individual and national interests. Social dialogue was in the interest of all because it represented the means to guarantee peace in the social sector and smooth provision of essential services.

- **43.** The Worker spokesperson referred to the successful transformation model operating in Western Europe because it involved consultations with the workforce. Workers did not wish to get involved in management but expected management to operate in a democratic way and in compliance with laws.
- 44. An Employer member from the Republic of Korea agreed that corporate governance should be enhanced. Regarding transparency, there was a huge difference between consultation and taking part in decision-making. Timely and quick decisions in critical situations were often necessary. It should be recalled that workers had their own share of responsibility for undesirable results. Many times unions focused more on what they wanted than on consumer preferences, yet if the company failed, employers and workers would be in the same boat. In many cases managers had assumed responsibility for failure by resigning or accepting salary reductions: would trade unions be willing to take comparable responsibility? Another Employer member from Argentina reiterated that social dialogue and worker participation were not the same thing; dialogue was in fact more effective than the participation of workers in the decision-making process. Moreover, it would not be appropriate to transpose the European model in a general way to other countries.
- **45.** A Worker member from the Republic of Korea contended that bribing of politicians by corporate owners was common in his country, and this practice destroyed the transparency of the companies and eventually hurt their financial condition, resulting in bankruptcies. Employees were affected more than the employers. Many Korean corporations were run by family businesses that were not open to public investors and the decisions were made inside the family. Trade unions wanted to be involved in the decision-making process on grounds of democracy, and they loved their companies more than the employers.
- **46.** An Employer member from the United States made an observation that while the Workers' side insisted on a democratic involvement, the Workers' description of it seemed more of a socialist concept. If governments wanted to adopt such forms of government, it was their choice but the viewpoints did not seem to represent the opinion of most of the delegates in the Meeting.
- 47. The representative of the Government of Tajikistan explained that in his country the basic employer was the Government. Some of the problems before the Meeting had been approached through collaboration between government ministries and the trade unions. According to the legislation of the Republic of Tajikistan, the monitoring and control of industrial and trade union agreements took place at the Ministry of Labour several years after they had been concluded. The results had shown that this procedure had helped in the solution of some social problems, which might have arisen if one party of an agreement had not observed the collective agreements.
- **48.** The representative of the Government of the Philippines explained that, in her country, utilities were largely government-operated, but there had been recent privatization of services in urban areas. The 1997 privatization of the Manila Metropolitan Waterworks and Sewerage Systems (MWSS) aimed at improving standards of service, expansion of service coverage, increased system efficiency, and the elimination of the Government's fiscal burden. Conditions were set for concessionaires, which included provisional regulation by MWSS until a more permanent body could be established. It was expected that government subsidies would be reduced and tax revenues of \$4 billion generated.

During the reorganization, 28 per cent of existing staff availed themselves of early retirement, while 95 per cent of the remaining employees were absorbed by the concessionaires. The retirement package ranged from 1.5 to 2.5 months of gross monthly salary for each year of service, depending on the length of service. The process was considered a success and accepted by all concerned since it was transparent and based on social dialogue among all the parties. The National Power Corporation was also being privatized, splitting it up into separate subsidiaries for various operations and services.

- 49. The Worker Vice-Chairperson regretted the negativity of some contributions. As a concept, corporate social responsibility had emerged from protests by communities, nongovernment organizations, labour and, in very rare instances, governments against poor business performance. The World Business Council had acknowledged a need for guidelines on sustainability, environmental issues and corporate behaviour. Even though some companies maintained very high standards of ethical behaviour, there were however some MNEs and this was highlighted in the ILO report, that were failing to make any effort to either conform or to ensure proper corporate governance. Self-regulation of MNEs in the delivery of social services had proven to be unworkable. Instead of being confrontational with trade unions, management should benefit from judgements of unions, and in some instances non-governmental organizations, regarding companies' social responsibility programmes and their impact on the broader society. Labelling certain ideas as "socialistic" in order to denigrate them was an affront to union positions. Capitalism worked, but in its current form it worked only for a minority while increasing poverty among the majority. Unions were prepared to accept responsibility, but could not do so when they saw the company being run into bankruptcy. Safety and health were linked to responsibility. Workers took actions which were risky under management pressure to compromise safety in pursuit of performance targets or as a result of outsourcing activities, of which examples from Brazil and South Africa were cited. No manager had ever been killed when safety standards, policies and regulations were compromised. The question of safety and health was too critical to be summarized by loose statements and, in general, unions believed that management was too big a responsibility to leave to managers alone. To democratize the workplace might require electing managers into their positions, kicking them out if they did not perform. In the meantime, social dialogue, the very essence of the ILO, must be promoted and strengthened.
- **50.** Responding to the views of the Workers' group, the Employer spokesperson felt that the fairly negative tone of that presentation was not very encouraging. He refuted the claim that the huge majority of companies were corrupt or incompetent and reiterated that the few bad cases making headlines hid the tens of thousands that were well run, with good labour relations. The representative of the Government of the Philippines had remarked on the tremendous advantages that privatization had created in her country. Trade unions' roles did not include being corporate consciences, and the idea of democratic election of management was a "fascinating" concept. Employers had a responsibility to provide a safe workplace and proper training for employees to be able to work safely. Employees also had a responsibility to work in accordance with their training. Some employers had been prosecuted over inappropriate work techniques used by employees after they had received full training but had not assumed that responsibility. Previous conditions in countries such as South Africa which may not have been up to employers' standards were duly noted.
- **51.** The Chairperson remarked that the world had not yet reached a state whereby all employees worked in ideal conditions in all countries. The discrepancies in working conditions were the reason for the Meeting. Good governance and corporate social responsibility were a responsibility of all, requiring leadership and dedication.

### Theme III: Social dialogue in the provision of utility services

- 52. The theme was introduced by Ms. Marleen Rueda-Catry, ILO InFocus Programme on Social Dialogue, Labour Law and Labour Administration. Public utilities were restructuring and moving towards the creation of global enterprises through mergers and acquisitions at the same time as the role of the private sector in supplying services was increasing. Such changes were giving rise to concerns that utilities might not continue as a universal public service, that they might lead to job losses and an erosion in working conditions, and that productivity might decline, especially during restructuring. It was increasingly recognized that social dialogue was a useful tool to approach these concerns in ways that minimized the social costs of economic transformation while maintaining productivity. Social partners shared an interest in enhancing their companies' competitiveness and profitability, while maintaining decent working conditions. Experience showed that unilateral restructuring decisions created problems that might otherwise have been prevented. Social dialogue and collective bargaining enabled labour issues to be taken into consideration in restructuring, providing workers the opportunity to participate in decisions directly affecting their future, which in turn could lead to improved labour relations and safeguarding of companies' operational efficiency.
- **53.** In terms of concrete experiences, Europe provided the clearest examples of social dialogue at the sectoral and enterprise levels. At the European Union level, sectoral social dialogue covered, inter alia, such issues as employment, working conditions, training, industrial change, enlargement and globalization. Social dialogue in the European gas sector was as yet informal, but a formal commission had been established in the electricity sector, where a common declaration had been signed in November 2000 on behalf of the workers of the European Mine, Chemical and Industrial Workers Federation (EMCEF), the European Federation of Public Service Unions (EPSU) and on behalf of the employers by EUROELECTRIC. At the company level, some 700 European works councils were currently in operation, based on a 1994 European Community directive to set up transnational forums to consult and inform workers in companies with more than 1,500 employees in at least two Member States. Delegates met regularly in the framework of such works councils, some of which involved some kind of bargaining, such as ENI, Suez Lyonnaise des Eaux or Vivendi, although this was not compulsory under the directive. As for global agreements, the example of the Spanish company ENDESA was highlighted as having the only existing agreements in the public utilities sector. Another EU directive adopted in 2002 to be transposed not later than March 2005, established a general framework for information and consultation in European undertakings with at least 50 employees or establishments with at least 20 employees. Themes giving rise to the need to inform and/or consult staff included decisions likely to lead to substantial changes in work organization or contractual relations within the enterprise. For effective social dialogue to exist, a number of conditions were necessary: a democratic foundation and an appropriate legal framework for labour relations; strong, broad, representative and cohesive workers' and employers' organizations; and commitment by the parties to be involved in social dialogue, and to deliver on agreements concluded.
- **54.** The second keynote speaker, Mr. Herremans, Employer member from Belgium, made a presentation on social dialogue in utility services in his country. Within the framework set by the social pact of 1948, institutions had been created in Belgium which dealt with social and economic aspects on a bipartite or tripartite basis. The Control Committee for Electricity and Gas (CCEG) was created in 1955. This most prominent body concerning public utilities had been devised as an alternative to nationalization, ensuring that the general interest was respected and public utilities companies could be integrated with governmental energy policies. The CCEG was responsible for fixing tariffs and delivery conditions, analysing the markets, giving advice to the Government on investment

decisions and a broad range of policies regarding energy policy, and studying economic and technical aspects of the provision of electricity and gas. Furthermore, it acted as an ombudsman, should differences between clients and providers arise. It controlled mixed and pure public generators and distributors of electricity and gas. This committee's structure was unique – trade unions and employers' organizations occupied a privileged position together with public authorities. Due to the high level of trade union participation in Belgium, the trade unions also represented small customers, de facto. The regulatory structure is changing, however, as a result of the European trend towards greater liberalization. The main aim of the newly created regulatory body will be to ensure competition in markets. It will be independent and comprised of two bodies: the management committee and the general counsel, where unions and employers would be represented.

- 55. The Worker spokesperson stressed the importance of social dialogue and challenged the perception that trade unions in the public utilities sector were consumer-unfriendly. Good services were important for quality jobs. The absence of social dialogue would often lead to strikes. The key importance of the European model, which was backed by European and national legislation, was stressed. While it was important that social dialogue would take place on a very high level, some problems could be avoided if social dialogue was first sought on a local level. Social dialogue added value and spread good practice within companies. While privatization in those countries which would soon join the EU had undermined social dialogue, multinational enterprises had recognized its value and were, unlike several public sector operators, generally supportive. The sharing of information in state-owned companies should be promoted by the ILO.
- **56.** A Worker member from France requested further clarification on the ombudsman's role under the new and old regulatory regime. In reply, Mr. Herremans clarified that the ombudsman's main responsibility was to ensure that rules were implemented. Under the old law, the secretariat of the committee became a mediator between client and company, while the new structure would provide for a mediation service, which would be separated from the supervision of the management committee, but was not yet functional.
- **57.** A Worker member from Australia wondered whether the ILO made a distinction between unilateral codes of conduct and negotiated agreements and whether there were any ILO mechanisms to supervise the implementation of such instruments. Ms. Rueda-Catry replied that the ILO did not intervene in such agreements and referred participants to the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy.
- **58.** The Employer spokesperson emphasized that social dialogue was a mark of many successful companies. Consultations and information sharing constituted the most appropriate forms of dialogue. Parties to the dialogue should be the tripartite partners and customers as appropriate. Should these, however, bring adverse effects for communities (price rises or poorer service), they could not be considered successful. Furthermore, social dialogue did not extend to the decision-making process, which was the prerogative of management. Very positive experiences with "toolbox talks" to improve relations between management and workers and to prevent strikes had been employed in Australia.
- **59.** A Worker member from the Republic of Korea described the situation in his country. Public utilities had for a long time been the leading force of economic growth and under governmental control. Yet, restructuring had been planned and implemented without any recourse to social dialogue, and 7,000 workers had lost their jobs as a result of restructuring. When the monopoly provider of electricity was split up into six companies in 2000, workers went on strike for 38 days to protest against the governmental policies, although such actions were deemed illegal. Workers were imprisoned, hundreds fired and 2,000 were sued for monetary damages. Strong tensions remained at the workplace, since

strikes and opposition to the Government were grounds for dismissal. Private companies were not more efficient than public corporations; anyway other factors were also important, such as access to public utilities for the underprivileged. Since workers did not support governmental policies on this issue, its unilateral decision-making should be scrapped in favour of a transparent, tripartite structure for decision-making, which could lead the way to future reforms.

- **60.** A Worker member from Brazil stated that one of the main challenges for unionism in his country was his union's project of social inclusion. Social dialogue was a key element of the project on citizenship (projeto sindicato cidadão). Besides social dialogue with employers, this programme aimed to extend social dialogue to the governmental area and the civil society as a whole. Social dialogue required the employers to recognize the workers' rights to form unions and to vote for their representatives without any interference from the employers' side. Bipartite commissions, collective agreements and the participation in companies' administrative councils had been established successfully and unions were now turning their attention to improvements in dialogue with the Government. The Brazilian Government needed to recognize all trade unions and adopt all basic ILO Conventions. Sectoral chambers and a code of conduct for mergers and acquisitions and outsourcing under privatization should be established to ensure respect for laws in these areas, decent work and to consolidate tripartism in Brazil. A new legal framework and structural changes were also needed. Among recommended changes, public forums should be established on a national level, possibly involving NGOs, to ensure that the provision of public utilities would be adequate and reflect real needs. Three important conferences would be held this year, bringing municipalities together to discuss environmental issues, health and water. The speaker thanked the ILO for its help in the implementation of decent work in his country and to foster legal reforms.
- **61.** The Chairperson pointed out that there was convergence between the parties on the need for social dialogue and reminded the Meeting that it required cooperation as well as enabling mechanisms for its facilitation.
- **62.** The representative of the Government of Luxembourg drew attention to the threat posed by serious social conflicts in the event that social dialogue broke down in vital services such as water and energy and asked for clarifications on the social partners' positions regarding the provision of essential utilities such as water and energy in such cases.
- 63. In reply, the Worker spokesperson noted that the more there was social dialogue, the less there was conflict. Though his group recognized that water and electricity were basic rights, they also drew attention to the rights set out in the ILO's Declaration of Fundamental Principles and Rights at Work, in particular concerning freedom of association and the effective recognition of the right to collective bargaining. The Workers' group also wished to hear the views of the Employers on this subject. In Europe in the event of industrial action, the standard practice was to provide emergency coverage so that the population was not deprived of basic services; ideas had also been advanced from Canada and South Africa. However, it was still preferable to pursue social dialogue to settle disputes.
- **64.** An Employer member from Belgium added that, in his country, there were two stages in addressing these issues. A mediation service was available at the first stage. If this did not lead to an agreement (an exceptional situation), the matter could be taken to the courts.
- **65.** At the invitation of the Chair, an observer from Public Services International offered a different view on the social dialogue situation in the Philippines. There had been no effective social dialogue on privatization of water services in Manila, the process was marked by cronyism, the staff reduction process had not been smooth, tariffs had increased

significantly (65 per cent) as a result of the privatization, and efforts to decrease unaccounted water usage had not been met. Corporations, he said, had bypassed regulators – going directly to the President. In some cases, they had ceased making payments when regulatory pressure had increased. They had placed profit before provision of services, a trend seen among large multinationals in many urban areas around the world. The corporation announced in October 2002 that it would abandon its Manila concession, after six years of a 25-year concession.

- **66.** The Employer spokesperson said that his group felt that social dialogue was important and helped address the effects of globalization. However, there were different approaches to social dialogue. It was important to study obstacles to globalization at the national level and to recognize that economies developed at differing rates and operated within differing legal frameworks. Authentic partners were needed to have social dialogue as well as to look at various models and draw lessons from their success or failure. It was also essential to look at situations from the viewpoint of citizens who depended on basic services.
- 67. An Employer member from Canada shared experiences on dispute resolution from his organization and province in Canada. In the organization there were two trade unions, the larger of which had retained the right to strike and to withdraw services provided that it first went through a mediation process. For the last ten years, the smaller trade union had a negotiated agreement which took them to binding arbitration but did not provide the right to strike, as they found that they often faired well in the presently established arbitration process. However, as a result of recent negotiations, the smaller union had reluctantly given up the arbitration process and now enjoyed the right to strike. This demonstrated that, even within one organization, there were different approaches to the negotiation process.
- **68.** The representative of the Government of the Philippines, replying to earlier statements, said that, though she did not have available all the details on the recent changes concerning provision of water services, such services had improved as a result of privatization. There were problems with one of the concessionaires, the MAYNILAD Water Services Inc. which had financial difficulties. However other firms had shown interest in investing in water services. Several provisions in the concession agreement had assured continued water services when problems such as MAYNILAD arose. She was confident that the Government was doing its best to resolve this issue.
- **69.** Similarly, the representative of the Government of Luxembourg noted the positions of the social partners on social conflicts and essential services, and suggested that more reflection was needed on how to protect fundamental rights and protect access to essential services.
- **70.** The Worker spokesperson then clarified an earlier statement by saying that they had not meant to imply that all multinational corporations were corrupt, only a small minority, a clarification that the Employers' group appreciated.
- 71. A Worker member from Serbia and Montenegro described recent changes in the electricity sector in his country which demonstrated a lack of social dialogue. The union had been instrumental in bringing about genuine democracy in Serbia and Montenegro, but was then faced with changes demanded on behalf of the Minister of Energy and Mining who used to work for the American corporation Enron to privatize major parts of the electrical industry which would have resulted in substantial lay-offs, without detailed market studies or dialogue with the unions. A strike ensued which ended when the Government and employers had agreed to improve social dialogue. However, these agreements were not honoured. Many decisions had been made without proper analysis of the impact on workers, and some laws, particularly a law which provided that pit mines were an integral part of the electricity sector (thus providing workers in the pit mines with the protection

provided to other electricity sector workers) had been violated. The Government did not have a proper energy policy, did not respect the trade union and was not seriously engaged in social dialogue. The union, therefore, would use all tools available to trade unions to remedy the situation.

- **72.** A Worker member from Slovakia noted that in her country, restructuring led to a loss of over 600 jobs in the gas sector. The union had been told that it did not represent all employees, including managers, in this sector a position that it disputed. In the electricity sector, proposed changes would result in considerable job losses. Yet, there was no social dialogue on this issue.
- 73. A Worker member from Germany, commenting on earlier interventions, said that there was in fact no "European" model for social dialogue in the public utilities sector but only national models. However, trade unions and the European employers associations, EUROELECTRIC, were working to organize with the support of the European Commission in improving social dialogue through the promotion of the EU directives on works councils, and to extend these concepts to the ten candidate States set to join the European Union. Trade unions were also working to organize regional tripartite forums on social dialogue and sectoral dialogue on energy questions. They were also working by various means to improve the situation of women, minorities and the disabled in the public utilities sector, to address job losses linked to reduction in carbon dioxide emissions, and to address other unemployment issues.
- **74.** A Worker member from Australia expressed dismay that, in other ILO meetings, employers had returned to his country and had misused statements in an attempt to weaken the position of trade unions. He also expressed concern that attempts to categorize workers as "core workers" and "non-core workers" had, in many cases, had serious implications along gender lines; women were disproportionately affected by redundancy.
- **75.** Both the Employers' and Workers' groups concluded the discussion by making strong statements in favour of social dialogue, while recognizing differences among countries.
- **76.** The representative of the Government of Luxembourg reiterated, with due respect to workers' rights, that the right to strike did not mean that the population, which relied on such basic services and provision of water and electricity, should be held hostage during labour disputes involving essential services. In this regard, he noted a discussion at the 1994 International Labour Conference which essentially supported the viewpoint that the right to strike could be limited in essential services, provided restrictions for such services were strictly defined.
- 77. The representative of the Government of Switzerland, citing examples from her country, further added that the issues under discussion were not simply questions of social dialogue but were also matters of political dialogue which should be addressed by the electorate.
- **78.** The Chairperson, in conclusion, noted that social dialogue was a pragmatic tool to reduce conflict. Employers and workers should bear in mind the implications of holding the population hostage to their disputes. Thus, social dialogue could be the means of reducing the impact of such disputes, particularly on the most vulnerable members of society.

#### Theme IV: ILO action

**79.** The Employer spokesperson made reference to the usefulness of previous discussions and suggested four areas in which the ILO could take further action. First, the ILO should produce a template for future presentations to sectoral meetings, perhaps adapted for each

sector, to ensure consistency of the material covered. Second, the ILO should commission a further report from an independent source identifying the social, economic and related indicators for successful and unsuccessful industry deregulation and liberalization and their outcomes. Third, ILO conclusions and recommendations were often generic and reduced to a "one size fits all dimension"; to be most effective they needed to be geared to each sector. Fourth, the ILO should focus on targeting outcomes of the meetings to the needs of specific groups in the concerned sector so that these outcomes could be used more concretely by employers, workers and the government in effecting positive change in their countries.

- 80. The Worker spokesperson thanked the Minister from Tajikistan for his presence. In view of the Workers' group perception that the ILO had not satisfactorily followed up on actions recommended by the 1999 sectoral meeting, the Workers would be proposing a draft resolution to be taken up in the working party. The resolution was intended to facilitate social dialogue, promote best practices and assist knowledge transfer at the regional, sectoral and international levels and would necessitate a mechanism for monitoring and evaluating outcomes. He expressed confidence in a sensible outcome to the discussions on the resolution. With regard to possible conclusions on the theme, broad-based solutions should be avoided in favour of measurable, achievable and timed actions which were targeted at the kinds of sectoral issues being debated by the World Commission on the Social Effects of Globalization, for example. To this end, the social partners should work with the ILO to develop specific project work on key issues, for example a project on capacity building in central Asia.
- 81. The representative of the Government of Uganda indicated that a lack of capacity and trade union leadership in the developing world, as well as the complex nature of the sectors in question, hindered the reform process. This limited the workers in their ability to effectively represent their own interests. The ILO could assist in this regard. Furthermore, as reflected in the report, the IMF and the World Bank had no official policy regarding ILO core labour standards. The ILO should stress to the Bretton Woods institutions the importance of recognizing these core standards for the protection of workers' rights and the advancement of social dialogue.
- **82.** An Employer member from Canada expressed the view that, because of national and regional differences and the issues faced, sector meetings were an essential part of identifying problem areas, but they should not be a substitute for international meetings. The latter allowed for important dialogue across all three groups from different countries, giving participants a broader perspective of trends in other countries and some of the problems they faced. In the future the meeting documentation should include costing of recommendations offered so that constituents have an idea of what is financially feasible.
- 83. Concerning the recurrent theme of information sharing at both the regional and international level, a Worker member from Australia pointed out that the ILO report did not provide enough information on how other countries and regions were addressing specific problem areas within the respective industries. Although many items under examination applied to the industry as a whole, the opportunity to share experiences across regions as well as globally was of vital importance. For instance, the electricity industry in Australia tended to look towards trends in Europe and America, rather than more locally, as there was greater compatibility in development and structure between these regions. The ILO should look into using web site portals to share information on activities by the ILO and others in areas such as occupational health and safety, with special attention to local developments in these fields. The industry had much work to do to provide for the future in critical areas such as training, employment, age profiles and gender. Those responsible for the report were to be thanked for producing a useful tool for information sharing and

- achieving best practices in the industry which would optimize use of these resources to the benefit of society.
- **84.** The representative of the Government of Tajikistan agreed with the view that the ILO had an important role to play in the promotion of social dialogue to help overcome problems, particularly in Tajikistan, which was a young State and in need of concrete assistance to develop social dialogue. It would be useful to replicate such a meeting as this one in his country to share tripartite experiences. The ILO documents were indeed general in character and more concrete information on problems and solutions would be beneficial in the future. This point was especially pertinent in relation to ILO assistance to help resolve the problems arising from the restructuring of public utilities globally.
- 85. A Worker member from Kenya agreed with what had already been said concerning information sharing. It would be more useful to have meetings with countries with similar experiences to his own, such as in Africa, where the situation was extremely bad, or Latin America. In view of the emphasis placed on access to public utilities as a fundamental human right, and ongoing commercialization of these services, the Workers' group believed that the WTO should be more active in protecting labour standards. To this end, the WTO should work with the ILO to establish a formal structure capable of using core ILO labour standards to address issues of the environment, gender and working conditions in WTO trade policy reviews and mechanisms. WTO agreements should include binding references to these standards, and any discussions of international instruments on investment, competition, policy and public procurement, as well as dispute settlement mechanisms, should be more open to public scrutiny and inclusive of developing country viewpoints. Human resources, the environment and health and safety issues should be considered in the WTO rule-making process and the ILO, along with trade union and other non-governmental organizations, should be given observer status in this regard. Furthermore, guarantees should be given that public services and socially beneficial service sector activities will be exempted from the General Agreement on Trade in Services (GATS). The adoption of a legally binding instrument giving priority to human rights, the environment and health and safety over WTO rules should be envisaged. In conclusion, the WTO, IMF and the World Bank needed to become more fully integrated in the ILO's work on the social dimensions of globalization.
- **86.** An Employer member from Argentina commented that while it was an excellent problem-solving forum, the ILO should incorporate differences in cultural and economic conditions across countries into its discussion framework for a more effective exchange of information. One could not insist enough on the importance of getting this information down to ground level so that the necessary measures to be taken would maximize positive aspects, as well as minimize the negative effects of change. He concluded on a note of caution about the ILO's involvement with other international organizations in this process.
- **87.** In his concluding remarks, the Chairperson summarized three principal areas of discussion: restructuring of public utilities, ways to resolve problems; and the role of tripartite discussions in offering solutions. The participants had argued convincingly for work on the solutions to be more concrete, rather than limited to general discussion. This was the most important outcome of the meeting's debates.

### Consideration and adoption of the draft report and the draft conclusions by the Meeting

- **88.** The Working Party on Conclusions submitted its draft conclusions to the Meeting at the latter's sixth sitting.
- **89.** At the same sitting, the Meeting adopted the present report and the draft conclusions.

Geneva, 23 May 2003.

(Signed) Mr. M. Lambert, Chairperson.

# Conclusions on the challenges and opportunities facing public utilities (electricity, gas and water)<sup>1</sup>

The Tripartite Meeting on Challenges and Opportunities Facing Public Utilities,

Recalling the Conclusions on managing the privatization and restructuring of public utilities (water, gas and electricity) adopted by the Tripartite Meeting on Managing the Privatization and Restructuring of Public Utilities held in 1999,

Having met in Geneva from 19 to 23 May 2003,

Adopts this twenty-third day of May 2003 the following conclusions:

#### **General considerations**

- 1. Public utilities are essential services that play a vital role in economic and social development, since they have an extensive impact on the health and survival of people and the productivity of the overall economy. More progress needs to be made, particularly in developing countries, to facilitate access to these services by the largest possible segment of the population.
- **2.** Public utilities must serve the public interest. Whether public utilities are provided publicly or privately, governments are ultimately responsible for these essential services under transparent and accountable regulatory frameworks to ensure reliable universal access and continuity of service, with a specific focus on areas that are currently unserved. This is particularly important since access to water has been declared a human right by the United Nations.<sup>2</sup>
- **3.** Some enterprises providing public utilities have undergone or are undergoing change in ownership structure, facing competition, changes in regulatory and legislative frameworks or business diversification, all of which have had an impact on working conditions, pay and job security. Some of these changes brought on through globalization have driven adjustments in employment conditions and service delivery. The intensification of social dialogue can assist in this process.

### The provision of utility services and its impact on employment

**4.** Increased demand for water, gas and electricity have forced utilities to look at alternative ways of providing these services. In this process, privatization, liberalization and deregulation were presented as various options to improve delivery of utility services to all people. These options have often resulted in reduction in employment levels. Governments

<sup>&</sup>lt;sup>1</sup> Adopted unanimously.

<sup>&</sup>lt;sup>2</sup> The United Nations declared the year 2003 as the International Year of Freshwater and the United Nations Committee on Economic, Social and Cultural Rights at its 29th Session, 11-29 November 2002, declared that water was a human right.

and employers are called upon to implement employment policies which take into account the services to be provided, particularly to those populations that are currently unserved. Public-public partnerships are another approach that could be utilized.

- 5. Technological innovations are often beneficial to improving the efficiency of operations, but can also lead to job loss. An adequate level of staffing is required to ensure efficiency and safety and health at work. Research and development as well as worker training are all important components for improving efficiency and quality of service in order for an enterprise to be successful and remain competitive. ILO fundamental principles and rights at work should underlie socially sensitive restructuring and there should be full compliance with national laws and regulations on consultations with workers and their representatives. During this transformation, lessons learned should be shared with others so that the right policy decisions can be made in the future.
- **6.** Governments, employers and workers share an interest in stable and sustainable labour markets that ensure a supply of skilled and productive labour. The age profile of the sector in some countries is increasing and there is a significant gender imbalance in some disciplines, which make human resources planning by employers a greater challenge in view of fewer skilled labour market entrants expected in the future. All parties in the sector share the responsibility for making the industry attractive to both young men and women, to help meet the recruiting challenges of replacing an ageing workforce in these sectors. Establishing national or sector-specific training programmes and investing in workers through apprenticeships and lifelong learning mechanisms can be instrumental in meeting the demands of changing skills needs of the industry.

### Governance, corporate social responsibility and efficiency in utility services

7. The Meeting recognized that good governance and corporate social responsibility can provide strategies and initiatives that encourage and apply best practice. They would also demonstrate how efficiency, profitability, pay and good working conditions can go hand in hand. It is important for all public entities and private companies to meet the social, ethical and environmental standards. Governments and employers should promote and respect the principles and rights enshrined in the ILO Declaration on Fundamental Principles and Rights at Work and there should be full compliance with national laws and regulations on consultations with workers and their representatives.

"For the purpose of this Convention the term 'workers' representatives' means persons who are recognised as such under national law or practice, whether they are:

- (a) trade union representatives, namely, representatives designated or elected by trade unions or by the members of such unions; or
- (b) elected representatives, namely, representatives who are freely elected by the workers of the undertaking in accordance with provisions of national laws or regulations or of collective agreements and whose functions do not include activities which are recognised as the exclusive prerogative of trade unions in the country concerned."

<sup>&</sup>lt;sup>3</sup> Throughout this text when the term "workers' representatives" is used, it refers to Article 3 of the Workers' Representatives Convention, 1971 (No. 135), which reads as follows:

#### Social dialogue in the provision of utility services

- **8.** The Meeting recognized the fundamental importance of social dialogue within the utilities industry. Social dialogue can help to develop mutually beneficial solutions to challenges faced by governments, employers and workers. Mechanisms for and capacity to engage in social dialogue should be developed.
- **9.** It is understood that there is no one-size-fits-all approach, as each country and region has individual characteristics that present different challenges. A number of enterprises, especially multinational enterprises, also have adopted good practices from which other companies can benefit. Sharing information can be instrumental in making the right future policy decisions for both public and private enterprises.
- 10. The Meeting recognized that the ILO MNEs' Declaration and the principles and rights contained in the ILO Declaration on Fundamental Principles and Rights at Work should be promoted and respected in the sector since they help to promote democracy, equity and development.

#### **ILO** action

- 11. The Meeting took note of the recent decisions of the ILO Governing Body concerning the new approach to sectoral activities, and while valuing international dialogue in particular through international sectoral meetings, considered that the best way of addressing the issues in the utilities sector would be through national and regional activities. To that end, the ILO should develop and implement with the social partners financially viable, targeted action plans with reasonable and measurable indicators to identify success or failure. For example, forums for the exchange of national experiences on skills development initiatives would be particularly valuable.
- **12.** The Meeting requested the ILO to facilitate the capacity building for social dialogue of tripartite constituents in the sector, particularly in developing countries.
- 13. The Meeting requested the ILO to utilize different means of information sharing and dissemination to ensure that such information reached the constituents in the sector. The current information technologies, such as the Sectoral Activities Department's One-stop Window (www.ilo.org/public/english/dialogue/sector/index.htm), are a good tool. Independent and specific research on economic and social issues in public utilities should be undertaken to supplement the report prepared by the Office. Such research could focus, for instance, on successful and unsuccessful cases of reforms (privatization, deregulation and restructuring) in the sector.

Part 2

Resolution

### Consideration and adoption by the Meeting of the draft resolution

At its fourth plenary sitting, the Meeting set up a Working Party on Resolutions, in accordance with article 13, paragraph 1, of the Standing Orders.

The Working Party, presided over by the Chairperson of the Meeting, consisted of the Officers of the Meeting and three representatives from each of the groups. The members of the Working Party were:

Officers of the Meeting:

Mr. M. Lambert (Chairperson)

Mr. M. Ilolov (Government Vice-Chairperson)

Mr. M. Jared (Employer Vice-Chairperson)

Mr. D. Elbrecht (Worker Vice-Chairperson)

Government members:

Switzerland: Ms. N. Erard

Employer members:

Mr. J. Babalola

Mr. A. Calsiano

Mr. J. Herremans

Worker members:

Mr. G. McLean

Mr. S. Njiru

Mr. C. Paradis

At the Meeting's sixth plenary sitting the Chairperson, in his capacity as Chairperson of the Working Party on Resolutions, and in accordance with article 14, paragraph 8, of the Standing Orders, submitted the recommendations of the Working Party on Resolutions regarding the draft resolution before the Meeting. As required by the same provision of the Standing Orders, the Vice-Chairpersons of the Meeting had been consulted on the contents of his oral report.

The Working Party had before it one draft resolution submitted by the Workers' group. The text of draft resolution WPR/D.1 concerning future ILO work programme and future action for the public utilities sector was declared receivable. The Working Party amended the text of the resolution on the basis of proposals made by its members within the time limit set by the Officers of the Meeting. The Working Party recommended the adoption by the Meeting of the amended draft resolution.

## Resolution concerning future ILO work programme and future action for the public utilities sector

The Meeting unanimously adopted the resolution.

#### Text of the resolution adopted by the Meeting

### Resolution concerning future ILO work programme and future action for the public utilities sector <sup>1</sup>

The Tripartite Meeting on Challenges and Opportunities Facing Public Utilities,

Having met in Geneva from 19 to 23 May 2003,

Given the central role of water, electricity and gas in meeting basic human needs and contributing to socio-economic development of societies;

Given that governments are responsible for ensuring the provision of utilities in such a way as to guarantee quality and quantity, especially to poor and peri-urban and rural communities:

Recalling the United Nations Millennium Declaration and the primary focus on water and energy services;

Recalling the United Nations General Assembly resolution 55/196 which proclaimed the year 2003 as the International Year of Freshwater;

Taking into account the conclusions of the 1999 ILO Tripartite Meeting on Managing the Privatization and Restructuring of Public Utilities with special reference to the consensus reached regarding future ILO action;

Noting that the restructuring of public utilities gives rise to potential benefits as well as potential undesirable effects on employment;

Noting the increasing deregulation, liberalization and privatization of utility services, and the increasing participation of multinational enterprises in this process;

Adopts this twenty-third day of May 2003 the following resolution:

The Tripartite Meeting on Challenges and Opportunities Facing Public Utilities calls upon the Governing Body of the ILO to:

- (1) encourage governments, and employers' and workers' organizations to:
  - (a) respect and defend the right of workers and their representatives to timely information and consultation;
  - (b) ensure that the provision of public utilities respect and promote the rights and principles enshrined in the ILO Declaration on Fundamental Principles and Rights at Work;
  - (c) promote good employment practices regarding retention and separation of workers in the utilities sector through training and retraining, proper social security and redeployment mechanisms for workers within the utility sector;

<sup>&</sup>lt;sup>1</sup> Adopted unanimously.

- (d) ensure that a variety of restructuring options are provided to countries.
- (2) request the Director-General to:
  - (a) facilitate national, regional and subregional meetings of the social partners to promote social dialogue in responding to the current challenges to public utilities in order to meet basic human needs in water and energy, and implement the UN Millennium Declaration;
  - (b) facilitate social dialogue by:
    - (i) including municipal utility operators and local authorities in appropriate forums;
    - (ii) facilitating the dissemination of best practices and guidelines on the restructuring of utilities regarding:
      - respect and implementation of the rights and principles of the ILO
         Declaration on Fundamental Principles and Rights at Work;
      - the responsibility of governments to regulate and ensure that utilities which meet human needs are provided;
    - (iii) promoting knowledge and application of the ILO's Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy in the public utilities sector; and
    - (iv) involving social partners in the design and implementation of any followup action undertaken by the ILO in the public utilities sector.

Part 3

Other proceedings

#### **Panel discussions**

## Meeting skills needs in the electricity, gas and water industries

Moderator: Mr. Kamen Kolev, Employer member from Bulgaria

Panellists: Ms. Akiko Sakamoto, Training Policy Specialist, ILO, Geneva

Mr. Adrian Peters, Training and Development Manager, Gas and Water Industry National Training Organization

(GWINTO), Worcestershire

Ms. Sakamoto provided an outline of ILO activities regarding qualification mechanisms and introduced the concepts of National Qualification Frameworks (NQFs) and Recognition of Prior Learning (RPL). NQFs and RPL were both seen as important elements in qualification reform. Learning could be done "everywhere and at any time" and did not necessarily require the rigid structures found in traditional systems. Committed to lifelong learning, the ILO recognized the need to find flexible and inclusive approaches in developing, organizing and delivering qualifications. Guided by the Conclusions of the General Discussion on Human Resources Development at the 89th Session of the International Labour Conference, the ILO was assisting the development of NQFs and RPL in order to facilitate lifelong learning, help enterprises match skills demand with supply, and guide individuals in choice of training and career. NQF brought a new approach to organizing and delivering qualifications based on the principle of certifying learning by outcomes/competency. Learning was highly flexible since it was not time bound or institutionalized. Skills would be certified using a set of nationally agreed competency standards. This often meant simplifying standards set by different professional bodies and therefore provided greater mobility between different learning tracks. Standards of competence would be better adapted since all interested parties established them. Countries that adopted NQFs were the United Kingdom, Australia, New Zealand and more recently South Africa, Trinidad and Tobago and Mexico. However, there were many other countries which had just introduced or were interested in establishing NQFs. RPL acknowledged that learning was not restricted to formal settings and allowed skills to be certified and recognized, although they were not acquired within a traditional education system. Candidates with skills that were not formally recognized were able to have them acknowledged to enable them to return to formal training. This could enhance employability and facilitate job entry. Within the ILO, research was undertaken to develop an inventory of best practices in developing NQFs and a study examined the comparability of different NQFs. Furthermore, effective implementation mechanisms for RPL were analysed. These would be followed by dissemination at all levels, and possibly include regional conferences or meetings.

Mr. Peters provided an overview of the problems facing enterprises in the gas and water industries in the United Kingdom and how his organization was trying to resolve them. In the United Kingdom between 1986 and 1990, gas, water and electricity suppliers were privatized and currently maintain an annual turnover of about £17.5 billion while employing approximately 135,000 people. All enterprises were highly regulated in matters such as health and safety, environmental issues and prices. Although it was currently expected that the United Kingdom's employment market would increase, a sectoral decrease was anticipated at least until 2010. Early retirement and the lack of interest by youth in utility careers were key issues facing the industries. Most workers chose to retire in their early fifties and this drain of expertise was expected to harm the sector since not

enough new entrants were replacing those who left. The general trend away from technical and engineering studies to law, business and related subjects was diminishing the number of new entrants and there was a shortage in the workforce at all levels. Workloads increased, the number of employees decreased and an ageing workforce was facing fewer new entrants. While these problems were recognized by management, the wider public and other parts of the sector were not cognizant of the extent of the problem. It was therefore necessary to communicate the problem, introduce flexible qualifications by reducing the compulsory time to earn required skills, encourage on-the-job training to fulfil remaining requirements, foster social inclusion in an industry that was still largely dominated by white males and promote the industry's image. A viable solution to lessen the brain drain experienced was to maintain experienced workers, who might otherwise have retired early, and transfer their knowledge to new entrants. In addition, employees who had left the sector were encouraged to rejoin the industry. Another solution was to build easier routes for people to enter the industry who had similar skills from other sectors. He emphasized the importance of building a training infrastructure since it was an essential element to support industry needs. Existing training systems should be improved, graduate apprenticeships fostered and academic training, while working for the company, could also encourage new entrants. Making it easier for people to be trained in their region was another positive attempt to recruit new workers. Other factors discussed were enhancing business strength and developing partnerships. He closed by noting that additional information could be found on their web site at www.gwinto.co.uk and that of the United Kingdom's electricity sector national training organization at www.eta.org.uk.

#### Discussion

In responding to an Employer member's question on how NQFs fit into the overall national education and training system, Ms. Sakamoto noted that they were an integral part of the national education system and were often introduced as a way of improving education and training systems, in particular the vocational side. Trade unions also had an important role to play in addressing questions such as the link between remuneration and further qualification. Collaboration between social partners could lead to establishing career development plans for individual workers to ensure that they were sufficiently motivated to gain further qualifications. Workers may wish to know in advance what they could expect out of RPL programmes and what policies their companies would adopt regarding the use of these assessments for deciding upon remuneration.

In response to a question from a Government representative concerning low wages in the sector, Mr. Peters explained that low remuneration could not be blamed for the existing sectoral employment crisis in the United Kingdom. Remuneration was de facto comparable with other industries such as finance or IT, at least at junior levels. The main problem was the bad image of the sector and the time needed for education and training. An Employer member agreed with this analysis and stressed that attempts were being made to improve these perceptions by influencing schools and parents to change their opinions about the sector. After all, his country's industry provided a good training system, good wages along with RPL and a clear career path to senior management.

A Worker member asked Ms. Sakamoto about the relation between national vocational qualifications and the national qualification frameworks discussed. Ms. Sakamoto stated that variations were often found within NQFs. In principle, this model permitted learning from vocational to general qualifications without having the traditional academic vocational divide. Australia and South Africa had both combined vocational and general national qualification in a "unified single framework", whereas the United Kingdom for example, limited its NQF to the vocational side only.

A Worker member reminded the Meeting on how essential training was for the provision of good services and wondered whether the shortage was related to privatization and staff cutting measures. Occupational safety and health (OSH) problems would scare people away from the industry and also needed to be addressed. He expressed concern about training outsourced workers and how employers dealt with them.

Mr. Peters stressed the good OSH record of the sector in the United Kingdom and stated that this was not a major problem. He explained that privatization was not related to the current problems and they were looking at the sector as a whole since workers often just changed companies. The main problem was people leaving the sector altogether to work in other industries.

An Employer member pointed out that companies in his country were interested in developing their employees' skills. However, cost cutting measures meant that companies only paid for skills development if they were directly relevant to and being used in the work being done by the individual worker. This had led to a decline of interest in the training process. A process of equivalency similar to RPL had been used in some areas of work, but not in positions that required high OSH standards. Traditional training in OSH matters was regarded as an essential condition to contracting out these jobs.

Ms. Sakamoto explained that some countries had addressed the OSH issue by mandating certain workers to have licences that required training in OSH. This system was one way to ensure that OSH standards were maintained by making it a legal requirement to train every worker accordingly. Mr. Peters agreed that OSH training was essential and drew attention to the fact that individual employees in the United Kingdom needed new licences every five years to ensure that they were trained to handle OSH issues. These obligations did extend to subcontractors and any other companies or individuals working in the sector.

A Worker member congratulated the British industry for having an excellent safety record and agreed that, due to a strong safety culture by workers and employers, OSH problems had almost been eradicated. Safety issues arising from contracting outside service providers were being tackled by accreditation schemes designed to keep security standards, while allowing work on different sites and minimizing bureaucratic requirements. Gender equality was still a problem and an obstacle was people's unchanged perception of the industry as typically male and physically demanding.

In response to a Worker member's question, Mr. Peters outlined the changes in the number and nature of qualifications since the start of his organization's programme. The new approach to training delivered tailor-made qualifications that reflected sectoral demands. The funding required for training was borne by the enterprises, but government grants were also used since there were subsidies available to encourage NQF-based structures. Since their recursion to NQF structures, companies were spending less than when in-house training had been the standard.

Ms. Sakamoto replied to a Worker member's question that problems related to training were even more serious in developing countries, since they often experience problems within their formal education systems. To lessen the impact of these shortcomings, both formal education systems and the recognition of informally obtained skills had to be reformed simultaneously. NQFs and RPL would not create new jobs but the individual worker's employability would improve.

Following a comment by a Worker member who suggested that multinational enterprises should be early adopters of RPL and encourage the creation of NQFs, another Worker member outlined a programme in the United Kingdom that retrained ex-employees

in the struggling steel industry to become gas central-heating installers. The programme had been very successful because these workers had already acquired some of the required skills in previous jobs and could therefore be retrained in six months. All of them had completed the programme and found new jobs. Practices such as this exemplified the importance of RPL and should be further encouraged.

The moderator outlined the problems for workers and employers brought on by candidate countries' accession into the European Union which required closure of nuclear plants determined unsafe. All countries interested in joining the European Union sought assistance from it, but so far the Union had proposed no real solution. Worker members stressed the ongoing need for skilled workers in the nuclear industry, since closures needed significant safety follow-up efforts. A joint study by the social partners and Government would be published on these issues in Germany.

A Worker member informed the panel participants of the situation in his country. Working conditions were poor and occupational accidents common. Not enough was done to improve conditions which endangered their health and safety. Good salaries and good working conditions were what the sector needed to attract people.

Regarding the sector's image, Mr. Peters explained that the current approach to improve it in the United Kingdom was to emphasize the technological expertise needed to provide public utilities and to change public perception of the sector as a blue-collar worker industry. People interested in highly technical roles were targeted.

#### Public-private partnerships in public utilities

Moderator: Ms. Alena Bakanova, Slovak Gas Industry Trade Union,

Slovakia

Panellists: Mr. Kees van der Ree, InFocus Programme on Boosting

Employment through Small Enterprise Development, ILO,

Geneva

Mr. Al Fry, Programme Manager, Urban Water,

World Business Council for Sustainable Development

(WBCSD), Geneva

Mr. Jerrold Oppenheim, Public interest lawyer and co-author,

"Democracy and regulation", Gloucester

Mr. Van der Ree pointed out that public-private partnerships (PPPs) could create decent jobs while improving and providing accessible and affordable services for the poor. He defined the social dimensions of partnerships for municipal service delivery as promoting partnerships for enterprise-based service delivery that ensured better service and created employment. PPPs had significant potential to create jobs for the poor, provide equal opportunities for women, prevent child labour and create sound labour conditions in the areas of wages, job security, health and safety and social security through labour agreements. They produced new business opportunities, especially for small-scale informal collectors and the unemployed but required accessible and accountable governmental institutions. The ILO helped to develop a solid waste management public-private partnership in Dar es Salaam in 1998. The strategy expanded rapidly from pilot areas to a citywide approach. A key to success was the direct fee-for-service payment system. Contracts were required to provide all kinds of solid waste management services including street sweeping, refuse collection and transportation, drain cleansing or market cleaning, as well as paying dumping fees. The role of municipalities was important in contracting, since

they monitored and controlled service delivery. The project has been successful by increasing the daily average tonnage of solid waste at dump sites from about 300 tonnes in 1998 to nearly 700 tonnes in 2002 covering about 40 per cent of the districts in the city with improved cost effectiveness. He stressed the importance of the social and economic aspects of the project. More than 50 small community-based franchises were created throughout the project with about 2,000 jobs created directly, of which 60 per cent were held by women workers. In addition, more than 1,000 jobs were created indirectly, including transport, maintenance, security and recycling. The project has minimized the use of child labour and has also increased incomes from minimum wage to good family earning levels. The ratio of women workers was low in the areas of owner and managers, waste collectors, hand-cart operators and truck loaders and drivers. However, many women were employed in collection and street sweeping. More than 75 per cent of workers only had full or partial primary education. Seventy per cent had dependents with women having more than men since about 50 per cent of women were divorced, separated or widowed. This was the first paying job for about 68 per cent of women whereas for men the figure stood at 30 per cent. For 92 per cent of all workers, it was the only job they could find in the labour market. The average monthly income for male workers was US\$38 and US\$30 for female workers and 98 per cent assessed themselves as "poor". Mr. Van der Ree stressed the importance of formulating partnerships which included upscaling and integration of the partnership, controlling the terms of partnership and protecting low educated workers. The partnership had certain disadvantages, such as the additional burden for the parties and the increased risk of displacement of workers. He underscored that in formalizing partnerships to combat poverty one should ensure access for target groups, identify rights and obligations in the contracts and incorporate social concerns into the contracts. In closing he stressed that waste collections systems can be more povertyfocused through creating opportunities for decent employment by building on existing informal, enterprise-based systems and harnessing rights and obligations for job creation, social protection and representation.

Mr. Fry introduced the topic of the public-private partnerships in water services and pointed out that business cannot succeed in societies that fail. Cities that fall short in providing water and sanitation to all their citizens can neither attain sustainable development nor alleviate poverty. Water supply, sanitation and hygiene were prerequisites for sustainable economic growth and poverty alleviation. Companies were interested in viable communities and healthy people for healthy business but, with the alarming statistics today, more needed to be done to expand services. He reported that one person out of five, or 1.2 billion people, did not have satisfactory access to potable water; two out of five, or 2.4 billion people, did not have access to sanitation services; and waterrelated diarrhoea diseases killed 2.2 million people per year. He noted that water was essential for production, for inclusion in products and for enabling consumers to consume and questioned the implications to the labour force and markets in communities that lacked water. He underscored that water issues were closely linked to poverty and, in order to eliminate poverty, good water must be secured. Although the United Nations Millennium Development Goals were set to reduce by half the proportion of population without access to water and sanitation by 2015, the goal should be 100 per cent, particularly since it has been declared a human right by the United Nations. Governments have the overarching responsibility to provide water services, but business also had a role since some governments have not adequately responded. The WBCSD contributed to attaining the Millennium Development Goals through the creation of partnerships focused on delivery of affordable and sustainable water supply and sanitation for 100 per cent of urban and peri-urban population. In order to attain this goal, the WBCSD worked together in various dimensions with national and local governments and communities creating working coalitions through stakeholder dialogue and clarifying rights, roles and responsibilities for all parties involved. Private enterprises can make improvements more rapidly in towns and cities. Many people in developing countries lived in poverty and a large number of them

were concentrated in mega-cities. A partnership approach with governments, civil society and business enabled increased employment opportunities and economic growth. He noted that governance failures were difficult for supplying good water in developing countries and they sought to build viable governance structures. Public-private partnerships operated for the public service system in providing water, but they cannot exist without stable revenues for maintaining the service. In order to secure a stable source of returns, the partnership must consider three issues: adequate rate payment for the service; general revenues from taxes; and investment from the private sector. He emphasized that the quality of labour was an important aspect in providing good water and in developing successful partnerships. Privatization had evolved in some countries, resulting in fewer employment opportunities in the water service sector. These remaining workers should be well trained and well paid in order to help maintain a successful partnership.

Mr. Oppenheim presented democratic public-private partnerships in the United States. He stressed that the most important element in PPPs was a strong public partner. He outlined an example of the Low-Income Energy Affordability Network (LEAN) in the State of Massachusetts, United States, as a successful example of a partnership between government and private utilities. It succeeded in reducing utility bills in low-income homes by weatherproofing them and installing more efficient appliances, while creating more than 400 permanent jobs. It provided free installation of home weatherization measures and efficient appliances, and included 90 contracts and covered 30,000 homes. Benefits were almost 2.5 times cost and included energy and water savings, and other rewards such as reducing debt arrears and improved health. Consumption savings were about 25 per cent for participating households and 15 per cent for those receiving only electricity-saving measures. LEAN's success has required: 11 years of effort; strong regulatory oversight and direction; backing of the regulator with strong legislative direction from a statute that established a funding floor for low-income programmes, which included a mandate that low-income efficiency programmes be implemented through the network of low-income agencies; support from public officials; strong and persistent NGOs that obtained funding; and support of private utilities companies, secured in part by the creation of incentive conditions for the provision of specified public benefits. Introducing some public-private partnerships in the United States and around the world, Mr. Oppenheim stated that in many cases a lack of transparency in the partnership might have led to corruption. Governments should establish strong regulation to maintain public benefits. One example was Bechtel Group, Inc., which was one of the co-owners with Enron in the Dabhol power plant in India. It failed after attempting to extort a price for electricity of almost double the average and more than triple the cheapest alternative. It sought a rate of return of 30 per cent compared to the 3 per cent return state-owned power agencies traditionally aimed for. A second example was that of the Graham family in Texas. Enron made large campaign contributions to Senator Graham who helped to enact the deregulation of commodities trading in which Enron was involved. The Senator's wife, who chaired the Commodities Futures Trading Commission (CFTC), oversaw the exemption from regulation of Enron's future trading, around which much of Enron's future trading chicanery and profiteering occurred. She became a board member of Enron after she left the CFTC. American experiences were a good example to show that very strong public and NGO institutions advance the public interests of quality, safety, reasonable price, transparency and democracy. In conclusion, he summarized the requirements needed in order to enable the public side of a public-private partnership to bargain on equal footing with private interests and to enforce the agreement made. These include: a forum in which bargaining can take place, where public interest has the same standing at the table as private interest; both government and community-based NGOs having resource support for participating; NGOs at the table being in for the long haul and learning the procedural, regulatory and technical aspects of the issues; bargaining reflecting the public interest and resulting in enforceable rules for the partnership; bargaining including enforceable performance incentives for the

private partner to provide the public goods; and the bargaining being supervised by a regulator whose processes and rules are participatory and transparent.

#### **Discussion**

A Worker member stressed the importance of social dialogue in the success of public-private partnerships in water service. Canada had some experiences in which public and private partnership did not function well. This was because of a lack of two elements in regulating the public service of water, adequate funding and social dialogue. Another Worker member pointed out that the three presentations demonstrated the important role of governments, the private sector and other key stakeholders. Governments have to play the regulatory role. When the Government ensured the regulation was enforced, public utilities service was workable. Commenting on the case in the United Republic of Tanzania, he noted that the ILO and World Bank succeeded in creating jobs in waste control in the United Republic of Tanzania. However, he expressed his concern that workers in waste control were working for less than one dollar per day. He questioned why the workers' wages could not be increased.

Mr. Van de Ree stated that the ILO's project in the United Republic of Tanzania was to realize the Decent Work Agenda. Decent work was the ILO's primary objectives which, inter alia, included increasing security of employment. The ILO achieved the objective in the United Republic of Tanzania by creating jobs for the poor. He stressed that even though women waste workers in the United Republic of Tanzania received around one dollar, they worked on a part-time basis and were not single household income earners. Their family income was probably higher than one dollar per day. However, the ILO's next objective in this project was to seek ways in which wages could be increased. The abolition of child labour was another goal of the project. The ILO's IPEC programme was involved in giving help by providing children with access to education. He also stressed that the employment contract should improve workers' decent working and living conditions through the Decent Work Agenda.

A Worker member emphasized the importance of government's role in regulation. If the regulation of resource allocation was lacking and the distribution of resources was inadequate, the service would not work. He felt that there was a perception gap between business and government. He hoped that government's regulatory power would be strengthened sufficiently to monitor corporate practices.

Mr. Fry commented that if there was not a good partnership, water service would not work. Government regulations must be balanced. Regulation must protect consumers from unreasonable pricing and rates must be set to recover the capital costs or investment and enable the system to maintain the service. Enterprises have the social responsibility to promote sustainable development and to protect the environment. In order to enable companies to fulfil their responsibilities stakeholders' dialogue was necessary.

A Worker member congratulated the ILO on its project in the United Republic of Tanzania, which provided an opportunity for the poor to earn some income and have access to services. He believed there must be a legal framework to protect these workers. It was an important role of the Government to provide clean water to people. Referring to private water companies, he pointed out that these private companies earn profits. He stated that there was a problem that the public authority was not monitoring and governing this sector and as a consequence some companies were not held liable for their conduct.

Mr. Fry replied that in order to sustain a business, good economic return, good performance and social performance must be met. Companies needed to remain viable in order to be held accountable.

A Worker member suggested the panellists consider the shareholder's views in the water sector, because shareholders held assets and had high expectations for the industry. There was no choice but to have clean water and if water was contaminated, the entire community suffered. In order to achieve such collaboration, the government must provide the legal framework.

An Employer member stated that he recognized that the private and public sectors played different roles in the provision of water. However, it was important to stress that the private sector pursued profits. Most importantly, private companies were facing competition that led the sector to seek improved efficiency. In order to survive companies must provide good service. Corporations were created and operated within the framework of law. However, there was an unfair condition if all enterprises were not competing on equal grounds. For example, an electricity distributor was likely to enjoy high value added profits with less competition because of protection. Perhaps reasonable competition was needed in order to decide the price of electricity. He stressed that the government played an important role in controlling the sector to create a fair ground for competition.

#### Closing speeches

In reporting the composition of the Meeting, the Secretary-General noted that only 13 per cent of the delegates were women. This severe gender imbalance, and the very low number of countries represented at the Meeting were extremely disappointing. Nonetheless the effective participation of those governments present in the deliberations made up for the absences. The Meeting was an effective display of social dialogue in action as the participants sought consensual and pragmatic answers to problems, despite legitimate differences, particularly on some difficult issues under discussion. The readiness to compromise was prognostic of the ability of employers and workers in water, gas and electricity companies to work together, and the ability of governments to resolve problems which affect the social partners. The guidelines resulting from the deliberations would provide practical guidance to government policy-makers, employers' and workers' organizations and the ILO itself. In this regard, the Secretary-General requested wide dissemination and implementation of the guidelines, so as to have a deeper impact.

Mr. Jeram, Chairperson and spokesperson of the Workers' group explained that the week demonstrated the value of social dialogue at the international level and that it was conducted by people who had a good understanding of the sector and cared very much about it. Pointing out that millions of people do not have access to the fundamental services of electricity and water, he emphasized the need to expand services to unserved areas. Utility services were essential to the life, health and welfare of populations, whether or not the provider was public or private. Governments had a key role to provide and protect the services and had to understand these were not commodities. Recognizing the severe gender imbalance in some disciplines, he called for all parties to find ways to address the issue. He expressed hope for dissemination and support for the resolution and conclusions at the regional and national levels, and hoped they could work together with governments and employers to translate words into actions. The Chairperson thanked the Employers' and the Government representatives for their participation, in particular the representatives of the Government of Luxembourg for their assistance.

Mr. Ilolov, Chairperson of the Government group, recognized the contributions made by the social partners in preparing the three final products of the Meeting. He hoped that there would be a realistic and rapid implementation of the resolution and the conclusions. He would return to Tajikistan and report on the Meeting and the conclusions, and expressed hope that such dialogue would continue in the future, not only at the ILO but at the regional and national levels.

Mr. Calsiano, Chairperson of the Employers' group expressed his pleasure with the Meeting's outputs although the very nature of the theme had made the discussions a bit complicated. He reiterated that utilities services were being provided to meet people's basic needs and that governments were essentially responsible for ensuring the provision of such services in the best possible condition. He thought that dialogue between Government, Employers' and the Workers' groups, under the framework of the ILO's tripartism, outlined clearly each group's role and ensured efficient, fair and equitable implementation of rules and regulations concerning the provision of the services. Private enterprises by nature sought to increase clientele, which served as an incentive to a further growth by expanding services. The ILO's tripartism offered the best possible mechanism to deal with a wide range of problems that emerged from globalization and development policies, without which it might be difficult to achieve social progress.

The Chairperson congratulated the participants for their hard work during the week, noting that their input reflected their in-depth knowledge of the sector. The open and constructive dialogue, as well as their spirit of "give and take", was an excellent display of

social dialogue in action. The experience had been rewarding and he appreciated the frank and patient manner in which the participants helped build a consensus, resulting in the conclusions and the resolution. He recalled the comments by the Workers' Chairperson concerning utilities services which many take for granted, and hoped that someday everyone in the world would have access to them.

### **Evaluation questionnaire**

A questionnaire seeking participants' opinions on various aspects of the Meeting was distributed before the end of the Meeting.

#### 1. How do you rate the Meeting as regards the following?

	5 Excellent	4 Good	3 Satis- factory	2 Poor	1 Unsatis- factory	Average score
The choice of agenda item (subject of the Meeting)	17	12	3			4.44
The points for discussion	11	16	5			4.18
The quality of the discussion	11	12	8	1		4.03
The Meeting's benefits to the sector	6	12	11	1		3.77
The conclusions	6	15	8	3		3.75
The resolution	8	11	12		1	3.79
Panel discussion on skills needs	7	10	6	1		3.96
Panel discussion on public-private partnerships	5	9	10	1		3.72
Opportunity for networking	11	16	5			4.19

#### 2. How do you rate the quality of the report in terms of the following?

	5 Excellent	4 Good	3 Satis- factory	2 Poor	1 Unsatis- factory	Average score
Quality of analysis	12	16	4			4.25
Objectivity	7	16	6	2	1	4.00
Comprehensiveness of coverage	8	15	8	1		3.94
Presentation and readability	13	16	3			4.31
Amount and relevance of information	11	19	2			4.28

#### 3. How do you consider the time allotted for discussion?

	Too much	Enough	Too little
Discussion of the report	1	29	2
Panel discussions	1	25	6
Groups	1	27	2
Working Party on Resolutions	3	20	5
Working Party on Conclusions	6	16	6

4. How do you rate the practical and administrative arrangements (secretariat, document services, translation, interpretation)?

	1	2	3	4	5
Average score	Unsatis- factory	Poor	Satis- factory	Good	Excellent
4.5			3	10	19

5. Respondents to the questionnaire

Government	Employers	Workers	Observers	Total	Response rate (%)
5	14	11	2	32	46

6. Participants at the Meeting

Government	Employers	Workers	Technical advisers	Observers	Total
11	17	15	12	15	70

7. Delegates/technical advisers

	Government	Employers	Workers	Total
Delegates	11	17	15	43
Technical advisers	4	1	7	12

8. Female participation

	Government	Employers	Workers	Total	Per cent female delegates
Delegates	3	0	2	5	12
Technical advisers	1	0	1	2	

List of participants Liste des participants Lista de participantes

### Representative of the Governing Body of the International Labour Office

Représentant du Conseil d'administration du Bureau international du Travail

Representante del Consejo de Administración de la Oficina Internacional del Trabajo

Mr. Mel Lambert, Human Resources Consultant, Hornchurch, Essex

Members representing governments

Membres représentant les gouvernements

Miembros representantes de los gobiernos

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Adviser/Conseiller technique/Consejera técnica

M<sup>me</sup> Rosemonde Adjanonhoun, Attaché, Mission permanente du Bénin à Genève

#### CAMEROON CAMEROUN CAMERÚN

Mr. Francis Ngantcha, Minister Counsellor, Permanent Mission of Cameroon in Geneva

#### **EGYPT EGYPTE EGIPTO**

M<sup>me</sup> Nadia El-Gazzar, Conseillère des affaires du travail, Mission permanente d'Egypte à Genève

#### GREECE GRÈCE GRECIA

Mr. Konstantinos Geormas, Official, Ministry of Labour and Social Security, Athens

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- M. Joseph Daleiden, Ministère de la Fonction publique et de la Réforme administrative, Luxembourg

#### MALAYSIA MALAISIE MALASIA

Mr. Bin Wan Setapa Wan Zulkfli, Labour Attaché, Permanent Mission of Malaysia in Geneva

#### PHILIPPINES FILIPINAS

Ms. Yolanda Porschwitz, Labor Attaché, Permanent Mission of the Philippines in Geneva

#### SWITZERLAND SUISSE SUIZA

M<sup>me</sup> Natalie Erard, Collaboratrice scientifique, Affaires internationales du travail, Secrétariat à l'Economie-Seco, Berne

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- M. Pascal Clivaz, Chef des affaires internationales, La Poste Suisse, Berne
- M. Peter Graf, Chef des affaires publiques, La Poste Suisse, Berne

#### TAJIKISTAN TADJIKISTAN TAYIKISTÁN

Mr. Mamadsho Ilolov, Minister of Labour and Social Protection of Population, Dushanbe

Adviser/Conseiller technique/Consejero técnico

Mr. Abulkhayr Gafuriyon, Head of Department, Ministry of Labour and Social Protection of Population, Dushanbe

#### **UGANDA OUGANDA**

Adviser/Conseiller technique/Consejero técnico

Mr. Claudius Mary Olweny, Director of Labour, Ministry of Gender Labour and Social Development, Kampala

#### YEMEN YÉMEN

Mr. Yahya Al-Shahary, Third Secretary, Permanent Mission of Yemen in Geneva

# Members representing the Employers Membres représentant les employeurs Miembros representantes de los empleadores

Mr. Frederick Asante, Managing Director, Electricity Company of Ghana Ltd., Accra

Adviser/Conseiller technique/Consejero técnico

- Mr. Mustapha Zakaria-Cisse, Special Assistant to the Managing Director, Electricity Company of Ghana Ltd., Accra
- Mr. Joseph Babalola, General Manager, Industrial Relations, National Electric Power Authority, Abuja, Nigeria
- Mr. Paul E. Boyett, Director, Talent Management, Corporate Human Resources, Duke Energy Corporation, Charlotte, NC
- Sr. Alberto Horacio Calsiano, Coordinator del Departamento de Energía, Unión Industrial Argentina, Buenos Aires
- Mr. Dwight Dacosga, General Manager, System Planning and Control, Jamaica Public Service Company Ltd., Kingston
- Sr. José Arturo Del Río, Secretario General, Cámara Chilena de la Construcción, Santiago de Chile
- Mr. Sikander Dewan, Director General, Standing Conference of Public Enterprises (SCOPE), New Delhi
- Mr. Tom Goldie, Vice President, Corporate Services, Hydro One Inc., Toronto
- M. Jan Herremans, Secrétaire général, Comité de contrôle de l'électricité et du gaz, Bruxelles
- Mr. Chowdhury Kamal Hyder, Secretary General and CEO, Bangladesh Employers' Federation, Dhaka

- Mr. Mohammad Javed, Managing Director, Ashraf Industries (PVT) Ltd., Peshawar
- Mr. Kamen Kolev, Managing Director, Bulgarian Industrial Association, Sofia
- Mr. Argyros Markaris, General Manager, Water Board of Lemesos (Limassol), Lemesos
- Mr. Leonard Nxumalo, Human Resources Director, Federation of Swaziland Employers, Matsapha
- Mr. Suh Young Jin, Specialist (Policy Bureau), The Korea Employers' Federation, Seoul
- Mr. Jamer Tinslay, Chief Executive Officer, National Electrical and Communications Association (NECA), Burwood North, NSW
- Mr. H. Murat Turkoglu, Head of Research, Planning and Data Processing Department, Electricity Generation Incorporated Company, Ankara

# Members representing the Workers Membres représentant les travailleurs Miembros representantes de los trabajadores

- Ms. Alena Bakanova, Slovak Gas Industry Trade Union, Zvolen
- M. Pierre Constantin, Fédération nationale de l'énergie et des mines, Paris
- Mr. Derick Elbrecht, National Treasurer, Union of Miners (ICEM), Johannesburg
- Sr. Jesús Francisco García, Secretario Financias, Federación Nacional dos Urbanitários da CUT (FNU/CUT), São Paulo
- Sr. Julio César Ieraci, Federación Argentina de Trabajadores de Luz y Fuerza, Buenos Aires
  - Advisers/Conseillers techniques/Consejeros técnicos
  - Sr. Fernando McMaster, Director Regional, Union Network International, Buenos Aires
  - Sr. Carlos Alberto Dos Reis, Diretor, Federação dos Trabalhadores na Industria de Engia, Sáo Paulo
  - Sr. Basilio Sepúlveda, Federación Argentina Trab. De Luz y Fuerza, Buenos Aires
  - Sr. Carlos Alderete, Federación Argentina Trab. De Luz y Fuerza, Buenos Aires
- Mr. Michael Jeram, National Secretary, UNISON, London
- M. Mohamed Larbi Kabbaj, Secrétaire général, Syndicat national des agents administratifs (FPSSP-INFEDOP), Casablanca
- Mr. Joo-Young Kim, President, Korean National Electrical Workers' Union, Seoul
  - Adviser/Conseiller technique/Consejero técnico
  - Mr. Yong-Hyuk Choi, International Officer, Korean National Electrical Workers' Union, Seoul
- Mr. Milan Kovacevic, President of the Main Board, Trade Union of the Workers of Electrical Power Industry of Serbia, Belgrade
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- Mr. Greg McLean, Assistant National Secretary, Australian Services Union, Sydney
- Mr. Samuel Njiru, National Chairman, Kenya Electrical Trades and Allied Workers' Union, Nairobi
- Mr. Erhard Ott, Member of Federal-Executive, Vereinte Dienstleistüngsgewerkschaft Bündesvorstand, Berlin

Mr. Charles Paradis, Canadian Union of Public Employees, Communications Department, Montreal, Quebec Ms. Johra Salam, Soil Research Institute, Dhaka

Others

Autres

Otros

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Représentants d'Etats Membres présents aux séances
Representantes de Estados Miembros presentes en las sesiones

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Ms. Stefanie Freyberg, Intern, Frankfurt

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#### **UNITED STATES ETATS-UNIS ESTADOS UNIDOS**

Mr. Robert Hagen, Labor Attaché, United States Permanent Mission in Geneva

Representatives of non-governmental international organizations
Représentants d'organisations internationales non gouvernernementales
Representantes de Organizaciones Internacionales no Gubernamentales

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Confédération internationale des syndicats libres (CISL)

Confederación Internacional de Organizaciones Sindicales Libres

Ms. Anna Biondi, Assistant Director, Geneva Office

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Mr. Gino Govender, Mines and Energy Officer, Brussels

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- M. Ramon Vivanco, Représentant permanent, Genève