

WORLD OF *Work*

THE MAGAZINE OF THE ILO

New standards for seafarers



INTERNATIONAL LABOUR OFFICE

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Debunking myths: *World Employment* 1996/97

The release of the ILO's second annual report on world employment clearly touched a raw nerve in media and public-policy circles worldwide, addressing, as it did, one of the major questions of the day: How to reverse the negative trends in labour markets worldwide and restore the concept of full employment to its rightful place at the centre of economic policy-making?

The report notes that nearly one-third of the world's labour force is either unemployed or underemployed and the trend in labour markets is "grim" in most regions of the world, with East Asia being the only notable exception.

In industrialized countries, almost 35 million people are out of work and millions more cling precariously to jobs which barely generate a living wage. The number of working poor is on the increase, wage inequalities are widening and the long-term unemployed risk virtual expulsion from the labour market.

In most developing countries low-productivity, informal sector jobs continue to be the rule rather than the exception, poverty is widespread and chronic underdevelopment means that millions of workers are destined to eke out a living in physically onerous, low-productivity tasks.

In the transition economies of eastern and central Europe, unemployment has skyrocketed, poverty has increased and the prospects for widespread prosperity in a market economy have moved further out on the horizon.

The scale of the unemployment problem is such that popular theorists have begun to speak of an era of "jobless growth" in which economies develop on the back of advances in technology and trade but without creating jobs or new income opportunities. The increasing number of layoffs associated with corporate down-sizing combined with new forms of work (part-time, self-employed etc.) have led other commentators to suggest the new global economy is leading to "the end of work" as we know it. The ILO report goes out of its way to debunk these theories, not just because they are based on flimsy analysis and utopian expectations, but because they risk distracting attention from the real priority, which is to renew the post-Second World War international commitment to achieving full employment.

The report also takes issue with the most proffered solution to labour-market problems: deregulation. While recognizing that progress in trade and technology may lead to selective reform of some labour practices, the report explicitly rejects the blanket presumption that regulations are invariably sources of rigidity and that deregulation is thus the optimal solution, particularly when those regulations have the positive benefit of promoting productivity and protecting workers.

The common thread running throughout ILO's *World Employment 1996/97* is that the key to reversing the decline in labour markets is to stimulate growth, boost productivity and put the resources of the global economy in the service of mankind, and not the reverse. □



Jacques Maillard

Global unemployment crisis continues, wage inequalities rising

Nearly one billion people around the world, approximately 30% of the entire global workforce, are unemployed or underemployed in industrialized and developing countries alike, says a new ILO report*.

In its report, *World Employment 1996/97*, the ILO calls the global employment situation "grim". The ILO warns that the growing numbers of "working poor" risk aggravating the social and economic ills caused by high jobless rates.

In the world's wealthiest nations, members of the Organization of Economic Cooperation and Development (OECD), at least 34 million people are unemployed. In the European Union, unemployment increased last year to an average of 11.3% of the workforce, with France, Germany, Italy and Sweden registering significant increases. In the United States, on the other hand, job

creation has intensified and unemployment has dipped below 5%. Unemployment rates have also declined in the United Kingdom. In both countries, however, income disparities have tended to widen.

In the transition economies of Eastern and Central Europe, unemployment rates declined slightly but remained at double-digit levels. In Russia and some other countries of the former Soviet Union, unemployment continued to increase.

Among Latin American countries, Unemployment in Colombia rose to almost 12%. Unemployment increased in urban areas in Argentina, Bolivia, Ecuador, Jamaica, Mexico, Uruguay and Vene-

zuela. In sub-Saharan Africa and many parts of Asia, data on direct unemployment barely exists, but problems of massive underemployment and poverty persist in these low-income regions.

The ILO believes that nothing short of a renewed international commitment to full employment is required to reverse the poverty, unemployment and underemployment now prevailing in so many parts of the globe.

"It is not just heartless but pernicious to assume that nothing can be done to remedy unemployment, that so-called 'jobless growth' (when a country's gross domestic product, or GDP, grows with no substantial job growth) is the best that can be hoped for in an increasingly competitive economy or that current rates of unemployment somehow constitute a natural and inevitable outcome of market forces," says ILO Director-General Michel Hansenne. "Current levels of unemployment make no economic sense and are neither politically nor socially sustainable."

The ILO report identifies the underlying causes of deteriorating labour market conditions as being:

- Lower growth rates in industrialized countries since 1973, and the failure of most developing economies to recover fully from the economic crisis of the early 1980s.
- Slow adjustment of wages to declining labour productivity and the emergence of wage inflation, which lasted until the mid-1980s.
- The progressive eviction from the world of work of the long-term unemployed and the increasing casualization of millions of workers in informal sector activities.

The report concludes that while there is no single ideal prescription for developing industrialized and transition economies, the "priority requirement for reversing the prolonged deterioration in employment conditions is the restoration of high and sustained rates of economic growth".

UNEMPLOYMENT RATES 1994-1996: SELECTED COUNTRIES

Country	Period/1994	%	Period/1995	%	Period/1996	%
Australia	September	9.3	September	8.4	September	8.7
Austria	August	5.3	August	5.4	August	5.7
Barbados	2nd Quarter	21.4	2nd Quarter	20.5	2nd Quarter	16.2
Belgium	September	14.6	September	14.8	September	14.2
Brazil	December	3.4	December	4.4	---	---
Canada	July	10.0	July	9.8	July	9.8
Chile	2nd Quarter	6.1	2nd Quarter	5.8	2nd Quarter	6.6
Colombia	June	9.8	June	9.2	June	11.7
Czech Republic	July	3.2	July	2.9	July	3.0
Denmark	September	11.3	September	9.5	September	7.9
Finland	September	17.7	September	16.4	September	15.1
France	May	10.8	May	11.8	---	---
Germany	September	10.0	September	10.2	September	11.2
Hong Kong	2nd Quarter	1.6	2nd Quarter	2.9	2nd Quarter	2.9
Hungary	October	10.9	October	10.3	---	---
Iceland	September	3.3	September	3.6	September	3.3
Ireland	November	14.6	November	12.9	---	---
Israel	2nd Quarter	7.4	2nd Quarter	6.3	2nd Quarter	6.0
Italy	November	12.1	November	11.5	---	---
Japan	September	3.0	September	3.2	September	3.3
Korea, Rep. of	September	2.1	September	1.9	September	1.8
Latvia	August	6.3	August	6.1	August	7.1
Luxembourg	September	2.8	September	3.0	September	3.3
Netherlands	April	7.5	April	7.2	April	6.9
New Zealand	2nd Quarter	8.2	2nd Quarter	6.0	2nd Quarter	5.9
Norway	September	4.8	September	4.5	September	3.9
Philippines	4th Quarter	8.4	4th Quarter	8.4	---	---
Poland	September	16.5	September	15.0	September	13.5
Portugal	3rd Quarter	6.8	3rd Quarter	6.9	3rd Quarter	7.1
Puerto Rico	May	13.7	May	13.4	May	14.5
Romania	August	10.5	August	9.4	August	6.4
Slovakia	2nd Quarter	14.4	2nd Quarter	13.3	2nd Quarter	12.1
South Africa	May	3.9	May	4.3	May	5.4
Spain	2nd Quarter	24.3	2nd Quarter	22.7	2nd Quarter	22.3
Switzerland	October	4.4	October	4.0	October	4.8
Sweden	September	8.1	September	7.9	September	8.3
United Kingdom	August	9.4	August	8.4	August	7.8
United States	October	5.4	October	5.2	October	4.9

Sources: Employment Office or Labour Force Sample Survey Unemployment Statistics, ILO, Geneva.

Full employment: feasible and highly desirable

In a direct challenge to much publicized arguments which forecast an era of "jobless growth", the ILO emphasizes that there is little empirical basis for the notion that globalization, technological change or corporate downsizing are ushering in an era of jobless growth or bringing about the end of work as most people have known it.

Michel Hansenne warned against spurning the full employment ideal that guided national and international social policy in the post-Second World War decades: "Abandoning the goal of full employment means lowering social expectations at a time when the world economy is becoming more integrated through trade and investment flows."

"These forces," he said, "have the potential for spurring higher rates of economic growth and job creation and thus higher levels of well-being and social justice." But they need to be harnessed by the right mix of social and economic policies.

Trade, technology and globalization

The ILO argues that, contrary to popular misconceptions, the world's job woes are not being driven by rapid technological progress and trade liberalization, both of which are necessary for stimulating economic growth and productivity. Trade between industrialized and developing economies "is only a minor explanatory factor behind the rise in the unemployment of low-skilled workers and in wage inequality in the industrialized countries". The report notes that the experience of dynamic Asian economies provides evidence that "sound domestic policies, expanding global trade and investment flows provide rich opportunities for higher rates of economic growth and job creation".

Boosting non-inflationary growth

Foremost among the requirements for reversing the drift away from full employment is "to reverse the trend decline in growth rates over the past two decades" in industrialized countries. While much academic literature maintains that expansionary efforts to boost growth rates will inevitably founder on the rocks of inflation or supply-side constraints, the ILO report insists that a deficiency in demand could well be responsible for the

prolonged period of slow growth in the world economy, and that wage inflation can be held in check if industrial practices and labour-market regulations are designed to do so. The report says that "higher growth is possible provided a sustained period of expansionary policies is supported by credible policies to prevent a resurgence of inflationary wage increases and to overcome the skill shortages that will be generated".

Mechanisms for moderating wage inflation are the second prerequisite if the expansionary impulse is to avoid being choked off by the reaction of financial markets. The report acknowledges that while no easy solutions exist, several options are worth exploring, including "strengthening of the coordination of wage bargaining through the synchronization of bargaining periods and the provision of consensus forecasts of future economic possibilities". Other options include social pacts between employers, workers and governments, the encouragement of profit-sharing and tax-based income policies.

A third requirement for reversing the rise in unemployment is "to improve the design and implementation of labour-market policies". In industrialized countries this includes reforming unemployment benefits systems. Subsidies and payroll-tax measures designed to promote the reintegration of long-term unemployed may prove useful, but should be examined carefully because of the possible side effects. Additional measures include "the correction of market failures which result from the underprovision of training" as well as "training programmes targeted on the most disadvantaged groups in the labour market".

While recognizing that there may well be aspects of labour-market regulations that need reforming in different countries, the report argues that "there is no basis for a blanket presumption that these regulations are invariably sources of rigidity and that deregulation is automatically the optimal solution". In many cases labour-market regulations have the positive benefit of promoting higher productivity and protecting vulnerable workers.

Transition economies

The unemployment problem in transition economies results from "the legacy of labour-hoarding in state-owned enterprises carried over from the previous economic system". Although enterprises in Central and Eastern Europe and the former Soviet Union have already undertaken substantial restructuring, often at the cost of increased unemployment

and poverty, the report says that "a formidable challenge still remains in terms of restructuring uncompetitive enterprises and of adjusting the structure of enterprises in order to raise labour productivity".

Obstacles to new enterprise development need to be reduced and barriers to foreign investment (such as uncertain legal procedures and inadequacies in the business infrastructure) need to be dealt with. Other practical problems include inadequate housing market flexibility and the difficulty of ensuring adequate social protection for workers affected by restructuring. An array of measures, including an improved institutional framework in which unions and employers' organizations can undertake effective collective bargaining may need to be supplemented by temporary measures to contain the rise in unemployment.

Developing economies

The majority of workers in developing countries "are engaged in low-productivity work that is often physically onerous but yet yields only meagre earnings". Although the ILO report acknowledges that full employment is a long-term objective for most developing countries, it nonetheless "provides a useful framework for the formulation of employment policy".

The report attributes the deteriorating employment conditions in many parts of the developing world (other than in the dynamic Asian economies) to "the failure to recover fully from the economic crisis of the early 1980s". Slower, and in many cases, even negative growth has meant stagnation in the creation of modern-sector jobs and consequent overcrowding in low-productivity activities.

The report calls for economic reforms, where necessary, in order to achieve macroeconomic stability and begin generating an "environment conducive to high savings and investment and the efficient allocation of resources" in order to permit developing countries to "benefit fully from expanding trade and investment flows in the global economy". The report adds that in many cases "pure market reforms often need to be supplemented by public investment and other measures to strengthen the supply response of producers to new economic incentives". □

*World Employment 1996/97: National policies in a global context. *International Labour Office, Geneva. ISBN 92-2-110326-9.*



Marie Dorigny

“We all know that child labour is one of the faces of poverty and that many efforts over many years will be required to eliminate it completely. But, there are some forms of child labour today which are intolerable by any standard. These deserve to be identified, exposed and eradicated without further delay.”

Michel Hansenne,
ILO Director-General

Targeting the intolerable

Some 250 million children between the ages of 5 and 14 are working in developing countries, nearly double previous estimates, the International Labour Office (ILO) says in a new report*. Of this total, some 120 million children are working full-time, and 130 million work part-time.

‘We all know that child labour is one of the faces of poverty and that many efforts over many years will be required to eliminate it completely,’ says Michel Hansenne, Director-General of the ILO. ‘But, there are some forms of child labour today which are intolerable by any standard. These deserve to be identified, exposed and eradicated without further delay.’

The ILO says that because the problem of child labour is so enormous and the need for action is urgent, choices must be made about where to concentrate available human and material resources.

‘The most humane strategy must therefore be to focus scarce resources first on the most intolerable forms of child labour such as slavery, debt bondage, child prostitution, work in hazardous occupations and industries, and the very young, especially girls,’ the ILO report says.

Some 61% of child workers, or nearly 153 million, are found in Asia; 32%, or 80 million, are in Africa and 7%, or 17.5 million, live in Latin America (*percentages are rounded*).

There is evidence that child labour also exists in many industrialized countries, including Italy, Portugal, the United Kingdom and the United States. The problem is also emerging in many East European and Asian countries which are in transition to a market economy.

The results of an ILO survey published earlier this year showed that some 73 million children between ages 10 and 14 were working full-time in some 100 countries. The latest estimates are based on a new and more accurate methodology recently tested by the ILO in Ghana, India, Indonesia, Pakistan, Senegal and

Turkey. This takes account of part-time as well as full-time work and attempts to cover all working children between ages five and 14.

Children may be crippled physically by being forced to work too early in life. For example, a large-scale ILO survey in the Philippines found that more than 60% of working children were exposed to chemical and biological hazards, and that 40% experienced serious injuries or illnesses.

In addition, a comparative study carried out over a period of 17 years in India on both children who attend school and children who instead work in agriculture, industry or the service sector showed that working children grow up shorter and weigh less than school children.

In studies carried out in Bombay, the health of children working in hotels, restaurants, construction and elsewhere was found to be considerably inferior to that of a control group of non-working school children. Working children exhibited symptoms of constant muscular, chest and abdominal pain, headaches, dizziness, respiratory infections, diarrhoea and worm infection.

Sexual differences

Girls more often work in domestic labour; boys work in construction, fields and factories, leading to sexual differences in exposure to hazards.

Girls, because of their employment in households, work longer hours than boys each day. This is one important reason why girls receive less schooling than boys. Girls are also more vulnerable than boys to sexual abuse and its consequences, such as social rejection, psychological

trauma and unwanted motherhood. Boys, on the other hand, tend to suffer more injuries resulting from carrying weights too heavy for their age and stage of physical development.

The ILO survey focuses on unsafe and abusive working situations for children. Some examples of these include:

- **Slavery and forced child labour** – Of all working children, those bound in slavery and forced child labour are the most imperiled.

These practices are often underground, but the ILO report points out that children are still being sold outright for a sum of money. At other times, landlords buy child workers from their tenants, or labour ‘contractors’ pay rural families in advance in order to take their children away to work in carpet-weaving, glass manufacturing or prostitution. Child slavery of this type has long been reported in south Asia, south-east Asia and west Africa, despite vigorous official denial of its existence.

- **Prostitution and trafficking of children** – The commercial sexual exploitation of children is on the rise, even though the subject has in recent years become an issue of global concern, says the ILO report.

Children are increasingly being bought and sold across national borders by organized networks. The ILO report states that at least five such international networks trafficking in children exist: from Latin America to Europe and the Middle East; from south and south-east Asia to northern Europe and the Middle East; a European regional market; an associated Arab

* Child Labour: Targeting the intolerable. *International Labour Conference (Report VI (1)) – 86th Session, 1998. ISBN 92-2-110328-5. International Labour Office, Geneva, 1996.*

regional market; and a west Africa export market in girls.

In Eastern Europe, girls from Belarus, Russia and Ukraine are being transported to Hungary, Poland and the Baltic states, or to Western European capitals.

Several well-defined child trafficking routes have been identified in south-east Asia – Myanmar (Burma) to Thailand; internally within Thailand; from Thailand and other countries to China, Japan, Malaysia and the United States; and other routes.

Some 1 million children in Asia alone are victims of the sex trade, with reports showing the trafficking in young girls on the rise in Thailand and other countries. In Latin America, a large number of children work and live on the streets, where they become easy victims of commercial sexual exploitation. A number of African countries, including Burkina Faso, Côte d'Ivoire, Ghana, Kenya, Zambia and Zimbabwe, are faced with rising child prostitution.

● **Agriculture** – Children work in agriculture throughout the world and often face hazards through exposure to biological and chemical agents.

Children can be found mixing, loading and applying pesticides, fertilizers or herbicides, some of which are highly toxic and potentially carcinogenic. Pesticide exposure poses a considerably higher risk to children than to adults, and has been linked to an increased risk of cancer, neuropathy, neuro-behavioural effects and immune system abnormalities.

Mortality among Sri Lankan child farm workers from pesticide poisoning is greater than from a combination of childhood diseases such as malaria, tetanus, diphtheria, polio and whooping cough.

The operation of farm machinery by children also leads to many accidents which kill and maim.

● **Mining** – Child labour is used in small-scale mines in many countries in Africa, Asia and Latin America. Child miners work long hours without adequate protective equipment, clothing or training. They are also exposed to high humidity levels and extreme temperatures.

Mining hazards include exposure to harmful dusts, gases and fumes that cause respiratory diseases that can develop into silicosis, pulmonary fibrosis, asbestosis and emphysema after some years of exposure. Child miners also suffer from physical strain, fatigue and musculoskeletal disorders, as well as serious injuries from falling objects. Children working in gold mines are endangered by mercury poisoning.



Didier Bregnard

Children may be crippled physically by being forced to work too early in life.

● **Ceramics and glass factory work** – Child labour in these industries is common in Asia but also can be found in other regions. Children often must carry molten loads of glass dragged from tank furnaces at a temperature of 1500-1800 degrees Centigrade. They also work long hours in rooms with poor lighting and little or no ventilation. The temperature inside these factories, some of which operate only at night, ranges from 40 to 45 degrees Centigrade. Floors are covered with broken glass and in many cases electric wires are exposed. The noise level from glass-pressing machines can be as high as 100 decibels or more, causing hearing impairment.

The main hazards in this industry are exposure to high temperatures leading to heat stress, cataracts, burns and lacerations; injuries from broken glass and flying glass particles; hearing impairment from noise; eye injuries and eye strain from poor lighting; and exposure to silica dust, lead and toxic fumes such as carbon monoxide and sulphur dioxide.

● **Matches and fireworks industry** – Match production normally takes place in small cottage units or in small-scale village factories where the risk of fire and explosion is present at all times. Children as young as three are reported to work in match factories in unventilated rooms where they are exposed to dust,

fumes, vapours and airborne concentrations of hazardous substances – asbestos, potassium chlorate, antimony trisulphide, amorphous red phosphorous mixed with sand or powdered glass and tetraphosphorous trisulphide. Intoxication and dermatitis from these substances are frequent.

● **Deep-sea fishing** – In many Asian countries, especially Myanmar, Indonesia, the Philippines and Thailand, children work in *muro-ami* fishing, which involves deep-sea diving without the use of protective equipment. The children beat on coral reefs to scare the fish into nets. Each fishing ship employs up to 300 boys between ages 10 and 15 recruited from poor neighbourhoods. Divers reset the nets several times a day, so that the children are often in the water for up to 12 hours. Dozens of children are killed or injured each year from drowning or from decompression sickness or fatal accidents from exposure to high atmospheric pressure. Predatory fish such as sharks, barracudas, needle-fish and poisonous sea snakes also attack the children.

● **Child domestic workers** – Child domestic service is a widespread practice in many developing countries, with employers in cities often recruiting children from rural villages through family, friends and contacts. Violence and sexual abuse

are among the most serious and frightening hazards facing children at work, especially those in domestic service. Such abuse leads to permanent psychological and emotional damage.

There are no estimates on how many children are employed in domestic service because of the "hidden" nature of the work, but the practice, especially in the case of girls, is certainly extensive. For example, studies in Indonesia estimate that there are around 400,000 child

domestic workers in Jakarta and up to 5 million in the country as a whole. In Brazil, 22% of all working children are in domestic service, and in Venezuela, 60% of all working girls between ages 10 and 14 are in domestic service.

The majority of child domestic workers tend to be between 12 and 17 years old, but some surveys have identified children as young as five or six. For example, a Bangladesh survey of child domestic workers found that 38% were 11 to 13

years old, and nearly 24% were five to 10 years old. Other surveys found that 11% of child domestic workers were 10 or less in Kenya; 16% were 10 or less in Togo; and 26% were 10 or less in Venezuela.

Working hours for domestic child workers are very long. In Zimbabwe, the work day is 10 to 15 hours long; in Morocco, a survey found that 72% of such children start their working day before 7 a.m. and 65% could not get to bed before 11 p.m. Surveys in many countries uncovered alarming evidence of physical, mental and sexual abuse of adolescents and young girls in domestic service.

● **Construction** – Children undertaking heavy work, carrying massive loads and maintaining awkward body positions for a long time can develop deformation of the spinal column. Sometimes, the pelvis can also be deformed because of excessive stress being placed on the bones before the epiphysis has fused. Children working in construction and other fields are exposed to other toxic and carcinogenic substances, including asbestos, one of the best known of human carcinogens.

UNICEF and ILO in joint fight against child labour

In a "Letter of Intent" signed at ILO Headquarters in Geneva on 8 October by Mrs. Carol Bellamy, Executive Director of UNICEF and Mr. Michel Hansenne, Director-General of the ILO, the two organizations agreed to take steps "to ensure coherent positions on policy and practice in regard to child labour" and "to cooperate in all countries" where field activities are undertaken.



Adelaide Christinet

The two organizations will "continue to encourage member States to ratify and implement relevant international labour standards" on child labour and to cooperate in identifying the obstacles, where they exist, to their ratification and effective implementation.

The Minimum Age Convention, 1973 (No. 138) is the ILO's main instrument on Child Labour. The ILO, however, is currently working on a new draft Convention targeting the most abusive and intolerable forms of child labour including child prostitution, work involving toxic substances and other unsafe practices and environments.

The ILO estimates that some 250 million children between the ages of five and 14 are working worldwide; of these, 120 million are working full-time and 130 million work part-time.

The ILO's ongoing offensive against child labour includes a technical co-operation programme, the International Programme on the Elimination of Child Labour (IPEC), designed to help

countries build up a permanent capacity to address the problem.

IPEC activities are targeted, in the first instance, on three priority groups:

- children working under forced labour conditions and in bondage;
- children in hazardous working conditions and occupations;
- very young working children (under 12 years of age).

Within these groups, IPEC pays special attention to working girls because of their particular vulnerability to exploitation and abuse.

ILO-IPEC is now operational on three continents and in 23 countries*. Extensive and effective cooperation between ILO and UNICEF has long existed in several of these countries, notably in Bangladesh, Brazil, Pakistan and, more recently, in Chile, Egypt and Paraguay. □

*Bangladesh, Bolivia, Brazil, Colombia, Costa Rica, Egypt, El Salvador, Guatemala, Honduras, India, Indonesia, Kenya, Nepal, Nicaragua, Pakistan, Panama, Paraguay, the Philippines, Peru, Thailand, Turkey, the United Republic of Tanzania, and Venezuela.

Priorities for action

The ILO wants to focus attention on the "invisibility" of endangered children. "One reason why modern societies and governments have not been more active in curbing the most harmful forms of child labour is that working children are often not readily visible. It is a matter of 'out of sight, out of mind'," the ILO report says.

One of the most important tools available to the ILO for improving the legislation and practice of its member States in the fight against child labour is the adoption and supervision of international labour Conventions and Recommendations. The ILO adopted its first Convention on child labour in 1919, the year of its foundation, and several more over the decades.

The ILO is now calling for a new Convention that would add specificity and focus on the worst forms and most hazardous types of child labour, including slavery, servitude, forced labour, bonded labour and serfdom, and the measures taken to eradicate them.

ILO action against child labour also includes a technical cooperation programme, the International Programme for the Elimination of Child Labour (IPEC), now active in 23 countries on three continents. □

Enterprise Forum focuses on response to globalization

Over 600 delegates, including many business leaders, attended the first "ILO Enterprise Forum" at Geneva headquarters on 8-9 November. The meeting – the first of its kind – provided the ILO with a golden opportunity to establish a direct dialogue with enterprise executives and small-scale entrepreneurs in the search for new economic development and job creation strategies.

In his keynote speech on the Forum's opening day, ILO Director-General Michel Hansenne painted a grim picture for the packed Governing Body room: despite rapid advances fostered by the globalization of the world economy, the advent of unprecedented unemployment, and what he called the "alarming growth of poverty, inequality and exclusion" threatened to spark tensions that could "strain or tear the social fabric" in both developed and developing countries.

"How can we make sure that progress in enterprises is translated into progress in employment?" the Director-General asked. "If economic progress is not translated into an equal amount of social progress, especially in terms of jobs, there is a real risk that a backlash could result

which would seriously jeopardize the very opportunities for growth afforded by the opening up of the market in the last few years."

Many delegates agreed. But their positions on the impact and consequences of globalization were coloured by economic, cultural and professional considerations: For employers, it was a positive force for growth and the integration of nations and peoples, and should be facilitated. Globalization, they said, had the potential to create employment, which would redress social ills including poverty.

For workers and representatives of some developing countries, however, the greatest danger of globalization lay in its propensity to create disparities and

marginalization within and between nations and contribute to unemployment and poverty.

Many delegates agreed that the challenge of globalization was to identify and utilize its advantages – wealth and employment creation, poverty alleviation, market expansion and inclusion in the world's economic and trading systems of previously excluded countries and people – while circumventing or containing negative aspects such as marginalization, unemployment, income disparities and poverty.

Said the Director-General: "By trying to achieve a better understanding of how the development of the global market will affect the future of enterprises and the future of work, the shape of labour relations and employment in the world, we also want to make sure that economic development is not jeopardized by excessive social imbalances, and that it meets the goals of progress and justice that are at the heart of our Organization."

The Forum's four panels focused on the following issues:

● **Implications for enterprises of a changing world economy:**

While the world today is much richer than ever, disparities are increasing: 75% of the world's population enjoys only 16% of its income, while the richest 20% have access to 85% of global income. How can business help to promote world integration or globalization of the economy, while at the same time helping to reduce fragmentation brought on by unemployment and inequity? Should, or can, the world economy be controlled and monitored, and if so, by whom? How will the world economy in general and business in particular face the challenges of labour, human resources, development, improve-



Jacques Maillard

How will the global market affect the future of enterprises and the future of work?

ment of working conditions and labour-management relations?

● **Enterprises and jobs:** Globalization and rapid changes in technology, communications and investment flows are changing the competitive environment for enterprises and forcing profound changes in all aspects of business strategy and operations. The emergence of the “network enterprise” and new global production networks and alliances have profound implications for labour relations and human resource management practices. Participants explored the impact of ever increasing pressures for higher productivity and competitiveness on overall employment levels and job quality, implications for human resource development strategies at national and enterprise levels, means of increasing the “employability” of workers, and ways that micro-, small- and medium-sized enterprises can generate jobs in this new economic climate.

● **Social initiatives by enterprises:** At a time when the enterprise is univer-

sally accepted as the engine of growth and development, many are embarking on initiatives to address social challenges, whether in terms of improving conditions for their own employees through innovative personnel policies and initiatives, or contributing to the wider community through, for example, programmes to counter social exclusion and generally demonstrate “corporate citizenship”. The session reviewed a number of such initiatives and explored how effective they appear to be, why and how they have been implemented, as well as the roles of trade unions and employers’ organizations.

● **The future role of the social partners at the enterprise level:** As

globalization and other economic factors change the nature of enterprises and the private sector, the traditional forms of employment relationships which focused mainly on collective bargaining are undergoing profound changes. Participants discussed how extensive these changes have become, whether they are confined to industrialized market economies and other issues involving questions of employment security.

The idea for the Enterprise Forum first emerged in 1995, when it was decided that the ILO should play a larger role in helping governments create an “enabling environment for small- and medium-sized enterprises (SMEs)”. Thus, the genesis of the theme “Promoting social progress and enterprise competitiveness in a global economy”.

While the gist of this message was viewed as critical by all those attending the Forum, it was of special interest to the newcomers: 140 representatives from the private sector, meeting face-to-face for the first time at the ILO with its “social partners”.

On the one hand, the private sector representatives felt globalization gave the ILO an unparalleled opportunity for responsive change and becoming the international institution dealing with the



Jacques Maillard

Traditional forms of employment relationships which focused mainly on collective bargaining are undergoing profound changes.

social dimensions of globalization. The ILO, many said, could help ensure that social considerations enabled, rather than hindered, free trade, could shift its emphasis from standard-setting to technical cooperation activities encouraging employment creation, could support governments in creating an environment conducive to business growth, and could open up more to business and redress imbalances in its technical assistance programmes.

For workers, the causes of unemployment went beyond labour market rigidities. They felt the dismantling of existing regulations and social protection was a cause for grave concern, not least because of its contribution to unemployment. The “informal sector” could not be expected to continue to absorb the fallout from the “formal sector” and a strong case could be made for the extension of social protection to the former. □

Tom Netter*

**Journalist based in Geneva*

ENTERPRISE ON THE INTERNET

The ILO's enterprise activities are on the Internet. Information about ILO efforts on behalf of enterprises, the ILO Enterprise Strategy, statements and press releases, and all major documents are available on the Internet, from where they can be easily downloaded and printed or stored on a computer. To access information on ILO enterprise and the Enterprise Forum, use the following:

www.ilo.org/english/65entrep/index.htm

The ILO's Enterprise Department now has a newsgroup. This newsgroup invites the participants of Enterprise Forum 96 and other internet users to comment on issues discussed at the Forum and to make suggestions. In order to read the topics and comments which have been posted, click on READ NEWS.

To comment on a topic, click on the title of the topic and fill out the comment form. To post a topic for discussion, click on SEND NEWS. The Enterprise newsgroup can be accessed by:

www.ilo.org/english/65entrep/news/newsg.htm

Identifying socially responsible businesses

Can we identify labour and employment practices and outcomes which could be regarded as exemplary? If so, how could governments, employers' organizations and others encourage more firms to adopt those practices? Over the past few years an ILO project has been investigating these issues by means of surveys of industrial firms in countries around the world and has come to the conclusion that, yes, good business practice can be identified and encouraged. The ILO has codified these measures in a "Human Development Enterprise (HDE) Index", which it presented at the Enterprise Forum.

The surveys have so far collected information from senior managers and employers in over 15,000 enterprises in 18 countries through "Enterprise Labour Flexibility Surveys (ELFS)". With these data, the ILO has developed several HDE Indices.

A high score on an HDE Index depends on the firm's hiring and training practices, wage and benefit levels and structures, working conditions, bargaining arrangements and safeguards, and worker representation. What is included in the index can be modified and be subject to negotiation between employers, government authorities and workers.

The process of constructing the index is illustrated in Box 1: one starts with identification of the training and skill-formation environment.

The HDE1 is defined in terms of availability of entry-level training for workers, retraining to improve job performance or to transfer workers to other jobs with simi-

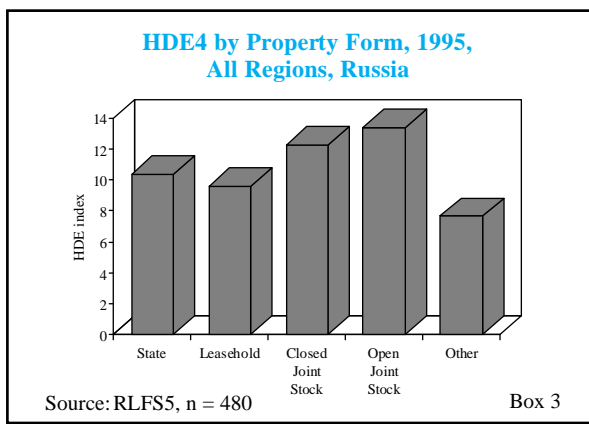
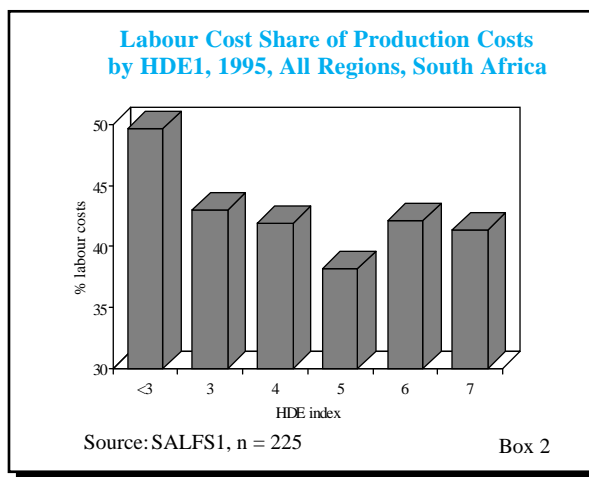
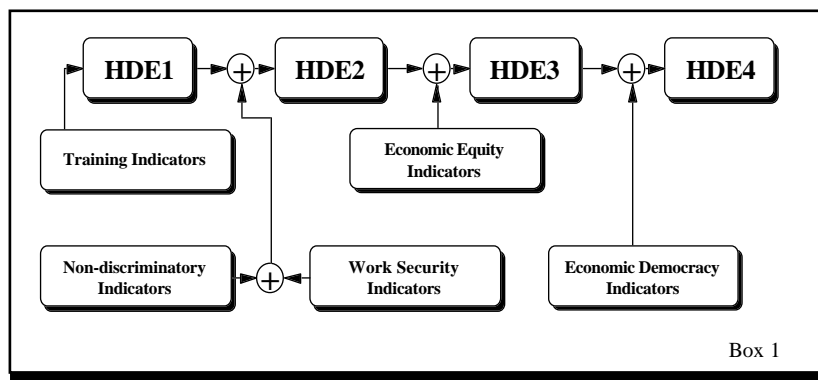
lar skills, and retraining for upgrading or for promotion. It also takes into account of the type of training, the funding

ities, and, second, by inclusion of measures of occupational safety and health.

Next, HDE3 is defined by incorporating economic equity indicators, in which the Rawlsian Difference Principle is applied. Finally, HDE4 incorporates indicators of economic democracy. This may be the most controversial part of the procedure, the creators of the HDE point out. Appropriate measures would depend on national institutional practices and policies. Yet to score high on the HDE index a firm should have mechanisms to enable workers to influence decisions on employment and labour practices constructively, should have collective bargaining and should allow employees to share the benefits as well as the risks. This is why the HDE4 gives weight to voice mechanisms and benefit-sharing mechanisms.

More detail on the process of developing and using the ELFS and the HDE can be found in the ILO report* on the subject. □

*The "human development enterprise": Seeking flexibility, security and efficiency, by Guy Standing. International Labour Office, Geneva, 1996. ISBN 92-2-110342-0.





Jacques Maillard

Tackling sources of stress in high-risk groups

In today's hectic working world, stress affects almost all workers in all occupations, from shop-floor workers to managers, offshore oil and gas workers to nurses, air traffic controllers to bus drivers. Whereas most companies tend to address the manifestations of stress, recent work by the ILO emphasizes the importance of early detection.

A classic description by H.G. Whittington^{1/} illustrates the three phases of reaction that mice – as well as human beings – have to stress: an alarm reaction, followed by resistance and, if the body's coping mechanisms fail to work, exhaustion:

"...For the first 24 hours, they huddled miserably in one corner of their wire enclosure, hair ungroomed and in disarray, looking as if death were imminent. By the next day, they were moving sluggishly about; and soon, they became the healthiest and most gorgeous mice I have ever seen, sleekly groomed, graciously sociable, forever active, eating continually while retaining their youthful figures, totally content and adapted to the frigid environment. One morning, upon taking the cage from the refrigerator, I found these bounteously,

vigorous and healthy mice dead."

In today's hectic world, one of the primary sources of stress – along with family and financial problems – is the workplace. Since the early 1980s, the role of stress in curtailing workplace performance has been increasingly recognized and studied. Stress manifests itself in increased absence through sickness, premature labour turnover, premature retirement due to ill health, lost production quantity and value, and employee litigation against individual companies.

It is estimated that stress-related illness and absenteeism now costs the United Kingdom economy the equivalent of 10% of GNP, while costs to the Nordic countries due to stress are estimated to range from 2.5% of GDP in Denmark to 10% of GDP in Norway. In the US, it is estimated that more than half of the 550 million

working days per year that industry loses to absenteeism are in some way stress-related.^{2/}

The largest single cause of stress is lack of control over one's situation and, in today's competitive world with its greater time pressures, job instability, skills requirements and increasing demands at work, almost all occupations are subject to it. The need to refashion the work environment to reduce stress has been recognized officially by inter-governmental bodies such as the European Union, which in 1989 adopted a Framework Directive on "The introduction of measures to encourage improvements in the safety and health of workers at work".

As part of the process of isolating the causes of stress and redesigning workplaces to reduce it, the ILO took a look



Jacques Maillard

Failing to reconcile conflicting work demands (such as here, driving to a tight schedule with heavy traffic and bad road conditions) is a main cause of stress and can result in serious illnesses and accidents.

at five occupations in which stress is a major job factor – air traffic control, nursing, offshore oil and gas production, bus driving and shop-floor work^{3/} – to construct a blueprint of how a systematic approach to risk assessment and stress prevention can help create healthier workplaces.

Controlling workplace stress

The ILO and specialists in occupational psychology such as Doctors Cary L. Cooper, Tom Cox, Amanda Griffiths and Michiel Kompier, who contributed to the ILO project, recommend that before any efforts to design a healthier workplace are undertaken, a stress assessment must be carried out to determine what the sources of stress are.

“A stress audit addresses the work-related causes whereas other actions only address the symptoms. If you do a stress audit, you are acknowledging that the workplace can be a source of stress, whereas, if you do not, you are putting the blame for stress on the individual,” says Dr. Kompier, a Professor of Psychology at the University of Nijmegen in the Netherlands.

Sources of stress which are common to most occupations include those intrinsic to the job (e.g., poor physical conditions, time pressures), related to roles in the organization (e.g., role ambiguity, role conflict, responsibility for people), related to career development (e.g., “under-promotion”, lack of job security), connected with relationships at work (e.g., poor relations with boss, subordinates, colleagues), and related to organizational structure and climate (e.g., level of participation in decision-making, office politics).

Occupation-specific sources of stress also exist, as the ILO’s five studies show. For example, one of the more stressful parts of working in the offshore oil and gas industry is the helicopter travel to and from the rig in abysmal North Sea weather, while, for bus drivers, reconciling driving to a tight schedule with driving safely and being pleasant with passengers is a great source of stress. Nurses have to live with constant suffering and death while providing comfort. It is often these sources of stress which are the most difficult to counter-act.

“The biggest source of stress is change and uncertainty. You need to communi-

cate change. We’ve had a number of factory closures but have taken measures to notify people potentially concerned at a very early stage. This creates less pressure. Moreover, workers affected have the support of our outplacement services and we also work with local communities to ensure that the affected workers receive support,” explains Dr. David Batman, Chief Medical Officer at Nestlé UK Ltd.

In its earliest stages, stress manifests itself in exaggerated behaviour – cynical attitudes, increased use of alcohol, tobacco and medications, for example – while, if it continues, medical problems will emerge. Although not the only cause, stress can often be the trigger for stomach ailments, headaches, constant colds, sleeplessness and irritable bowels. It will also cause health habits to change as people take less exercise and eat more fatty foods. If stress continues for prolonged periods, it can lead to an increase in work accidents and be a contributor to heart disease, high blood pressure, colitis, mental health problems and suicide.

Another form of reaction to stress is what Dr. Cooper, Professor of Organizational Psychology at the University of Manchester Institute of Science and Technology (UMIST) in the UK, describes

as "presenteeism". "Even if people are not well, they feel they have to be present at work because if they are not, they could lose their job. In times of downsizing there's more worry, they feel they have to work longer hours, even though they might not be producing a quality product or service for the business, because they have to be sure they're not in the next tranche of redundancies."

To understand exactly from where the stress emanates, stress psychologists have developed stress audits to be carried out at enterprise level. Doctor Kompier recommends that a stress audit for bus drivers should start with a thorough analysis of the work environment, physical working conditions, the relationships with colleagues and supervisors, management style and working schedules. Any solution will have to address ergonomic issues, the enterprise's people management and working and resting schedules, at a minimum.

Current company practice

Audits are the most costly and time-consuming, but most effective, way of addressing the problem of too much stress at work. Two other levels of aiding employees to cope with stress are stress counselling in the form of Employee Assistance Programmes (EAPs) and bringing in trainers to help remedy stress through the teaching of new skills in those areas which are perceived to be the cause of stress, such as time management or negotiating skills.

"These can help the individual, reduce absenteeism and reduce stress; however, they do not change the work environment. Without the benefit of stress audits, problems such as long working hours and autocratic bosses will go unaddressed," says Dr. Cooper. Moreover, Dr. Kompier contends that, "the most successful solutions are not one solution but several actions which complement one another".

Dr. Cooper says that most companies perform a combination of stress counselling and training and that stress audits are still relatively rare. In speaking with Chief Medical Officers at four European companies which had instituted some form of programme to combat stress, the author found that implemented solutions were, indeed, varied: one company conducted a full stress audit before implementing stress counselling and other responses, another company performed a more limited stress audit, while two other companies relied on stress counselling and skills training.

The UK brewer Scottish & Newcastle (S&N) performed a stress audit at all

levels of the organization. Using Dr. Cooper's Occupational Stress Indicator, S&N found that there was a similar incidence of stress throughout the hierarchy. "My approach was to measure stress and do something about it, rather than put employee assistance programmes in place. That would have been equivalent to first aid rather than prevention," explains Dr. David Moore, Chief Medical Officer at S&N.

Once the extent and the sources of stress were known, S&N undertook a stress-awareness programme which explained stress and its physical manifestations. After this effort was complete, S&N did another survey, which found that stress levels had often significantly decreased among those workers who had participated in the awareness-raising programme, according to Dr. Moore.

"We now have a stress policy which is similar to our alcohol policy. Now we are looking at Employee Assistance Programmes, but only now, as we had to know first what the causes of stress were."

The stress prevention programme for shop-floor workers includes stress-awareness seminars, training managers to recognize stressed workers, developing a policy on stress and referring workers who are badly stressed to clinical psychologists.

"The main source of stress on the shop floor is lack of control over one's own destiny. We live in a culture of constant change—our company has recently acquired Courage Ltd. (another UK brewer) and the integration has brought its own anxieties. We're helping people to cope with this," Moore says.

Two other companies contacted, Asea Brown Boveri (ABB) and Zeneca Pharmaceuticals, had not performed stress audits, while Nestlé UK Ltd. incorporates pressure/stress analyses into ongoing health-screening programmes for the management group.

According to Dr. Eric Teasdale of Zeneca, "We haven't done stress audits but have taken lots of measures to combat stress. We worked from the premise that we had stress anyway and measuring it was not going to help reduce it." Dr. Sven Kvarnström, retired Chief Medical Officer at ABB, expressed a similar opinion, while Dr. Batman of Nestlé U.K. Ltd. added, "We're no different from other companies, the principal sources of stress are change, time management, workload and expectations. In this context, change creates problems."

Nestlé UK Ltd., in addition to its programme for senior managers, incor-

ILO: DEVELOPING A BLUEPRINT FOR WORKING CONDITIONS MANAGEMENT

Within its Conditions of Work (CONDI/T) branch, the ILO is developing a blueprint for enterprises to assess and prevent the causes of stress and similar disturbances which can lead to health problems, lost output and, even, violence at the workplace.

The ILO's work in this area led in 1992 to the publication of a volume of the *Conditions of Work Digest*^{4/} (see p. 16) dedicated to stress. The data there established which occupations were most subject to stress and what its principal causes were. The survey also found that most enterprises only tried to counteract the symptoms of stress once workers had suffered some negative consequence.

"But prevention makes much more economic and health sense than a series of reactive treatments for individual workers afflicted, so we are arguing that a cycle of stress auditing, changing the workplace to reduce the sources of stress, another audit to confirm that these were the right modifications, and so on, is the correct approach to reducing stress," explains Vittorio Di Martino, Chief of the Working Time, Work Organization and Technology Section in CONDI/T.

The series of five studies covered in this article (cf. footnote No. 3, p. 16) is the ILO's contribution to showing how the principle of risk audits and stress prevention can be translated into practice in specific sectors.

"A new concept has emerged and we are trying to bring practical examples of it to people's attention," comments Di Martino.

The ILO has begun applying the same procedure of information gathering, assessment and prevention to an allied area where small but continuous nuisances can have grave consequences for working conditions — violence at the workplace.

"We have discovered that, often, violence is not so much caused by a single big event, but by repeated, smaller acts of harassment or bullying. We can use the same methodology as we have used to isolate the sources of stress to pinpoint the sources of potential violence and rectify them," says Di Martino.

porates awareness about stress into other management programmes, and has worked to devolve decision-making down the hierarchy, thus increasing control over one's own work.

Zeneca also began with its senior managers, as it was thought employees would be more willing to admit stress existed and try to reduce it if they saw that their bosses were doing the same. "People have seen that stress is no longer a taboo subject. They can come to us and talk about it." Zeneca now offers counselling and management support services to all employees.

In all cases, companies have reported benefits to productivity from addressing the stress problem. "We saw the number of cases reported for workman's compensation due to musculoskeletal disorders decrease from 224 in 1988 to 19 in 1994, an almost unbelievable improvement," reports Dr. Kvarnström of ABB.

Extending the use of stress audits

The experiences of S&N and Nestlé UK Ltd. and the work of the ILO and its associated stress psychologists have demonstrated the usefulness of performing stress audits. In the case of North Sea oil rig workers, for example, audits found that major sources of stress included spending long amounts of time away from the family, the foul weather and its effects on transport and working conditions, living conditions and a lack of scope for relaxing and taking exercise during free time, conditions which seem inherent to the job.

But even here there are remedies, which could include changing the shift system, providing exercise facilities, no-smoking areas, quiet rooms, more private sleeping areas and changing the work routine to make it less monotonous. Even the stress of having to fly back and forth to the rigs could be mitigated through proper information on the safety of helicopters, Dr. Cooper argues.

In general, reorganizing work and training are two important means of reducing sources of stress, psychologists contend. Team-working, empowerment and delegation of authority will all give the workers a greater sense of control, while training will give them the skills necessary to feel they can cope with their job's demands. Proper reward structures and support mechanisms are also important means of improving the work environment.

"Very often, it's not just the content of work that stresses people; it could also



Jacques Maillard

In many companies, the principal sources of stress are change, time management, workload and expectations.

be that there is an inadequate system of breaks or faulty computer or telephone systems," comments Dr. Griffiths of the University of Nottingham. "If you have control over your work, a supportive manager, well-designed and varied tasks, training and career opportunities, you can cope with a very demanding job."



Gregory Härtl

¹H.G. Whittington, *Stress: A psychiatrist's realistic holistic approach*, in *Savvy*, Feb.1981.

²See Professor Cary L. Cooper, Professor Paula Liukkanen, Dr. Susan Cartwright, *Stress prevention in the workplace: Assessing the costs and benefits*

to organizations, 1996, Dublin, *European Foundation for the Improvement of Living and Working Conditions*.

³Stress prevention in the offshore oil and gas exploration and production industry, ISBN 92-2-110093-6; Occupational stress and stress prevention in air traffic control, ISBN 92-2-110070-7; Work-related stress in nursing: Controlling the risk to health, ISBN 92-2-110365-X; Occupational stress and stress prevention for bus drivers, ISBN 92-2-110255-6; Stress prevention for blue-collar workers in assembly-line production, forthcoming; all International Labour Office, 1996, Geneva. The publications are available on request from the International Labour Office, CH - 1211 Geneva 22; tel: +4122/799-6962; fax: +4122/799-8451.

⁴Preventing stress at work. Conditions of Work Digest, Volume 11, Number 2. Geneva, International Labour Office, 1996. ISSN 0257-3512; ISBN 92-2-108265-2.

AROUND THE CONTINENTS

▲ NEW METHODS OF WORKERS' EDUCATION:

22 workers' education specialists from national trade union centres in Australia, Bangladesh, China, Fiji, India, Indonesia, Japan, Malaysia, Mongolia, Nepal, Pakistan, the Philippines, Singapore, Sri Lanka and Thailand attended an Asia-Pacific Regional Seminar on new methods of workers' education held 30 September to 4 October in Phuket, Thailand. Sponsored by the ILO's Bureau for Workers' Activities (ACTRAV), the seminar focused on the application of computer-aided training in worker's education and on overcoming the constraints preventing the introduction of modernized teaching techniques.

For more information, contact the East Asia Multidisciplinary Advisory Team's (EASMAT's) Senior Specialist in Workers' Activities, Ms. Kimiyo Takagi; tel: +662/282-9161; fax: +662/280-1735.

▲ DISABILITY INFORMATION NETWORK:

The ILO has helped create the Global Applied Disability Research and Information Network on Employment and Training, known by its acronym, GLADNET. Its goal is to improve policy action in favour of disabled people by disseminating examples of best practice and offering possibilities for collaborative research projects. At present GLADNET has 160 members/users. The ILO hopes that all ILO constituents interested in issues affecting the employment of disabled persons will eventually become members. GLADNET has also begun the development of a specialized global information base on employment and training as it relates to disability issues. This infobase can be accessed through the Internet. For more information contact the Vocational Rehabilitation Branch at the ILO: Tel: +4122/799-6834; Fax: +4122/798-8685; E-Mail: rehab@ilo.org.



P. Merchez

There are already 400 organizations across Latin America receiving ILO information on how to improve human resources within cooperative enterprises.

▲ POVERTY ALLEVIATION AND STRUCTURAL ADJUSTMENT PROGRAMMES:

The ILO has recently launched a research programme in Benin, Ghana, Senegal and Zimbabwe to establish whether the poor have better access to credit and other financial services in the wake of Structural Adjustment Programmes. The research will be carried out by local universities, Central Banks, financial institutions and worker and business associations, and will be supported by European research partners. It will review the types of macroeconomic policy reforms required to ensure equal market access for small producers. The five-year, US\$5 million effort is being funded by the Government of the Netherlands. For more information, contact ENTERPRISE's Social Dimension of Finance Unit at the ILO: Tel, +41-22-799.6070; Fax, +41-22-799.7691.

▲ NEW SERVICE FOR LATIN AMERICAN COOPERATIVES:

COOPNET, the ILO programme on cooperatives in Latin America, has launched "Coopnet al Dia", an electronic human resources bulletin board. The San Jose Office estimates that there are already 400 organizations across Latin America interested in receiving ILO information on how to improve human resources within cooperative enterprises. Launched in July 1996, the bulletin board contains information on ILO work in the area of human resources development, examples of Latin American cooperatives' experience in improving the use of human resources, and a compendium of references affecting cooperatives' use of human resources. "Coopnet al Dia" can be accessed via <http://www.oit.or.cr/hp-coop/coopdia.htm>. For more information, please contact Roberto Di Meglio in the San Jose, Costa Rica office of the ILO: Tel, +506/253-7667; Fax, +506/224-2678; E-Mail, rdm@oit.or.cr. □

Maritime Session of the International Labour Conference

New standards for seafarers

The 84th (Maritime) Session of the International Labour Conference, held in Geneva from 8 to 22 October 1996, adopted six Conventions and Recommendations and a Protocol concerning the living and working conditions of seafarers.

In a speech to the Conference, the Director-General of the ILO, Michel Hansenne, evoked the potential hazards of seafaring: "The dangers to which

shipowners and governments are exposed are financial or political in nature, but seafarers are exposed to physical risks which threaten their very lives. It has,

for example, been emphasized that since the last tripartite meeting of 1994, 180 ships of more than 500 tons have been lost at sea, causing the death of 1,200



Jacques Maillard

Increasingly, crews consist of seafarers from different cultures and with different languages.

seafarers and many passengers. In the first six months of 1996, twice as many human lives were lost at sea than in the whole of 1995.”

The Director-General pointed to changes in the working lives of shipowners and seafarers over the last 25 years. Over-capacity in many maritime sectors led to structural adjustment in the 1980s. Increased competition has forced many shipowners to seek the lowest possible operational costs by re-registering their ships in the so-called “open” registers which tend to be more permissive in areas such as taxation, safety, manning, licensing, inspection and management. The increased use of manning agents has “contributed to making the legal and economic framework of the shipping sector ever more complex”, Hansenne noted.

While new ships are typically larger than in the past, many are highly automated, resulting in a reduction of personnel and placing a greater responsibility on the seafarers who remain on board. In 1950, for example, a 12,000 (deadweight) ton oil tanker had an average crew of 40. Forty years later, a tanker twenty times as large may have had only 20 men on board.

Increasingly, crews consist of seafarers from different cultures and with different languages and there has been a shift in the countries of origin, with a much larger proportion coming from developing countries and especially from Asia. Society as a whole has also become increasingly concerned with both safe working and living conditions aboard ships and environmental matters. These developments meant that some of the ILO’s international labour standards for the maritime sector needed to be updated.

The Conference revised and adopted the following international legal instruments:

Seafarers’ Hours of Work and the Manning of Ships Convention and Seafarers’ Wages, Hours of Work and the Manning of Ships Recommendation, 1996

The Conference revised the Wages, Hours of Work and Manning (Sea) Convention and Recommendation, 1958 (No. 109). It adopted the new Seafarers’ Hours of Work and the Manning of Ships Convention, 1996¹, which establishes specific daily and weekly limitations on hours of work, or, conversely, daily or weekly minimum rest periods for seafarers with the aim of preventing fatigue associated with excessive work.

It calls upon member States which ratify it to acknowledge that normal hours of



Jacques Maillard

work shall be based on an eight-hour day with one day of rest per week and then provides that maximum limits shall not exceed 14 hours per day and 72 hours in a week. Alternatively, member States may define working time through a minimum of 10 hours of rest per day or 77 hours in a week. These limitations are to be posted in an easily accessible place on board the ship. Records of daily working hours or periods of rest are to be maintained, and the competent authority is to examine and endorse these records at appropriate intervals in order to monitor compliance and, if the records indicate infringements of the provisions governing hours of work or rest, require measures to be taken to avoid future infringements.

The new Convention has also been included in the Protocol to the Merchant Shipping (Minimum Standards) Convention, 1976 (No. 147), which means that, following sufficient ratifications, this instrument may also be subject to port State control.

The accompanying Recommendation, which focuses on compensation for overtime and other wage issues, is a comprehensive instrument which will serve to clarify wage issues for seafarers and shipowners. It retains the ILO minimum monthly basic wage figure for able seamen, a figure which has long served as an international benchmark for the industry.

Labour Inspection (Seafarers) Convention and Recommendation, 1996

International provisions for labour inspection on board ships were strengthened by the adoption of the Labour Inspection (Seafarers) Convention², the first international Convention on mari-

time labour inspection. The Preamble of the Convention states that these measures only apply to flag State control³.

Ratifying member States “shall maintain a system of inspection of seafarers’ working and living conditions”. All ships registered in their territory are inspected “at intervals not exceeding three years and, when practicable, annually” or, in case of a complaint or other evidence of non-conformity, “as soon as practicable”. Inspections should be conducted so as “to avoid a ship being unreasonably detained or delayed”. If this is not the case, the shipowner is entitled to compensation. The responsible public authority “shall publish an annual report on inspection activities”.

Like the Seafarers’ Hours of Work and the Manning of Ships Convention, it applies to “every seagoing ship” of a country’s commercial fleet while commercial fishing vessels are only concerned if the competent authority “deems it practicable”.

The accompanying Recommendation refers more specifically to the coordination and organization of inspections as well as the duties and powers of inspectors. An accompanying Resolution of the Conference calls for new ILO guidelines for inspectors.

Recruitment and Placement of Seafarers Convention (Revised) and Recommendation, 1996

The International Labour Conference also adopted a Convention and Recommendation on the Recruitment and Placement of Seafarers⁴, revising the Placing of Seamen Convention, 1920 (No. 9). The new Convention allows private

placement services provided that they are “in conformity with a system of licensing or certification or other form of regulation”. Ratifying member States shall “ensure that no fees or other charges for recruitment or for providing employment to seafarers are borne directly or indirectly, in whole or in part, by the seafarer”.

The competent national authority will have to supervise closely all recruitment and placement services, particularly with respect to meeting legal requirements and staffing of the agencies with adequately trained persons. Placement services shall also “adopt measures to ensure, as far as practicable, that the employer has the means to protect seafarers from being stranded in a foreign port”. Recruitment agents will also have to keep a register of all seafarers recruited and make sure that seafarers can examine their contracts of employment “before and after they are signed”. “With due regard to privacy and the need for confidentiality”, national laws or regulations should specify how seafarers’ personal data may be processed by the recruitment and placement services.

While seafarers may bring any complaints directly to the competent national authority, an adequate procedure for the investigation of complaints will need to

be set up in every ratifying State.

The accompanying Recommendation sets out guidelines for effective cooperation among the different recruitment services, shipowners and seafarers. Among other tasks, the competent authority should approve or prescribe standards for the operation of recruitment and placement services and encourage the adoption of codes of conduct for these services.

1996 Protocol to the Merchant Shipping (Minimum Standards) Convention, 1976 (No. 147)

Most of the standards covered by the Merchant Shipping Convention, 1976 (No. 147) are defined in terms of earlier ILO Conventions. Convention No. 147 has become the basic point of reference in the industry for minimal acceptable standards of safety and health, social security and living and working conditions of seafarers.

The Conference adopted an optional Protocol to the 1976 Convention², allowing States to accept new obligations, but retaining the flexibility for the Convention still to be ratified in its existing form. A supplementary appendix which can be accepted by the ratifying State includes ILO Conventions regulating accommodation of crews, hours of work and man-

ning (see above), seafarers’ identity documents, workers’ representatives, health protection and repatriation.

Member States who have ratified Convention No. 147 may take measures necessary to rectify any conditions on board foreign-registered ships entering their ports which are clearly hazardous to safety and health if there is a complaint or evidence that the ship does not conform to the standards of this Convention. Since its adoption, the Convention has strengthened substantially the international will to eliminate the operation of substandard ships.

Despite the accelerated transfer of ships from one register to another, the ratification rate of Convention No. 147, covering more than 50% of the world fleet, remained stable between 1993 and 1996. It is referred to by many as one of the most significant and influential maritime standards.

The Conference President was Mr. Michael Hubbard, government delegate from Canada. The three Vice-Presidents were Mr. Payaman Simanjuntak, Indonesia (representing governments), Mr. B.M. Ghildiyal of India (representing employers) and Mr. Shosiro Nakanishi of Japan (representing workers). Over 800 delegates and advisers from 85 member States attended the Conference.

Working conditions on ships can be deplorable, as Ian Lewis* writes. However, shipowners claim that it is only a small minority among them who are responsible and they are now working to put their own house in order before tough legislation is imposed on them.

When the freighter *Dumbravenin* collided in the port of Hamburg with the freighter *Venlo*, no one was surprised to learn that the captain was drunk. Nor that he had been fighting with two of his officers and would subsequently be charged with criminal offences. What really shocked officials climbing aboard the detained vessel was the pitiful state of the crew.

There were cockroaches in the kitchen. The refrigerator contained rotten meat. The crew had not been paid for several months and one of their members had fallen ill with malaria.

Yet the *Dumbravenin* was no isolated case. Around the same time in the middle of 1994, a group of Russian seafarers in Budapest decided to go on a hunger strike.

The 22 seafarers from nine different ships were striking in protest of US\$400,000 they claimed they were owed in back wages. “Our families in Russia have not received a penny from us for a year. We cannot go home without the money,” said Captain Denisov, who served as master on one of the ships.

For Mikhail, a 55 year-old Russian ship’s engineer, it was particularly tough. He had been away from home for 10 months. He had a disabled wife and a young son and claimed to be owed nearly US\$50,000 in back pay. “I spoke to my wife because I’ve been able to save a little bit to keep a telephone card. She said things are very difficult at home,” he told reporters. “I called again, but it seems the telephone has been cut off because I wasn’t there to pay the bill. I want to get home to help her, but can’t.”

According to the London-based International Transport Workers Federation (ITF), the international seafarers union, the same shipowner owed 2,500 seafarers some US\$10 million in back pay.

Accidents such as the ecologically

Reconciling and ow

dangerous *Braer* tanker disaster off the UK’s Shetland Islands in January 1993, or the *Estonia* ferry tragedy in 1994, have certainly affected the image of the shipping industry. Yet many shipowners feel that it is unfair to judge the entire industry on the basis of a few spectacular cases.

They point to the millions of dollars spent on new ships by large, stock-listed companies whose reputation is usually important enough to ensure that they provide good working conditions for seafarers.

Yet shipowners who cut costs and lower safety and working conditions are still able to operate with relative impunity. Many sail under international shipping registries known as Flags of Convenience (FOC)**.

Generally such ships are owned in one country and registered in another country. These vessels often have a poor track record on safety and it

Since December 1994, 1,200 people have lost their lives at sea. Improving living and working conditions at sea is of major importance in order to attract and retain competent seafarers.



Jacques Maillard

Immediately after the Conference, the Joint Maritime Commission met and fixed the new ILO minimum wage recommendation for able seamen at US\$435 per month starting 1 January 1998. □

^{1/} Vote on the Convention: Yes – 209; No – 1; Abstentions – 13

Vote on the Recommendation: Yes – 197; No – 11; Abstentions – 16

^{2/} Vote on the Convention: Yes – 205; No – 1; Abstentions – 10

Vote on the Recommendation: Yes – 210; No – 0; Abstentions – 9

^{3/} This means that the ship is liable to be inspected only by the flag state. Controls by the port state

are possible within the framework of the Merchant Shipping Convention, 1976 (No. 147).

^{4/} Vote on the Convention: Yes – 197; No – 5; Abstentions – 17

Vote on the Recommendation: Yes – 201; No – 4; Abstentions – 10

^{5/} Vote on the Protocol of the Convention: Yes – 201; No – 4; Abstentions – 19.

ship safety ownership

is invariably the crews who suffer. Such was the case of the cargo ship *Taxiarchis* which was originally detained by the US Coast Guard in the port of Newport for a number of defects. The shipowner could not pay its debts of US\$2 million and the ship was sold. This left the crew of 17 Pakistanis, Filipinos, Hondurans, Romanians and Greeks without pay or a place to stay. The flag state refused to help, saying the certificate of registry had expired, so the crew had to be helped by local unions and the goodwill of the local community.

“These conditions wouldn’t exist if the flag states verified the conditions of the ships, or if they verified the financial status of the companies that buy them,” says Ed Morris, the Inspector of Ships for the Seafarers International Union. “Another problem is that crew members are lied to about wages and working conditions when recruited. Once they’re on board

and they find out about the lies, it’s too late. Their countries won’t do anything for them, so they’re basically trapped.”

Rather than wait for legislation to be imposed on them, shipowners are attempting to put their own house in order. Major US charterers have introduced vetting schemes to ensure that charter ships are safe and seaworthy. The idea is to squeeze the so-called “rust buckets” out of the market. Some charterers have even drawn up blacklists of poor quality ships or operators.

The result has been an unprecedented conflict of interest between “reputable” shipowners and “unscrupulous” shipowners. That is to say, between “good” shipowners seeking to operate a decent business and “bad” shipowners seeking to make a fast buck at whatever cost.

Many shipowners accept that legislation is inevitable, if not desirable from their point of view. Chris Horrocks of the International Shipping Federation (ISF) reflected this before the recent ILO Maritime Conference when he pointed out that whatever the outcome, the European Union (EU)

was likely to bring in its own measures.

In addition, groups such as the ISF – representing employers and shipowners – and the International Ship Managers Association (ISMA) have been working hard at updating their standards for the training of seafarers.

Improving living and working conditions at sea is of major importance in order to attract and retain competent seafarers who will be able to operate ships safely and effectively while serving under human conditions. This will lead to safety of lives, ships and cargo and the preservation of the marine environment.

Ian Lewis

**Journalist based in Lima, Peru*

***ITF criteria for FOC ships include: the country allows non-citizens to own and control vessels; access to and transfer from the registry is easy; the country of registration doesn’t need the shipping tonnage for its own purposes but is keen to earn tonnage fees; manning by non-nationals is freely permitted; the country lacks the power (or the willingness) to impose national or international regulations on its shipowners.*

Globalization changes the face of TCF industries

The geographical distribution of production in the textile, clothing and footwear industries has changed dramatically in the past 25 years, resulting in sizeable employment losses in Europe and North America, and important gains in Asia and other parts of the developing world.

This trend, says the International Labour Office in a new report*, has been accompanied by a parallel shift of production from the formal to the informal sector in many countries, with generally negative consequences on wage levels and conditions of work.

The available evidence, however, also suggests that globalization has led to a net gain in the level of worldwide employment and that the informal sector promotes "a growing volume of employment in developing countries, especially in clothing and footwear". The report also points out that real earnings have in fact risen in several industrialized countries.

The total number of TCF workers in the formal sector is estimated at 23.6 million worldwide. "No one knows just how many work in the informal sector but the figure may be five to 10 times as high", says Mr. Kari Tapiola, Deputy Director-General of the ILO.

Written by staff from the ILO Sectoral Activities department,

the report served as a basis for discussions by participants in a "Tripartite Meeting on the Globalization in the

Footwear, Textile and Clothing Industries" held in Geneva from 28 October to 1 November (see box on page 25 for

the meeting's conclusions). Delegates to the meeting represented governments, employers' organizations and trade unions from 34 leading TCF producing, exporting and importing countries.

Much of production capacity and jobs have shifted to the developing world. In the 20 years from 1970 to 1990, the number of TCF workers increased by 597% in Malaysia, 416% in Bangladesh, 385% in Sri Lanka, 334% in Indonesia, 271% in the Philippines, and 137% in Korea.

China now employs 5.3 million workers, the most in the world, an increase of some 2 million workers since 1980.

During the same 20-year period, employment in the developed world declined sharply. The number of TCF workers decreased by 58% in Germany, 55% in the United Kingdom, 49% in France and 31% in the United States. The US still employs 1.6 million workers, down from 2.5 million in 1980.



Jacques Maillard

PERCENT CHANGES IN EMPLOYMENT IN THE TCLF INDUSTRIES*, 1980-1993

Country	%
Finland	-71.7
Sweden	-65.4
Norway	-64.9
Austria	-51.5
Poland	-51.0
Syria	-50.0
France	-45.4
Hungary	-43.1
Netherlands	-41.7
United Kingdom	-41.5
New Zealand	-40.9
Germany	-40.2
Spain	-35.3
Australia	-34.7
Argentina	-32.9
United States	-30.1

Country	%
Mauritius	344.6
Indonesia	177.4
Morocco	166.5
Jordan	160.8
Jamaica	101.7
Malaysia	101.2
Mexico	85.5
China	57.3
Islamic Rep. of Iran	34.0
Turkey	33.7
Philippines	31.8
Honduras	30.5
Chile	27.2
Kenya	16.1
Israel	13.4
Venezuela	7.9

Source: International Labour Office.

* Includes Leather, in addition to the textile, clothing and footwear industries discussed above.

The decline has been even more severe in northern Europe. In the 10 years between 1980 and 1990, Finland lost 73% of its TCF jobs. Sweden and Norway lost 65%.

While the evidence presented in the report "contradicts – for the formal sector – the hypothesis that globalization leads to real earnings compression in the higher-income countries", it also points to a "widening earnings gap between TCF workers in higher- and lower-income countries."

For example, in 1992 the average hourly labour costs (wages and social charges) in the textile, apparel and leather industries were (in US dollars): Germany – \$18.40, Italy – \$15.70, France – \$13.40, Japan – \$10.30, Canada – \$10.50, US – \$10, Spain – \$9.70.

This compares with: Mexico – \$1.70, Hong Kong – \$3.70, Korea – \$3.80, Taiwan, China – \$4.20.

In response to fast-changing demand patterns, the TCF industries have witnessed a gradual "shift of full-time in-plant jobs to part-time and temporary jobs and, especially in clothing and footwear, increasing recourse to homework and small shops", notes the ILO report. Wages of homeworkers are almost universally based on the piece-rate system and tend to be substantially lower than for equivalent factory workers. The first, and to date only, international Convention (No. 177) promoting the rights of homeworkers was adopted by the ILO in June 1996.

"Child labour", says the report, "is still very much a reality in the TCF sectors", and has recently increased as a result of the growth of the informal sector and homework. Of late, however, rising pressure from consumer groups, but also from governments, trade unions, employers' organizations and NGOs, has begun to reverse this trend. Among other significant measures in this area has been the adoption of "Codes of ethics" by several large multinational enterprises such as *Levi's*, *The Gap* and *Reebok*.

In the clothing industry, the number of clandestine workshops has grown exponentially in recent years. Few pay any respect to labour legislation and many hire illegal migrants. Many are involved in counterfeiting products from famous trademarks, an activity estimated to account for more the 5% of world trade in clothing.

The impact of the globalization of TCF differs according to the country and the individual industry.

Clothing

At present, more than 60% of world clothing exports are manufactured in developing countries. Asia is the major world supplier today, producing more than 32% of the world's clothing exports.

This emergence as the world's major supplier has occurred in three stages. During the first wave of development, the Republic of Korea, Singapore, the territory of Hong Kong and Taiwan, China

achieved excellent results within their own borders, but then began to cut down production and invest heavily in other least-cost countries. As a result, between 1985 and 1990, production in the Philippines, Indonesia, Thailand and Malaysia increased greatly and led the world market in exports.

These countries have in turn begun to invest or redistribute part of their production to a third wave of countries such as Bangladesh, Pakistan, Sri Lanka and, more recently, Laos, Nepal and Viet Nam.

China is world's leading clothing producer

China however, has become the leading world producer and supplier of clothing – currently generating almost 13% of the world supply – without the benefit of outsourcing from other countries. Instead, the country has thrived under a government policy geared toward developing a clothing and textile industry open to the outside world.

On the American continent, NAFTA has made Mexico a privileged supplier of clothing to Canada and the United States – the leading purchaser of clothing, importing 24% of the world's supply.

In addition, foreign investors, who had anticipated the signing of the free trade agreement, have built up the clothing industry in Mexico which, with 8,000 clothing enterprises, is in a strong position vis-a-vis its Latin American competitors.



Jacques Maillard

During the past two decades, textile production in Asia has forged ahead at an average increase of 3.6% per year.

In central and Eastern Europe, Bulgaria, Hungary, Poland, Romania and the Czech Republic are gradually becoming important suppliers to the European market.

Each country has tended to specialize in a specific range of products and their volume of exports to the OECD countries has been steadily growing since the middle of the 1980s (US\$2.4 million in 1987; US\$5.2 million in 1991).

Since 1991, the place left empty by the former Yugoslavia has prompted foreign investors and entrepreneurs to shift their activities to other countries. Croatia, the Russian Federation, Slovenia and Ukraine have thus become host countries for the relocated activities of European clothing industrialists.

In several instances, ultra-modern factories capable of holding their own against their most successful Western counterparts have been constructed to ensure that they can produce articles complying with European quality standards.

Morocco, Mauritius, Tunisia and, more recently, Madagascar, have become

important clothing producers which export most of their production to industrialized countries. African countries as a whole, however, have been little affected by the globalization of the TCF industries.

Textiles

The biggest changes in the textile industry occurred in the 1960s when new production centres began rapidly springing up in Asia.

Many of these centres opened first to service the less capital-intensive clothing industry, then used the export earnings from these products to set up their own textile production.

Other developing countries entered the market with investments from multinational enterprises.

As a result of new production centres, developing countries' share of textile production increased dramatically throughout the 1970s. The production of certain fibres by these countries increased by

nearly 300%, to account for more than 21% of the world's supply by 1980.

During the past two decades, textile production in Asia has forged further ahead at an average increase of 3.6% per year. By comparison, industrialized countries have only increased production an average of 0.2% per year over the same period.

Industrialized countries lead world textile production

Despite the tendency towards relocation, industrialized countries still lead in the worldwide production of textiles, due to their great strides in modernizing the production process.

In 1990, Germany was still the main world exporter of textiles, producing 12% of world exports in value. Italy was second, producing 8.6% of world exports. Four other industrialized countries – Belgium (5.7%), France (5.5%), Japan (5.3%) and

the United States (4.5%) – were in the list of the ten major world exporters.

The other major exporters were in Asia. The territory of Hong Kong ranked third with 7.4% of the value of world exports, followed by China in fourth place with 6.5%, Taiwan, China in sixth place with 5.7%, and the Republic of Korea in seventh place with 5.6%.

Footwear

The footwear and clothing industries are similar in structure and share many of the characteristics of production and trade. Most of the countries which have emerged as successful producers and exporters of garments have also become important in footwear.

Among the exceptions, Brazil and Mexico have become key players in footwear, but much less so in clothing. A few other countries – such as Singapore – are major producers of garments but not footwear.

Almost all of the higher-cost countries have seen their footwear production fall. In the United States, the industry has declined – since the late 1970s – more than in any other industrialized nation, although footwear production in France, Germany and the United Kingdom has declined significantly in the ensuing years.

Production has also declined, albeit more slowly, in major southern European producer countries – since 1985 in Italy, 1988 in Spain, and 1991 in Portugal.

As in the clothing and textile industries, footwear production has shifted largely to developing countries capable of producing large shares of the world's supply at far less cost.

In 1992, for example, 63.2% of the world's total of shoes were produced in Asia and the Middle East, even though these regions accounted for only 43.5% of shoe consumption.

In contrast, North and Central America, which produced only 6.4% of the world's shoes, consumed 20.6%.

The countries of Western Europe produced 11.7% and consumed 18.2% of global shoe production. □

ILO MEETING TARGETS SWEATSHOPS, ADOPTS RESOLUTION ON CHILD LABOUR

The *Tripartite Meeting on the effects of Globalization in the Footwear, Textile and Clothing Industries (TCF)*, held at ILO headquarters from 28 October to 1 November, cited the emergence of sweatshops and of occupational health problems in some countries as a “cause for concern” and warned that globalization in the sector may not prove sustainable if it is not accompanied by social justice.

Delegates to the meeting concluded that “*the fight against clandestine work should be intensified*” in the TCF sector. They noted that “*efficient tripartite coordination at national and international levels*” of the action against the so-called ‘sweatshops’ can “*reduce the pressure on wages and general working conditions resulting from unfair competition created by enterprises which do not comply with fiscal and legal obligations, which exploit workers and disrupt markets.*”

The delegates, representing employers, workers and governments, concluded that dramatic evolution in the sector during the last two decades “*has brought about a new distribution of production and employment worldwide with job losses and somewhat insecure jobs being created in both developed and developing countries*”. However, “*the overall effect on the level of worldwide employment has been positive*”.

The conclusions underlined that “*in an environment characterized by relatively stagnant demand and stronger competition among manufacturers, retailers and countries, TCF enterprises need to adapt in order to survive. This requires more flexibility than previously in the operations of enterprises*”.

“*Steady growth and long-term competitiveness of the TCF enterprises should go hand in hand with social progress*” and require “*sound industrial relations and well-functioning tripartite and/or bipartite systems for consultation*”.

The delegates also concluded that in Export Processing Zones (EPZs) “*special attention should be given to the establishment of economic linkages with the rest of the economy and respect of basic human rights at work so as to avoid an ‘enclave’ type of expansion*”. They urged that EPZs “*be covered by national labour legislation and the core ILO standards*” and that “*tripartite advisory committees on industrial relations should be established*” in existing EPZs.

They said that “*employers’ and workers’ organizations should cooperate with a view to reducing non-wage labour costs without having a negative impact on wages and benefits*” by, for example, introducing modern safety and health management programmes to limit occupational injuries, diseases and the associated costs these produce.

The delegates also concluded that “*a precondition for ensuring respect for basic human and worker rights and to maintain and improve the quality of working conditions is to make sure, in all countries, that all labour laws which enterprises are legally required to respect are enforced and that compulsory education laws exist and are implemented*”.

A separate Resolution adopted by delegates to the meeting called upon ILO member States to “*ratify and fully implement the United Nations Convention on the Rights of the Child and ILO Minimum Age Convention, 1973 (No. 138), the Forced Labour Convention, 1930 (No. 29), and the Abolition of Forced Labour Convention, 1957 (No. 105), as a matter of priority*”.

It urged the ILO member States to “*call on all employers, employers’ organizations, merchandisers and retailers of footwear, textile and clothing products ... to develop policies and adopt voluntary guidelines that aim to eliminate the use of child labour in the manufacturing, directly or indirectly, marketing or retailing of their products*”.

Another resolution urged the ILO “*to ensure that the footwear, textile and clothing industries continue to receive adequate attention and the resources necessary to enhance the levels of technical cooperation and research*”.

*Globalization of the footwear, textile and clothing industries. *Report for discussion at the Tripartite Meeting on the Globalization of the Footwear, Textile and Clothing Industries, Effects on Employment and Working Conditions*. ISBN 92-2-110182-7. International Labour Office, Geneva, 1996.

INFORMAL SECTOR

● The government of **Senegal** plans to use a loan from the West African Development Bank to facilitate rural informal sector enterprises' access to credit. Access to credit is one of the principal obstacles to the development of this sector and has meant that it has not been able to increase production and exports following the CFA franc devaluation in January 1994. The new financing, which will pass through savings and credit unions, should prove easier to obtain. The beneficiaries, however, will have to be registered with the authorities and this is, for the time being, only the case for about 20% of the enterprises concerned.

GLOBAL GROWTH

● Africa and Asia posted the highest regional growth rates in 1995, according to the annual report of **UNCTAD** (the United Nations Conference on Trade and Development). Asia, which continues to be a role model for development, according to the organization, recorded a growth rate of 6.3% last year. Despite marked variations from country to country, as a whole Africa achieved a 2.8% growth in 1995. This was due mainly to a fall in the price of basic commodities which spurred exports. In Europe, growth has been weak – 2.4% – in spite of the increase in world trade (+8% in 1995), and it risks remaining weak due the stagnation in real wages and, within the European Union, the restrictive fiscal policies followed to qualify for monetary union. Due in large part to the repercussions of the Mexican financial crisis, GDP grew by less than 1% in Latin America in 1995.

SALARIES AND EMPLOYMENT

● A study of **17 European countries** by the Chartered Accountants and Management Consultants Deloitte and Touche examined the link between unemployment and salary costs (which includes wages, social benefits and hidden costs related to severance pay, paid vacation, overtime, etc.). It shows no clear correlation between high salary costs and low employment creation. For example, Italy, France and Belgium have high salary costs and high unemployment; Spain, Greece and Ireland have high unemployment while salary costs

Working World

SAFETY IN COAL MINES



N.C.B.

● **Safety in the coal mines of the United Kingdom is creating problems between employers and unions. The unions attribute an increase in the number of serious accidents to privatization (an 18% rise between 1994-95 and 1995-96, with the number of deaths increasing from two to five). The employers deny this cause-and-effect relationship arguing that the number of total accidents fell by 14% last year. The unions respond that this drop can be explained by the fact that some minor accidents are not reported, under pressure or persuasion by management.**

are low; in Iceland and Portugal, unemployment and salary costs are low; whereas Austria, Norway and the Netherlands have relatively low unemployment but high salary costs.

● The differences between unemployment rates in the **United States** and continental **European** countries are often attributed to the greater flexibility of American wages, especially for

unskilled labour. However, such a correlation was not found in either the OECD's *Employment Outlook*, or in a comparative study on Canada, the United States and France (D. Card, F. Kramarz and T. Lemieux, "Changes in the relative structure of wages and employment: A comparison of the US, Canada and France", NBER Working Paper 5487). This implies that other influences on labour demand must be sought,

an assertion reinforced by research published in the *International Labour Review* (F. Heylen, L. Goubert and E. Omev, "Unemployment in Europe: A problem of relative or aggregate labour demand shocks?", vol. 135 (1996), No.1).

WORKING HOURS

● Two studies published in **France** give partly contradictory results on the effects of shorter working hours on employment generation. The French Institute of Chartered Accountants and the *Mutuelles Mieux Être* conclude that a reduction to 35 hours per week would have to come with a loss of salary equivalent to 70% of the amount that would have been earned in the additional working hours, but would not have a significant influence on the hiring of additional employees. However, according to the study by the consulting firm Stratorg, a reduction in the number of hours worked would be a tool for improving competitiveness and at the same would help safeguard jobs or create new ones.

● In **Germany**, Volkswagen, which three years ago introduced the 28.8-hour week as a yearly average, has just put forward a plan aimed at increasing productivity while safeguarding jobs. Employees would earn savings coupons for overtime, bonuses and working on Saturdays. From age 55 onwards, they would be able to use these coupons towards a steep reduction in their working hours. For example, for 5,000 hours of savings coupons, workers would spend only 18 hours per week on the job until they retired.

TURBULENCE

● In September, **Bolivia** experienced its largest worker demonstrations in the last ten years. Called by the Confederation of Bolivian Workers, the protests marked worker opposition to Government plans to privatize leading state enterprises, redistribute land and privatize the state pension system. The new private pension system, which is set to begin in 1997, would be financed in part by the privatizations. All persons over 21 (other than military workers) would be enrolled automatically in the new system and their contributions would be about 10% of their pretax salary; they would also be allowed to make additional voluntary contributions up to a specified amount. □

Contributed by: Patrick Bollé of the
International Labour Review

European Union initiates works councils

In September, European Union legislation came into effect requiring multinationals active in at least two EU countries (and with the requisite number of employees) to establish European works councils. About 1,100 companies are subject to the new directive.

In the early 1990s a large, American-owned multinational corporation with large divisions in France and the United Kingdom announced plans to downsize, including the closure of one of three factories and dislocation of work from one country to another. Its efforts to cut costs included what union experts described as manipulation. They say corporate officials played the factory workers in the UK off against those in France when trying to get wage and benefit concessions. By threatening to close the factory with the highest costs, workers were forced to compete with each other in order to save their jobs.

That high-profile case became a rallying cry in the final push of a 15-year effort of the European labour movement

to induce workers of multinational corporations with multiple divisions in a variety of EU member States to cooperate instead of competing with each other. As a result, in 1994 the European Union ended a long and often bitter legislative dispute and approved the "information and consultation" legislation that mandates so-called "works councils".

The unprecedented works council concept, which came into force in September of this year, applies to all multinational corporations in the EU (except those with headquarters in the UK), as well as those in Iceland, Liechtenstein and Norway, with more than 1,000 employees and with operations in at least two EU countries employing at least 150 people. The written

request of at least 100 employees in both member States requires the multinational company to set up the consultation forum. Any formal request must result in the creation of a works council by 1999. In most cases the setting up of works councils should take place through agreements between management and the workforce.

1,100 multinational companies affected

Approximately 1,100 multinational companies in Europe are subject to the legislation. With at least one meeting a year, financed by the company, as many as 30 representatives selected by workers will address issues of considerable interest to employees, particularly in the event of relocations, closures or collective redundancies. Issues open to discussion range from working conditions to production procedures. On top of the annual meeting of the entire works council, consultation meetings with a restricted delegation of three members from the works council can be held.

Indicative of the importance both the European Commission and the European labour movement placed on the issue were the comments of Social Affairs Commissioner Padraig Flynn during a speech he made in the wake of the controversial and often bitter legislative fight.

"The works councils are an historic breakthrough and one of the most important legislative steps ever taken by the European Union in the field of social policy," Flynn stated. "Never before have we had an instrument that was legally binding on multinational companies. Now, for the first time, multinational companies are subject to an effective international legal framework covering all social policy aspects of their management decisions."



Jacques Maillard

Works councils will address issues likely to have a considerable effect on employees such as relocations, closures or collective redundancies.

Unions see councils as a competitive advantage

As far as trade union representatives are concerned, the works councils are not only a natural extension of what they call the "European Model" of close co-operation between management and labour, they will also play a key role in improved competitiveness for European companies. This assessment comes despite vehement opposition from employers, many of whom are convinced the legislation is just another example of an inflexible European labour market that is the root cause of the EU's high 11% unemployment rate.

"We are absolutely convinced that the works councils will prove to be a great boost to improving the economy of European companies," said Wim Bergans, a spokesman for the Brussels-based European Trade Union Confederation (ETUC). "It just makes sense that a satisfied worker is a productive worker. And when you have a worker who has been with a company for 10 or 15 years he can make a valuable input. We are sorry that many multinational corporations and employer representatives have failed to recognize this."

Bergans points to the more than 100 voluntary works council agreements established by companies and their employees between the legislation's passage in 1994 and September of this year. "The fact that as many as 20% of the companies subject to the legislation have gone ahead and established a voluntary works council is certainly an indication that many employers see the value of this concept."

Some companies may see value in works councils...

However, some employers who have negotiated voluntary agreements point to the incentives in the legislation as the primary driving force behind their initiatives. The EU directive stipulates that if a company obtains a voluntary agreement which covers the entire workforce before September of this year, it is allowed much more flexibility in the structure of the works council. For example, it can avoid the need for a formal negotiating body, which many employers consider a costly, needless bureaucratic exercise.

"The negotiating body is a major logistical undertaking to set up and then to convene every year", said a Brussels-based attorney who represents a number of multinational corporations in the European capital. "It involves interpreters for the different European languages.

It involves lodging and a conference hall. It is the same as putting on a major conference. So in this era of reduced profit margins and the need to strengthen competitiveness, the formal negotiating body is something a number of companies see as needless and therefore are willing to do what they must to avoid it."

A study by the European Foundation for the Improvement of Living and Working Conditions in Dublin completed in September shows that most of the voluntary agreements have been signed with both international and national trade union organizations or by a national works council from a single country. The size of the representation body varies between seven and 70 members. The competence of the bodies includes economic, social and employment matters.

The largest number of European works councils negotiated to date have been in Germany (27% of all agreements), followed by France (22%). Thirty-five per cent are in the metalworking sector with another 26 in chemicals. Also, more than a third of the voluntary agreements include countries outside the area covered by the law, including the United Kingdom, Switzerland, the Czech Republic, Hungary and Poland. Even though the UK has opted out of the coverage of this Directive, several UK companies have voluntarily set up works councils, and it of course applies to UK companies elsewhere in the European Union.

"Companies and employees are seeking and finding solutions that are adapted to their own particular situation", Flynn says. "The directive was designed to be a flexible instrument and to encourage a voluntary approach."

...but others see them as a burden

Not all employers see the situation in the same light. A leading official with General Motors, which concluded a voluntary agreement with its 86,000 workers in the EU, said the works councils "were a fact of life that we have to live with". He also said that the forums "could help to resolve conflicts that might otherwise turn into a dispute with unions. But there is no doubt that they are a burden. To organize a meeting once or twice a year is a major organizational project that takes time and money, especially when you have to deal with as many as 11 languages".

Encouraged by the success of the works councils which have been achieved on a voluntary basis, the Commission has begun work to expand the concept and

improve the current information-consultation for workers in companies residing solely in one member State. That proposal has run into considerable opposition from some member States in the EU Council of Ministers. The opposition is led by opponents such as the Union of Industrial and Employers' Confederations of Europe (UNICE).

"Because there are arrangements on information and consultation of employees in all EU member States whether derived from law, collective agreements or custom and practice, there is no need for European-wide legislation," says Zygmunt Tyszkiewicz, the Secretary-General of UNICE. Meanwhile, labour leaders are moving ahead to play not only a coordinating role in helping employees get works councils started in multinational companies, but also to analyse their effectiveness.

Testing councils' effectiveness

"We are beginning the work now to establish a data base that workers can use to compare and contrast the success and failures of issues addressed in the works councils," Bergans said. "We want to help harmonize the process. For example, the way that workers in Philips (the Dutch electronics corporation) deal in its works council could be a benefit to workers in Grundig (the German electronics manufacturer)."

As for the long-term future, the ETUC sees the works council as just the beginning of what it calls cross-border co-operation as the EU prepares for the launch of the European Monetary Union in 1999.

"This legislation created a dynamic that is just in its infancy when it comes to cross-border cooperation," said Bergans. "In our minds, this is just the first step toward pan-European collective bargaining. Right now it is unrealistic to think that a Spanish worker could be paid German wages or a Portuguese worker could be paid Swedish wages. But when the Euro (the currency of the European Monetary Union) is in place, there is no reason that European collective bargaining should not happen. So the works council is just the beginning of a trend where European workers cooperate with each other instead of competing against each other."

□

Joe Kirwin*

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Reconciling work and elder care

An ageing population and greater age differences between parents and children have meant that many people in developed countries who are at the peak of their working careers find themselves caring for elderly parents. A new ILO study* examines the consequences of this phenomenon for women's full participation in the world of work.

Caring for elderly parents is becoming an increasing challenge, especially for women: "[Since,] in some industrialized countries the average married couple already has more parents than children in their family, and women, as the traditional caregivers, can expect to spend more years caring for an ageing parent than for a dependent child, elder-care issues will most certainly rise in the list of public policy priorities", the ILO study states.

Although men tend to participate more in elder care than they do in child care, the responsibility for caring for elderly parents falls most often to daughters or daughters-in-law. The report points out that, as long as men earn more on average than women, there will be strong pressures against men taking time off to attend to family obligations.

The problems experienced by working caregivers are becoming all the more acute as public authorities reduce their

level of public services. Starting at roughly age 45, women's participation in the workforce is likely to be curtailed just when their experience says they have the most to offer.

A survey of six industrialized countries – Australia, Canada, France, Japan, Sweden and the United States – shows that the number of working women declines significantly around age 50 (see Table 2). In both the United States and Japan, 11% of caregivers left the labour force to provide unpaid help. Whereas in Japan 70% of men continue with their work routine despite new caregiving responsibilities, just 33% of women continue to work as before.

The Australian survey reveals a different angle: 72% of the population aged 16-64 is in the workforce, compared to only approximately 50% of all those who look after elderly people. Female helpers are much less likely to work; their labour force participation rate is not only well below that of the workforce as a whole, but is two-thirds that of women generally.

Surveys also indicate that middle-aged women often choose part-time jobs to reconcile the roles of caregiver and worker. In Sweden, 45% of all female workers are employed part-time, while in France, women make up 84% of all part-time workers. Significantly, the French study

also shows the difficulty of combining demanding jobs with part-time work: only 5-6% of women who hold supervisory positions work part-time.

This issue is tackled by the ILO's Workers with Family Responsibilities Convention, 1981 (No. 156) and Recommendation 1981 (No. 165), which addresses equal opportunity for men and women at the workplace and considers the needs of those who care for the elderly. The standards also promote actions such as better targeting of community services to the caregiver, developing more family-responsive workplaces and creating a legal environment which helps caregivers stay in or reintegrate into the labour force.

To date, only 25 countries have ratified Convention No. 156, although the ILO is currently collecting and disseminating information which could help more countries to ratify. Early next year the ILO will publish a booklet, entitled *Equal opportunities and equal treatment for workers with family responsibilities*, which outlines the requirements of the Convention and Recommendation and gives examples of what has been done in various countries to assist workers to care for their families while coping with their workload. □

Gregory Härtl

*Combining work and elder care: A challenge for now and the future, Irene Hoskins (ed.). International Labour Office, Geneva, 1996. ISBN 92-2-109195-3.



Table 1: Percentage of the elderly in the population, by age group, six countries studied, 1970-2025

Country	1970			1990			2010			2025		
	65+	75+	80+	65+	75+	80+	65+	75+	80+	65+	75+	80+
Australia	8.3	3.0	1.4	11.2	4.4	2.2	13.4	6.1	3.6	18.8	8.4	4.6
Canada	7.9	3.0	1.5	11.5	4.8	2.4	14.3	6.8	4.1	20.7	9.2	5.2
France	12.9	4.7	2.3	14.6	7.1	4.1	17.2	9.1	5.6	22.6	11.1	6.3
Japan	7.1	2.1	0.9	11.8	4.8	2.4	21.3	10.0	5.7	26.7	15.2	9.3
Sweden	13.7	4.9	2.3	18.0	8.2	4.4	19.6	9.2	5.9	23.7	12.6	7.5
United States	9.8	3.7	1.8	12.5	5.3	2.8	13.3	6.2	3.8	18.7	8.0	4.3

Table 2: Female labour force participation rates percentage by age groups 45-64, six countries studied, selected years

Country	Year	Age Group			
		45-49	50-55	55-59	60-64
Australia	1986	58.2	46.4	30.9	13.6
Canada	1986	67.1	57.9	44.7	27.5
France	1990	71.8	63.2	46.8	16.7
Japan	1989	70.7	64.2	52.2	39.2
Sweden	1985	87.5	83.1	72.5	45.6
United States	1991	75.4	67.8	55.7	35.1

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Child labour

■ Child labour: Targeting the intolerable.

International Labour Office, Geneva, 1996. ISBN 92-2-110328-5. Swiss francs 15. Drawing on the experience of the ILO, including its international Programme for the Elimination of Child Labour, this report surveys international and national laws and practice and points the way towards effective action through new international standards. Submitted to the 174 ILO member States, this is a timely report, invaluable to all those who are working to bring to a halt such abusive conditions as bonded labour, child prostitution and the exposure of children to dangerous chemicals, machinery and other hazards (see pp. 7-9).

■ ILO child labour collection: Trade unions and child

■ World Employment 1996/97: National policies in a global context.

International Labour Office, Geneva. ISBN 92-2-110326-9. Swiss francs 35. Global employment trends continue to make for grim reading. Unemployment levels remain persistently high in most industrialized countries, while rising wage inequality and the growing numbers of the "working poor" have aggravated the problem of social exclusion. Transition economies have seen a dramatic rise in unemployment and income dispersion. In many developing countries, the inadequate expansion of high-productivity employment has resulted in declining living standards

labour, by Alec Fyfe and Michele Jankanish. *International Labour Office, Geneva, 1996. ISBN 92-2-109514-2. Swiss francs 20.* Workers' organizations are ideally placed to discover and denounce serious child labour abuses and to advocate the right of children to adequate education and that of adult workers to adequate pay, thereby reducing the need for child labour in poor families. This volume explores the numerous possibilities for trade union involvement in specific measures which can be taken both at local and national levels. At the international level, the labour movement has been a key pressure group on the issue throughout much of this century.

This guide also illustrates what can be achieved by pre-

sending a variety of innovative approaches currently being taken by workers' organizations around the world. At the same time, it does not attempt to set out a model approach, but rather to serve as an inspiration for vigorous action and to stimulate a greater involvement by trade unions in the fight against child labour.

■ Environmental business management (second edition), by Klaus North. *Management Development Series No. 30, International Labour Office, Geneva, 1996. ISBN 92-2-109516-9. Swiss francs 35.* This book is for business managers and those in a position to make business activities more environmentally friendly, and encourages business people to take account of the needs

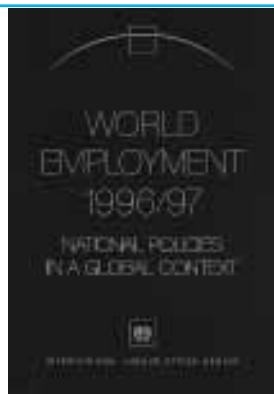
of the planet and the fact that natural resources are dwindling.

This introduction to the role of enterprises in the environmental debate highlights opportunities for, and threats to, sustainable development. It leads the reader through the morass of existing and proposed regulations and guidelines which cover the areas encompassed by the term "environmental management": the use of hazardous chemicals, toxic wastes and emissions, occupational health and safety, and environmental impact analysis.

This second edition has been completely revised and updated to cover such current issues as measurement of environmental performance, quality aspects, and environmental management systems (EMS) as stipulated by the European Management Audit Scheme (EMAS).

A training videocassette entitled, *The Green Challenge* has been produced by TV Choice Productions (London, 1996) in collaboration with UNEP and the ILO and is based on the ideas contained in this book.

■ 75 years of the International Labour Review: A retrospective. *International Labour Office, Geneva, 1996. ISSN 0020-7780. Swiss francs 80, US\$70, UK£40 for 1-year subscription (for English edition).* In celebration of the ILR's 75th anniversary, a special issue (1996/3-4) offers a selection of



97 reviews the empirical evidence on both of these issues. While recognizing that globalization can adversely affect specific sectors or groups and that targeted policy measures are required to cope with difficult adjustment problems, the report maintains that a more integrated world economy offers mutual benefits and growing opportunities to all countries. It calls for cooperative international action to continue liberalizing trade and investment flows, reducing instability in the international financial system, safeguarding basic labour standards and assisting the least developed countries. The report also argues that there has been no generalized decline in the employment intensity of economic growth and that

"end-of-work" theories have little factual basis.

The report concludes that the concept of full employment, updated to reflect changing labour market structures and to include a qualitative dimension, is still a viable policy objective. Challenging the notion that measures to increase labour market flexibility alone can significantly improve the employment situation, it calls for a combination of complementary macro-economic, income, labour-market and product-market policies.

World Employment 1996/97 is the second in a new series of ILO reports which offer an international perspective on current employment issues (see pp. 4-5).

articles published in the *Review* since 1921 which illustrate many of the major themes with which the ILO has been concerned since its inception: the design of a global project for social justice in a world of social conflict,

options for confronting mass unemployment, social gains through international labour standards, and the need for macroeconomic and financial policies to take account of their implications for employment and equity. Albert

Thomas, John D. Rockefeller Jr., Bertil Ohlin, Abba Lerner, Alva Myrdal, Michal Kalecki, Colin Clark, Clark Kerr, John Dunlop, Nicolas Valticos, Jan Tinbergen and Amartya Sen are among the contributors to the *Review* whose

articles are reproduced in this special reference issue. The ideas highlighted in this retrospective resonate with current issues and will enrich today's policy debates.

A comprehensive review of South Africa's labour-market and economic developments suggests that the country's rate of unemployment, which is often cited as being the highest in the world, is probably much lower than previous estimates indicate.

■ **Restructuring the labour market: The South African challenge. An ILO Country Review**, by Guy Standing, John Sender and John Weeks. ISBN 92-2-109513-4. International Labour Office. Geneva, 1996. 45 Swiss francs. According to research published by the International Labour Office, the actual rate of unemployment in South Africa may be as much as one-third lower than stated figures. The review, which covers all the major industrial sectors in the country, also concludes that South Africa's labour market "is highly flexible by international standards".

The ILO study says that while unemployment is "serious in South Africa... it is only one dimension of the labour market crisis facing the country". Poverty and inequality, the authors underline, "are problems that have to be addressed with at least as much force as unemployment".

Prepared at the request of the Government of South Africa, the results of the study were recently presented to the Cabinet and to President Nelson Mandela. The ILO research highlights the major labour market challenges which must be met in order to ensure economic growth and social stability, including overcoming income inequality, reducing unemployment and boosting industrial productivity.

Guy Standing, an economist and the chief coordinator of the ILO report, cautions against the tendency to overestimate unemployment rates, which, he warns "could fuel labour market interventions that focus largely or exclusively on reducing unemployment at the risk of worsening the problems of poverty and income inequality". According to Standing, the results shows "that many of the poorest in South Africa are nominally employed" and that "sensible redistribution is the key to overcoming the political, social and economic legacy of apartheid".

The report attributes the uncertainty



over the extent of unemployment to inadequate and sometimes outdated statistics. Much labour-market data are based on census and household surveys conducted prior to 1995 and are likely to "have contained an undercount of various forms of economic and social activity" due, in part, to the political regime which prevailed in the country.

Analysis of available data shows that the level of employment has been underestimated, as has the level of employment growth since 1994, when the South African economy began to grow by about 4% annually. However serious the actual rate of unemployment may be, the ILO report says that the frequently cited figure of 33% is probably exaggerated and that 20% is probably closer to reality. Other agencies have cited unemployment rates for South Africa which range as high as 46%.

The study concludes that income distribution in South Africa "remains among the most unequal in the world". It notes that "poverty and inequality have four outstanding characteristics – race, gender, region and type of area". While the wealthiest South Africans continue to be white urban-dwellers and the poorest tend to be black, rural-dwellers, inter-racial inequalities have stabilized in recent years, whereas *intra*-racial inequalities are widening. Rural women are a particularly vulnerable group of poor workers.

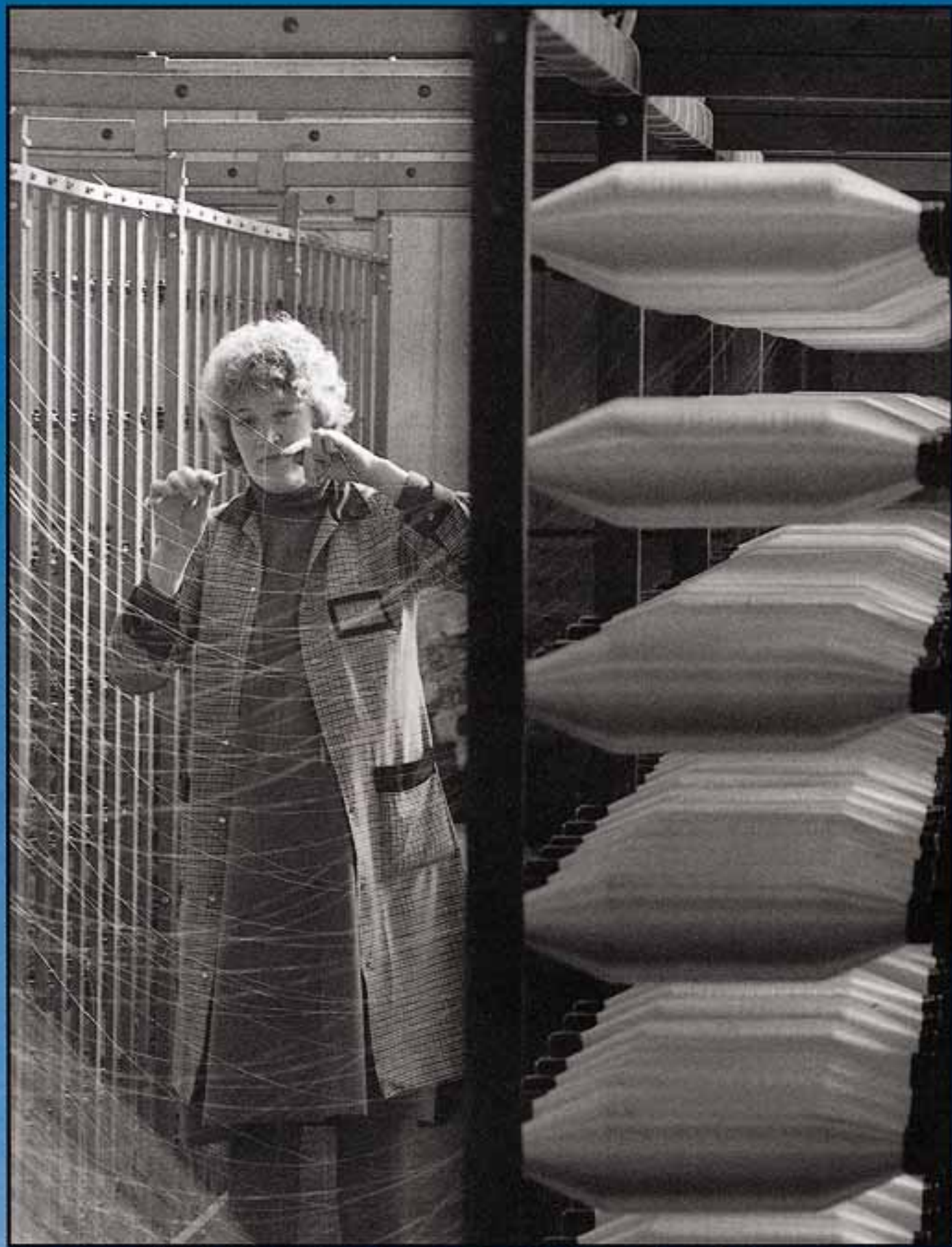
The report also cites comparatively poor labour productivity in South Africa by international standards, but says that the problem is often attributable to outdated management and organizational structures, and not necessarily high wages. High non-wage labour costs are also cited as contributing factors. Work weeks in South Africa are long by international standards – over 48 hours a week on average – and most firms operate on only one shift.

Among the report's recommendations is reduced working hours and increased shift work, which should be encouraged by higher overtime rates, not just by regulations. Though the report cites data suggesting that shift work is on the increase, it says that "South African industry has a long way to go to attain the level of shift working found in south-east Asian economies". Foreign firms operating in South Africa "were twice as likely" as domestic firms "to be operating three (or four shifts) per day... And they were more than twice as likely to be operating 15 or more shifts a week".

The report cites a lack of training, rigid job structures and outmoded job-grading and wage systems as posing problems for many South African firms. It emphasizes the need for "voice mechanisms" to facilitate collective bargaining and to evolve industrial policies which can reduce poverty, eliminate the wide income gaps and strengthen the economic foundation of a new, multi-racial South Africa.

The report also concludes that there are good reasons for believing that the South African economy will exhibit strong growth, as long as macroeconomic policy does not become too deflationary and that the policy emphasis in the country works to strengthen investor, worker and consumer confidence.

ILO publications can be obtained through major booksellers or ILO local offices in many countries, or directly from ILO Publications, International Labour Office, CH-1211 Geneva 22, Switzerland. Tel: +4122/799-7301; Fax: +4122/798-6358; <http://www.ilo.org>. Catalogues or lists of new publications are available free of charge from the above address.



Jacques Mattheu

The geographical distribution of production in the textile, clothing and footwear industries has changed dramatically in the past 25 years, resulting in sizeable employment losses in Europe and North America and important gains in Asia and other parts of the developing world (where wages and working conditions continue to lag behind, however). See pages 22-25.