



THE VALUE OF **Social
dialogue**



Internationaal

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THE VALUE OF
**Social
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Foreword

Social dialogue for the improvement of global working conditions

Social dialogue. A concept with a seemingly simple meaning: to talk to each other. A constructive social dialogue is an essential tool for improvements where work and income are concerned. During the last 50 years CNV Internationaal and its trade union partners learned important lessons on social dialogue.

In the Netherlands we know the 'polder model' or 'consensus decision-making'. Trade unions, employers and often the government as well, reach agreements about employment conditions, working conditions and workers' rights through social dialogue. Despite the fact that this is not always easy, not even in the Netherlands, we realise that constructive dialogue is an important tool for sustainable improvements and development. The Netherlands has proper procedures in place for this type of dialogue. This is not always the case in other countries. This is concerning to me and CNV Internationaal. Social dialogue is part of CNV's DNA. Our Christian and social principles mean that we are committed to treat each other with respect. Social dialogue has the same intention. It means that nobody should be excluded (inclusivity) and that we cooperate in finding solu-

tions. This is a prime example of the way in which CNV Internationaal is socially engaged and achieves results.

This booklet outlines how and why social dialogue works. It gives examples of best practice from our trade union partners. The basic idea of social dialogue is that the parties reach a consensus. However difficult this may be at times. As far as we are concerned, this is the only sustainable way of improving working conditions worldwide.

*Pieter de Vente,
Chairman CNV Internationaal
General secretary CNV Vakcentrale
(National Christian Confederation of
Trade Unions in the Netherlands)*



What exactly do you mean by social dialogue? And what does it achieve? We will start with some questions and answers in order to give you a good idea of the value and added value of social dialogue.

WHAT DOES SOCIAL DIALOGUE MEAN?

Social dialogue means consultation between trade unions, employers and government about economic and social issues. The formal definition of the International Labour Organisation (ILO) is as follows: *'All types of negotiation, consultation or simply exchange of information between, or among, representatives of governments, employers and workers, on issues of common interest relating to economic and social policy.'*

For CNV Internationaal social dialogue is not only a fundamental objective but also an instrument to achieve important goals. Social dialogue is used to enter into dialogue, also with people and groups who would otherwise not be heard. Social dialogue could be


seen as a way of giving workers and vulnerable groups a voice. This is the fundamental objective of social dialogue. Additionally, social dialogue is an intervention tool which can be used to improve working conditions and income. Or, social dialogue as a means to achieve results.

WHAT IS THE OBJECTIVE?

Research and experience show that *sustainable and structural improve-*

ments in working conditions can only be achieved through consultation. Social dialogue ensures a *level playing field* between social partners (trade unions and employers) and government. This approach results in *inclusive economic development*. And equally important: agreements which are reached through social dialogue have proven to be more sustainable. This is because all stakeholders contributed to the outcome of the negotiations. Furthermore, the social partners do





not change, regardless of incumbent governments and election campaigns. This means that they can focus on long-term solutions. Social dialogue ensures *a participative democracy which leads to mutual trust, a reduction in inequality and increased support for (government) policy.*

WHO ARE THE PARTICIPANTS

A dialogue between employers and trade unions is called a 'bipartite dialogue'. If the government participates in the discussions, it is called a 'tripartite dialogue'. The so-called 'multi-stakeholder' dialogue is also increasingly common. The multi-stakeholder dialogue involves other relevant (social) organisations, as well as employers and trade unions. For example, youth organisations may take part if the dialogue concerns youth unemployment. In social dialogue between workers and the management of garments suppliers, western clothing brands at the end of the international supply chain can be involved. CNV Internationaal thinks that multi-stakeholder dialogue offers added value and supports its trade union partners in developing countries

with the organisation of this type of dialogue.

HOW DOES SOCIAL DIALOGUE WORK?

In an ideal situation, a social dialogue consists of the following steps: We also refer to this as: 'the social dialogue cycle'. The first step consists of regular consultation and negotiations. The agreements made are laid down in a written agreement. This agreement must then be implemented. Monitoring and evaluation is the final step after which the cycle starts again. Social dialogue involves more than just consultation and the outcomes of this consultation. A proper consultation requires clear information, such as the figures for working conditions, for example. More information about the situation of the sector, the work or the company is also required. Information gives the negotiators arguments and counter arguments during the negotiations and strengthens their negotiating position. Or, as the saying goes: knowledge is power. Mutual trust and respect are essential for successful social dialogue.

WHAT IS REQUIRED?

An effective social dialogue requires an adequate infrastructure. Nationally, this is provided by institutions such as the Economic Social Council (ESC). Furthermore, people must be allowed to negotiate. This means that international basic labour rights are respected. These rights stipulate freedom of association (ILO convention 87) and the right to organise and collective bargaining (ILO convention 98). It is also important that the social partners are independent, trustworthy and representative. Not only during the consultation, but also during the implementation of the agreements. Everybody must comply with the agreements. Finally, it is imperative that all parties involved are prepared to accept and implement the agreements. Social dialogue which is based on respect prevents labour unrest and leads to better results.



THE VALUE OF
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Guy Ryder:

“Social dialogue is needed now more than ever” ■



Consultation between social partners is under pressure throughout the world. Despite this, Guy Ryder, Director-General of the International Labour Organisation (ILO), remains optimistic.

“The economic crisis in 2008 presented a challenge to social dialogue everywhere,” says Guy Ryder. He thinks that those countries with the best-developed structures for consultation between employers and employees had an advantage during this crisis. “In those countries governments quickly engaged in talks with social partners to find solutions to the challenges that were being faced. Countries which simply introduced austerity measures without social dialogue, felt the repercussions of the financial crisis more strongly and for a longer period of time.”

DOES SOCIAL DIALOGUE STRENGTHEN THE PERFORMANCE OF AN ECONOMY?

“Yes, it does. Social dialogue does not only show respect for basic human rights but is also an effective tool for

labour market policies. The effect on the economy immediately becomes clear. Additionally, there is a clear correlation between social dialogue and gross national income. Where employees have very little negotiating power, you often see an unequal distribution between return on investments in the form of dividends, on the one hand, and the income of employees on the other. When employees are less well off, they will buy less and consumer expenditure remains low. This has a negative effect on gross national income. A wage policy which is based on negotiations between social partners can change this. The same applies to individual companies. A good relationship between the employer and employee not only fosters mutual trust and improves communication, but also increases employee

“Countries which simply introduced significant spending cuts in response to the recession without any form of social dialogue, felt the repercussions of the financial crisis more strongly and for a longer period of time.”



engagement. When there is a good working relationship, employees feel a greater sense of responsibility for improving business processes and you will often see an increase in productivity.”

ARE YOU OPTIMISTIC ABOUT THE FUTURE?


“The world is becoming increasingly complex and less predictable. This has both positive and negative consequences. I am personally inclined

to see change as an opportunity to improve. So I suppose I could say that I am optimistic. But then again: social dialogue remains vulnerable. In some countries social dialogue did not pass the stress test caused by the financial crisis. But other countries managed to recover relatively quickly thanks to social dialogue. We need effective negotiations, consultation and an exchange of information more than ever before in order to sustain economic growth.”

WHO IS GUY RYDER?

Guy Ryder is the Director-General of the International Labour Organisation (ILO). The ILO is a unique tripartite United Nations agency which brings together government and employer and employee representatives. The ILO strives to establish good working conditions, fair pay and good relationships between employees, employers and governments worldwide.

Source: Economic and Social Council (ESC)



“My trade union managed to prevent the privatisation of the prison service thanks to lobbying and dialogue. Privatisation would have led to 16,000 job losses!”

Elsa Paez Garcia - teacher, social worker and trade unionist for the Colombian Trade Union for Prison Workers UTP. 18 trade union colleagues were killed last 10 years. Elsa survived various murder attacks.

THE VALUE OF
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Approach CNV Internationaal

CNV Internationaal and its trade union partners use the ‘insiders approach’ during social dialogue. This means that the trade union negotiators adopt a constructive, proactive and consistent attitude during the negotiation process. We also expect from the employers that they will opt for a constructive dialogue. The parties around the negotiating table treat each other as equal discussion partners. This approach is based on CNV’s conviction that although employees and employers may have conflicting interests, they also share a common goal: the continued success of the business or organisation. They will bring constructive arguments to the table which are based on proven strategies and align with the current political situation or context. Additionally, the negotiating parties try to learn from each other and focus on cooperation and persua-

sion. It is only when this approach does not appear to work that CNV Internationaal and its partners will adopt a so-called ‘outsider approach’. This involves using methods such as campaigning, confrontation and forcing change through strikes. However, the basic idea is to: achieve results through constructive dialogue.

TRAINING AND STRATEGIC ADVICE

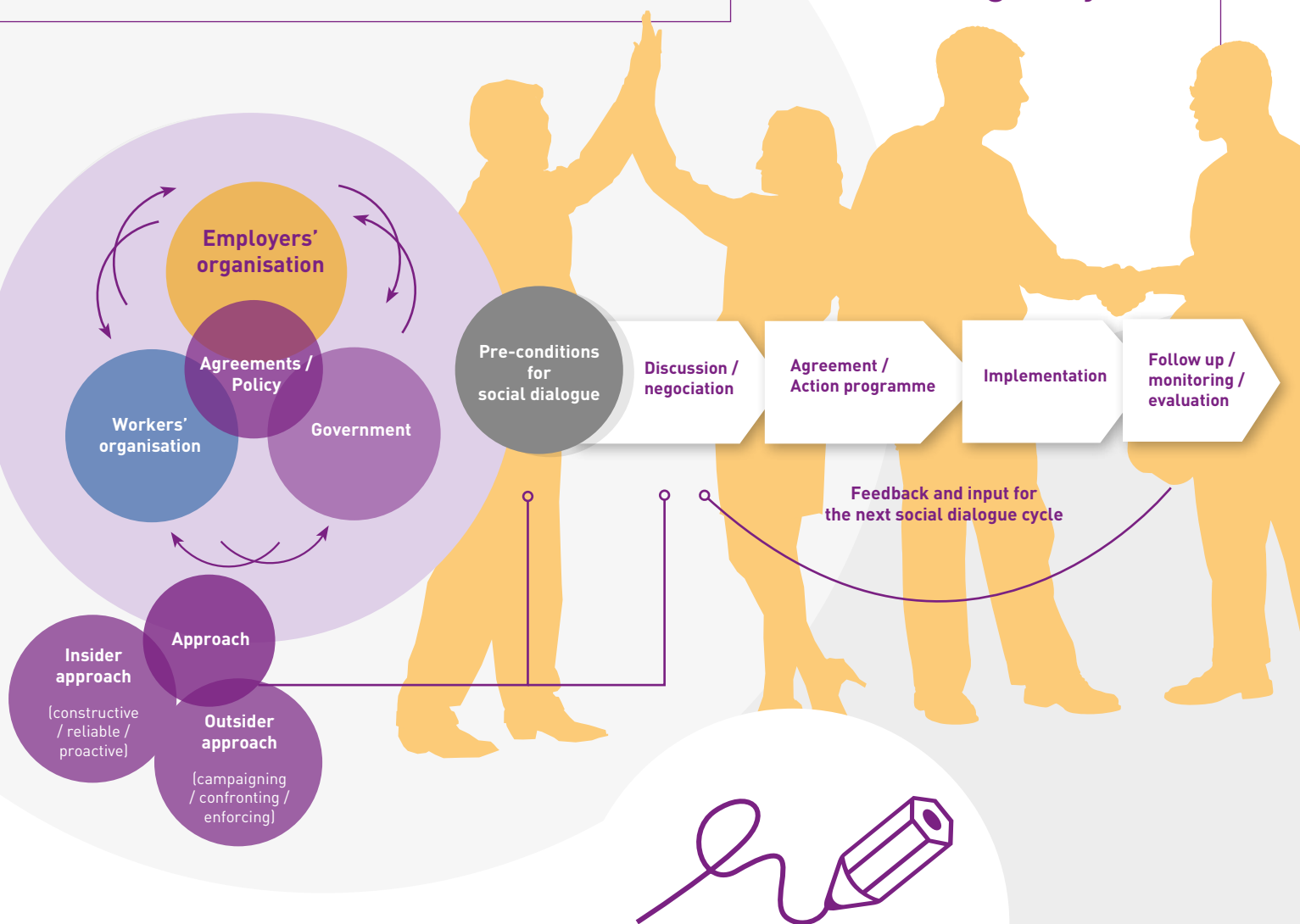
CNV Internationaal sees strengthening the negotiation skills of union partners as a significant challenge, which they will give extra attention to in the coming years. The tool box CNV Internationaal has at its disposal includes skills training and practical tools. “To impart the art of enticing employers”, as CNV director Henk van Beers calls it. But also, to “give the union representative

guts, so they do not allow themselves to be intimidated”, says CNV Internationaal chair Pieter de Vente. Additionally, CNV Internationaal positions itself as a strategic advisor to union partners and sometimes to employers, too. When it comes to social dialogue, CNV Internationaal is only satisfied when the employee negotiators’ participation is respected by the other partners at the negotiation table and if good agreements are established. However, this not only applies to the social dialogue at corporate level but also to the dialogue at national and international levels.



Facts, figures & info graphics

Social dialogue cycle



SOCIAL DIALOGUE SUCCESSES

Without social dialogue, no collective bargaining agreements. Between 2014 and 2016 partner-organisations of CNV Internationaal concluded no less than 1186 CBAs.

(Source: annual reports CNV Internationaal)

1186 CBAs

82 countries

exclude workers
from labour law.

52 countries

workers are exposed to physical violence and threats, increased by 44 per cent last year, (including Cambodia, Colombia, Guatemala and Indonesia)

11 countries

Unionists were murdered in 11 countries, including Colombia, El Salvador, Guatemala, Honduras.

76 countries

deny or constrain freedom of assembly or negotiation (including Cambodia and Vietnam).

THE CORE LABOUR STANDARDS ON SOCIAL DIALOGUE OF THE ILO

**#98**

FREEDOM OF COLLECTIVE NEGOTIATIONS

**#87**

FREEDOM OF ASSOCIATION IN A TRADE UNION

**#144**

RIGHT TO TRIPARTITE CONSULTATION

**85%**

OF ILO MEMBER STATES HAS STRUCTURES FOR SOCIAL DIALOGUE

SOCIAL DIALOGUE IS A VALUE DRIVER

Activity

E.g. Bipartite dialogue on
working hours and conditions

Value driver

E.g. harmonious
working relations

Effect

E.g. increased motivation
of workers

Contribution**to financial capital**

E.g. higher productivity

The international social dialogue is furthest removed from the common workplace. How does the international social dialogue work? Who are the players, and what is its impact?

EFFECT ON MILLIONS OF WORKERS

The UN International Labour Organisation (ILO) is the most important organisation for international social dialogue. The ILO is the only international organisation with representatives from governments, trade unions, and employers. This tripartite dialogue within ILO provides a normative framework for labour rights: international standards endorsed by governments for use by trade unions and employers. Over the past decades, it has been the basis for conventions on trade union rights and the right to organise, which member states then develop into national legislation. ILO conventions ultimately apply to millions of workers all over the world!

MONITORING COMPLIANCE

Sometimes, a member state decides to leave a situation as is, despite the negotiating parties within the ILO suggesting an improvement. Alternatively, a member state may decide not to ratify ILO conventions or, if they do, fail to implement the agreements in national legislation or monitor their compliance.

In order to combat this lax approach, the ILO has certain monitoring mechanisms in place. Member states must give an update on the fundamental conventions every two years, and on the other ratified conventions every five years. The ILO can even use these mechanisms to take action against countries that have not signed the conventions concerned. Every year, the International Labour Conference in Geneva assesses the situation. Countries that do not meet agreements made are held to account by the Committee on the Application of Standards. As a result, the ILO conference is also known as 'The International Parliament of Labour'.



ROLE OF CNV INTERNATIONAAL

Turning international agreements into actual improvements in the workplace can be a difficult process. Yet these international agreements are valuable. CNV manager Roel Rotshuizen has an example: "In countries where there is no proper infrastructure that enables consultation between trade unions and employers, the ILO conventions can serve as a point of contact that allows them to engage. In those countries, the ILO comes as a blessing." That is

why CNV Internationaal focuses on social dialogue on this international scene, as well as on reinforcing international agreements and their enforcement.

REGIONAL SOCIAL DIALOGUE

Social dialogue is also happening on a regional level. Within Europe, this involves the European Union and the European Commission, among others. The results of this dialogue are relevant to Dutch citizens and even to the Dutch international collaboration, and therefore the improvement of working conditions of people in other parts of the world. That is why CNV Internationaal also operates on a European level. CNV Internationaal's trade union partners play a similar role in their own respective regions. CNV Internationaal supports them wherever possible as a broker, facilitator and driver.

SOCIAL DIALOGUE THROUGH INTERNATIONAL ENTERPRISES

One trend that should not be underestimated is the social dialogue with international enterprises. Increasingly often, the boards of international en-

terprises are being held accountable for wrongdoings occurring at their businesses or subsidiaries elsewhere. Especially the boards of well-known brands are keen to prevent damage to their image. Therefore, it is advisable to liaise with them to deal with wrongdoings in these enterprises. Head offices and boards are then able to exert pressure on the management of their enterprises as well as on governments in the countries they operate in.

SOCIAL DIALOGUE IN SUPPLY CHAINS


The influence of social dialogue goes one step further when it involves the supply chains of international enterprises. By way of this dialogue, we can hold the head office of a clothing brand for instance accountable for proper pay for workers on their cotton plantations. A constructive social dialogue in the supply chain can then lead to the improvement of working conditions on these plantations. A new Dutch tool for this are the sector covenants on international corporate social responsibility. Covenants in the textile and banking sectors were signed in 2016. In March 2017, the covenant to promote sustainable forest manage-

ment was signed. Negotiations on the food covenant are still taking place. Covenants in the metal, pension, and insurance sectors, among others, are being prepared. Enterprises and sectors are making improvement agreements with the government and social organisations concerning labour and the environment, among other things. CNV Internationaal is involved in this as well.



"In Senegal, the intimidation of and violence against women at work is a common and serious problem. Legislation in my country is inadequate. All my hopes are pinned on an ILO convention that is currently being prepared."

- Mariama Diallo, UDTs Senegal



“We manage not to get any poorer through sheer hard work and negotiations. The minimum wage has increased and we now have better maternity leave arrangements. The entire wage is now paid three months in advance at the start of maternity leave.”

Srun Sothy – textile worker and shop steward for CCAWDU in Cambodia

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Thanks to social dialogue...

BETTER WORKING CONDITIONS AT NIKE IN CAMBODIA

In the factory that produces clothing for the well-known sports brand Nike on the outskirts of Phnom Penh, there is literally room for social dialogue. The company union even has its own office, its own 'trade union space', in the factory itself. Over the past few years, the trade union negotiators have brokered agreements with the factory management concerning various labour issues. For example, the labourers are now allowed to take a lunch break, the factory grounds contain a school for the factory workers' children, and a clinic has been built on the grounds. All this in the Cambodian textile industry, which is known for its low salaries, its lack of safety, and its poor working conditions. "One important factor was the fact that Nike is a well-known brand that will do anything to prevent damage to its image. In other words, international pressure on famous brands creates room for social dialogue", says Pieter de Vente, chairman of CNV Internationaal. He visited the factory. Ath Thorn, chairman of the trade union centre CLC in Cambodia, adds: "We try to work together with international partners, which makes it easier to exert pressure on an international brand."



***"International
pressure on famous
brands creates room
for social dialogue."***

*Pieter de Vente,
President CNV Internationaal,
Secretary General CNV confederation*

Julio Roberto Gomez Esguerra uit Colombia:

“I represent Colombians in the Peace Committee”



Now that the government and rebel movement FARC have signed the Peace Accord, it appears that Colombia can look forward to lasting peace. However, the armed conflict that has lasted over fifty years is not that easily forgiven and forgotten. “A constructive, social dialogue is a vital tool for reconstruction”, says trade union president Julio Roberto Gomez Esguerra. He represents his trade union organisation CGT in the Peace Committee.

“One of the most important challenges in making sure the peace process is successful is to include the local community. The people are often the biggest victims of the armed conflict, but up until now those same people have barely been involved in the peace process, if at all. The people that live in Colombia’s rural areas have been structurally excluded. Yet a strong strategy of integral rural development is crucial to establish peace. That is the argument I am putting before the Peace Committee.”

REMAINING CRITICAL

“The Peace Committee oversees the peace process. People listen to me because I represent the Colombian people. I can use my role to establish a social network and to show what is important to the population. President

Santos has asked me to remain critical, even now that the Peace Accord has been signed. Because a signed accord does not automatically lead to peace. That is something we will have to work for over the next few years.”

ACKNOWLEDGEMENT AND REDRESS

“In order to establish peace, it is crucial to acknowledge and redress the victims. We must acknowledge not just the individual victims, but also the collective ones, such as the trade union organisations. During the conflict, trade union leaders were under constant threat of violence and murder. I myself never go anywhere without a security detail. I know that the FARC had me on a ‘death list’ for a long time. We have risked our lives, and we should be compensated for that.”



“The tool of social dialogue is powerful enough to help the peace process succeed.”

POWERFUL TOOL

“The international community is vital to this peace process. And the Netherlands also play an important role. We need political and financial support, and together we have to ensure that both the people and the environment are carefully considered in the trade

and investment relationships with Colombia. This process requires a constructive social dialogue as well. We have a long way to go still, but I am convinced that the tool of social dialogue is powerful enough to help the peace process succeed.”

WHO IS JULIO ROBERTO GOMEZ?

Julio Roberto Gomez Esguerra is the leader of the Confederacion General de Trabajadores CGT, the second trade union centre in Colombia, which was founded in 1971. Gomez Esguerra started his career at a printing company. He is a former member of the Governing Body of the International Labour Organisation.

Social dialogue at the national level is concerned with issues such as income structures in a country, or pension and tax legislation.

Or social security and poverty reduction. Ideally,

the agreements result in **Social Accords or other types of agreements that in turn have an effect on agreements at the sector, industry, or company level.**

But how does the dialogue at the national level work?

What does it involve, and what are its perspectives for the future?



INFRASTRUCTURE IS VITAL

The Social and Economic Council of the Netherlands (SEC) was founded almost seventy years ago. Here, trade unions, employers, and the government consult and negotiate with each other. The Labour Foundation (LC) consists of only employers and trade unions. Other countries also have similar infrastructures in place. And yet the reality is not always as easy as it sounds. For example, some agreements never make it past the deliberation stage. And sometimes the

parties involved do not even make it to that stage because they are unwilling to talk to each other. And then there are governments that have prohibited SECs and LCs. The degree to which a country engages in social dialogue is also strongly dependent on the economic situation and the political system in the country. The socio-economic culture, traditions, and (industrial) power structures also play an important role.



FORMAL AND INFORMAL CONSULTATIONS

Most, but not all, Social Accords are reached in the consultation stage. More detailed accords usually involve quite a bit of 'pre-consultations'. These can vary from private chats to dinners and serve to explore each other's interests and wishes. Phone calls serve to exchange information, and (mutual) agreements are sometimes made beforehand. This stage also allows for some flexibility, to add extra subject to the agenda, for example, or to implement different changes. Or to take a short-term loss in order to achieve better results in the long term: 'If you agree not to put forward this issue, I will agree with another one of your issues'. After all, during the formal social dialogue, everyone is in the spotlight. Which means that none of the negotiation partners wants to publicly lose to the opposition. That is why this informal social dialogue is often more important than the actual formal social dialogue.

CNV INTERNATIONAAL TRAINS AND SUPPORTS

Fully utilising all forms of both the formal and the informal social dialogue is called the insiders approach. This approach requires that negotiators have an informed, strategic, constructive, proactive, and reliable attitude during consultations. CNV Internationaal supports trade union partners all over the world in this, often by mobilising our own Dutch CNV trade unions. They share their knowledge and experience to hone the negotiating skills of their trade union partners in Africa, Latin America, and Asia. Additionally, CNV Internationaal works on change strategies (Theory of Change) with its trade union partners, and CNV Internationaal helps trade union organisations to set up strategic alliances to enable them to be a stronger player in the lobbies that precede consultations and in the consultations themselves.

THE FUTURE OF NATIONAL DIALOGUE

Opinions are divided when it comes to the future of the social dialogue at the national level. According to some, the dialogue at the business level will eventually be more relevant than the national social dialogue. This is due to the increasing individualisation of society; employers are quite happy to make agreements, but only if they fit the companies' interests. After all - why should employees of a company making huge profits and with favourable prospects stay on the 'zero line' just because this line was agreed upon in the national wage agreement? However, countries that took cost-cutting measures as part of the social dialogue during the recent financial crisis, got back on their feet much quicker than countries where the social dialogue did not (or no longer) took place.



THE VALUE OF
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Suzanne Kruizinga: “The biggest tool is strategic thinking power”



Important parts of the results are not achieved at the conference table itself, says Suzanne Kruizinga, president of CNV Healthcare & Welfare. “Most of the real social dialogue takes place away from the tables.”

SO ARE YOU SAYING THAT THE CONFERENCE TABLE IS NOT THE PLACE TO ACHIEVE THESE THINGS?

“Not exactly. Rather, I am saying that it is just not the most important place where things happen. The conference table is where the rituals take place. People at that table are important. It is where the covenants are signed. But by then a lot of important work has been done through informal meetings.”


WHAT EXACTLY ARE THOSE INFORMAL MEETINGS?

“We want the trade union movement to focus on the interests of the workers. Good relationships are the most important factor in achieving this. Because once you have established a good relationship, people are more

willing to take your interests into consideration. Those relationships take constant work. You can do that anywhere, and preferable away from that conference table.”

WHAT IS NEEDED TO ESTABLISH A PROPER SOCIAL DIALOGUE?

“Good relationships, because they can be very influential. As far as I am concerned, the social dialogue and proper relationship management influence each other directly. But the biggest tool is strategic thinking power, combined with substantive knowledge. By using analysis and discussing the actual substance of things you can bypass the field of influence and emphasise the shared interests. I often see that employers and governments need a constructive dialogue. They need substance and a connection.”



“Get people to think by asking rather than by judging.”

WHO IS SUZANNE KRUIZINGA?

Suzanne Kruizinga sits on the board the public sector employee federation CNV Connectief and is president of CNV Healthcare & Welfare. In the past, she worked as a physician in the emergency room of a hospital. She also had a seat on the supervisory council of a healthcare institution and ran her own consultancy firm. She has overseen mergers and collaboration processes in healthcare and welfare and has provided strategic support to hospitals.

END OF STRIKES IN BENIN

In the hospitals in the West African country of Benin, strikes were an everyday occurrence. It was the hospital workers' way of making their desire for better working conditions known. The strikes were not particularly successful. Ultimately, the success factor turned out to be social dialogue training. Trade union partner COSI engaged CNV Internationaal to do this, and CNV manager Suzanne Kruizinga travelled to Benin to teach the trade union negotiators the skills to successfully negotiate, consult, and exchange information. She taught them to get people to start thinking about things by asking them rather than by judging them. “Showing the people you talk to that you see them as real people who are trying to help others, and showing them that you understand them is the key to being able to properly talk to each other”, according to Suzanne Kruizinga. After the training, the trade union negotiators initiated a constructive dialogue with the government and the employers, which eventually put an end to the strikes.



Thanks to social dialogue...

HIGHER MINIMUM WAGE IN CAMBODIA

In Cambodia's textile industry, a minimum living wage has been a controversial issue for years. Many employees do not make enough money to survive on (living expenses, food, education, healthcare). But trade union CLC has been succeeding at increasing wages in the textile factories for several years now. Trade union president Ath Thorn says: "The social dialogue is our most important tool in achieving this. If employers and employees are not talking to each other, that can lead to alienation, which will only make it more difficult to solve problems together."

Since a new trade union law was established in 2016, the importance of a social dialogue in Cambodia has only increased. That is because this law prohibits demonstrations and strikes. But CLC always finds a way, judging by the successful wage negotiations in the textile industry. Nevertheless, the social dialogue in Cambodia is still quite vulnerable; not everyone is open to this constructive discussion. CLC is trying to change this as well.

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NOBEL PRIZE IN TUNESIA

In 2010 a short, bloody revolution in Tunisia led to what was eventually called the Arab Spring, but it also caused much unrest. Dictator Ben Ali fled the country and the free elections that followed led to irreconcilable discord. **It was not until a dialogue was established between trade union organisation UGTT, the Tunisian employers' organisation, the Tunisian lawyers' association, and human rights activists that stability returned to Tunisia.** A new constitution now protects the rights of every single inhabitant.

Because of this social dialogue the negotiators, also known as the 'National Dialogue Quartet', received the Nobel Peace Prize in 2015. CNV president Maurice Limmen talked about it with his Tunisian colleague Kacem Afaya, deputy general secretary of trade union UGTT. "Countries are no longer isolated entities. Today's unemployed Tunisian young people are tomorrow's prospectless refugees in Europe. That means that stability in Tunisia is also of interest to Europe. Thanks to the social dialogue." This is the message that Limmen received from his Tunisian colleague.



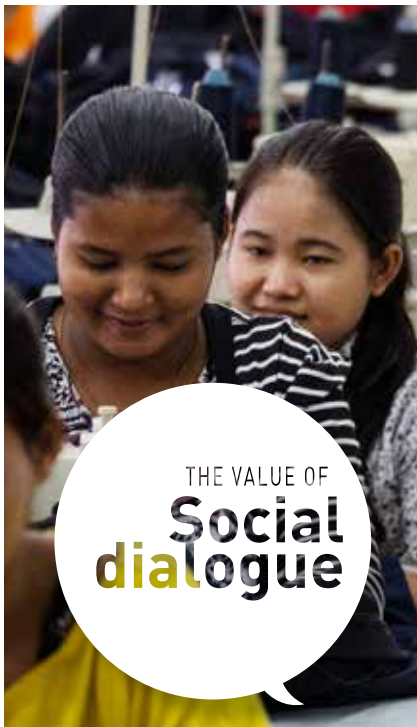
HOUSING FOR FACTORY WORKERS IN HONDURAS

During the negotiations about minimum wage in large factories in the export production zones (maquilas) of Honduras, trade union organisation CGT also managed to come to agreements concerning housing. The government will now arrange for the construction of simple houses. The employees pay off a small amount each month for the houses. Trade union coordinator Evangelina Argueta says: "Why are we doing this? Finding proper housing is very difficult for factory workers in Honduras. They cannot get a loan from the bank, not even when they have a permanent contract with the factory. The only reason the banks are cooperating now is because the payments are taken out of the workers' wages. This way the banks can be sure that they will get their money. Building these houses also creates jobs, so we are killing two birds with one stone." Evangelina and her trade union are extending this project to various cities in Honduras.

*"Work conditions are clearly better in businesses which allow trade unions."
– Evangelina, trade union coordinator for 23 trade unions in 150 factories in Honduras*

Athit Kong uit Cambodja:

“We can now request sick leave, it used to mean dismissal” ■



“During my first year at the factory, I worked 365 days from 7 am to 10 at night. I washed jeans with abrasive stones, bleach and colouring agents. I was surrounded by chemicals, the stench and damp all day. I earned 30 dollars a month. It was not possible to take a day off or stay home sick. I knew nothing about employment rights, but I did know what was and was not humane.”

GOOD NEGOTIATING CLIMATE

“In the factory, I saw bosses who rebuked and fired workers for no reason. I saw workers who worked themselves to destruction to meet the

production targets. Everyone was at the mercy of the boss’ whims. At the union, I learnt what it means to listen to workers. Nowadays, we get a bonus when we have worked 26 consecutive days. We can now request sick leave; it used to mean dismissal. But the most important thing we have achieved as a union is that we are now have the freedom to organise ourselves within the factory. I also have regular contact with the corporate lawyer. That was inconceivable a few years ago. A good negotiating climate is good for everyone in the end. Unions increase the participation of millions of workers, that is something I am convinced of.”



“Unions increase the participation of millions of workers.”

WHO IS ATHIT KONG?

Athit Kong started working at the Tack Fat factory, a large textile factory, at the age of 17. With five others, he set up the textile union CCAWDU in 2000. In late 2001, he was fired because of his union work. He remained active for the union and was appointed general secretary in 2002. In 2006, he became general secretary of the young labour union Cambodia Labour Confederation (CLC). He continued his position as vice-chair of CCAWDU alongside.



Social dialogue

at corporate level

Social dialogue at corporate level is the consultation between the employer and employees (representation) in the company. Unfortunately, in many companies this form of consultation does not or barely exists. What is wrong and how can it be done differently? What possibilities actually exist?

Social dialogue at corporate level is about safety on the work floor, employment conditions and decent working hours, for instance. But also issues such as maternity leave, social insurance and let's not forget, wages can be points for discussion. Social dialogue at corporate level therefore touches directly on the interest of the workers in the company.

FROM WORK CONSULTATION TO UNION CONSULTATION

The most basic form of social dialogue at corporate level is the work consultation, whereby workers consult with their direct managers or the management about the daily tasks on the work floor. The consultation between the works council and management

takes a different form, and has different rules of play. In the Netherlands, works councils for example, have a right of consultation and consent, while the work consultation is generally not linked to rights and rules. The works council's dialogue also offers workers as well as employers room to make their wishes known. If the dialogue is successful, then workers can count on improvements in employment conditions and companies can count on loyal workers. In many developing countries, there are no works councils, but corporate unions. Then one or more union organisations are active within the company. The consultation between these corporate unions and employers is generally comparable with the dialogue between works councils and employers.

COLLECTIVE LABOUR AGREEMENTS

In an ideal situation, the social dialogue at corporate level is expressed in the corporate regulations or Collective Labour Agreements (CLAs). CLAs that only apply to a specific company, or 'corporate CLAs', contain agreements about employment matters that directly affect the workers in that spe-

cific company. They can also contain agreements that elaborate on national regulations. When the agreements apply to all businesses in a branch of industry or a sector, then these relate to a sector or industry CLA. In the middle ground, there is a variant called 'multicompany CLAs', whereby the agreements apply to a number of comparable businesses.

ABUSE OF NEGOTIATION SKILLS

With the social dialogue at corporate level there are usually company workers at the negotiating table. That the dialogue is not conducted by professional (union) negotiators can be a risk. That is the experience in companies with a strong and professional negotiating delegation where employment issues are arranged better than in companies where the negotiations are conducted by 'general' workers. Another issue is intimidation. It regularly occurs that employers intimidate the employee negotiators to such an extent that they no longer dare to enter into dialogue. In companies where corporate unions are not at all welcome, it becomes very difficult to make agreements with the employer.



Many workers who dare to stick their neck out, lose their jobs or are faced with other reprisals. Unfortunately, there are also countries with anti-union laws, making union work and therefore social dialogue impossible.

STRATEGIC ADVISES OF CNV INTERNATIONAAL

For its union partners and even, sometimes for employers, CNV Internationaal is a strategic advisor. In addition, for CNV Internationaal, strengthening the bargaining and leadership capacities of its trade union partners remains an important challenge, which will require further attention in the years to come.

Roel Rotshuizen:

“Social dialogue is moving to businesses”



According to CNV-director Roel Rotshuizen, social dialogue will gain ground in companies in the coming years. “But,” he warns, “we must prevent individualism from tipping the scales.”

WHAT DEVELOPMENTS ARE THERE IN RELATION TO SOCIAL DIALOGUE?

“I think the sector agreements on international corporate social responsibility are very promising; I see a future in them. But social dialogue at national level will face difficulties in the coming years. Companies are increasingly wanting to arrange things internally. There used to be one banking CLA, now each bank has their own CLA.”

IS THIS AN OPPORTUNITY OR A RISK?

“We must safeguard against it becoming a risk. Businesses need agreements that suit the company and at the same time, employees need

agreements that are aligned to their individual situation. The difficulty is therefore the individualisation, which must not tip the scales too far. We must prevent a situation that an employer would need to sit down with each employee to make agreements on employment issues. The solution is strong unions and good social dialogue at corporate level.”

HOW DO YOU CONDUCT GOOD SOCIAL DIALOGUE AT CORPORATE LEVEL?

“The most important principles are relations and respect. One of the first things new directors at the CNV learn is that the employer is never your enemy. An employer is someone you need to work with. With constructive



“The employer is never your enemy, but someone you need to work with”

social dialogue, we are not talking about opponents or enemies but about partners, even if those partners do not completely agree with each other. Then we have to talk to arrive at a solution.”

WHAT SHOULD WE ENVISAGE WITH SOCIAL DIALOGUE?

“Small, minor corporate issues, such as clothing. If you come to the negotiation table in a tracksuit and your dialogue partners are all wearing neat suits, then the chance is they won’t take you very seriously. It is important to invest in the relations, and that means you must also consider how you are perceived. It ensures you are an equal discussion partner, you show

respect for your dialogue partner. In Germany, we call that: ‘*Auf Augenhöhe reden*’ (talking eye to eye). In that, keep your non-verbal behaviour in mind; that must square with what you express verbally. Unless you have the intention to sort things out in the consultation, it won’t work.”

WHAT ROLE IS THERE FOR THE UNION MOVEMENT?

“The union is no longer just a negotiator, but increasingly an advisor to staff, works councils and even employers. We will be increasingly providing tools for a constructive social dialogue. We will thereby strengthen the works councils and employees in their consultations with the employer.”

WHO IS ROEL ROTSHUIZEN?

Besides being director of CNV Vakmensen, Roel Rotshuizen is also chair of the CNV Internationaal Advisory Board. In his career as a union director he has closed hundreds of CLAs in the service sector in particular. He is also active in international social dialogue on behalf of CNV Internationaal. Roel Rotshuizen was chair of the World Organization of Workers (WOW) in Brussels for many years and is currently vice-chair.

Thanks to social dialogue...



SECTOR CLA FOR 1.3 MILLION EMPLOYED IN COLOMBIA

The CGT union together with other unions has developed a framework for CLA negotiations in the public sector in Colombia. Before that, there were no opportunities to close CLAs in the public sector. As of now, no less than 1.3 million workers have their rights and obligations set out in a CLA.

DECENT WORK FOR THE SELF-EMPLOYED IN BENIN

Representing interests through social dialogue is also useful for small-scale entrepreneurs, it appears in Benin. Furniture maker Fructueux Abadga now benefits from agreements his union has made with the government. "My business is in a simple shed. The council asks for rent for every metre I use. Even for the pavement I take up. Without the union, I would never have these agreements with the government. As small-scale entrepreneurs, we are now in a stronger position. When you want to make agreements with the government, you are better off doing it together."

PARTICIPATING IN HUMAN RESOURCES IN BANGLADESH

At the Dutch clothing company JJH Textiles in Bangladesh, union leader Sohrab Ali is closely involved with responsibly arranging human resources. Sohrab Ali regularly visits the factory to talk to a number of staff about points for improvement. Sally Hamers from JJH Textiles: "We consult on contracts, salaries and CVs. These kinds of issues are very normal in the Netherlands, but not in Bangladesh. Sohrab's advice is very useful to us."

“Social dialogue is a joint action.”

Marième Konaté -
the late secretary general of the Democratic Union
of Senegalese Workers UDS



THE VALUE OF
**Social
dialogue**

Multicompany CLA in Indonesia

Henk van Beers:

“All parties have something to gain”



In Indonesia, CNV Internationaal supervises the process to arrive at multicompany CLAs. We have already realised the first three. But there is the promise of more, says CLA negotiator Henk van Beers.

WHAT ARE MULTICOMPANY CLAS?

“With a multicompany CLA, the agreements apply to employees at several businesses. Such a CLA has already been closed for about forty private plantations around Bandung. The only thing we did not make joint agreements about were the wages. But we did agree that the minimum wage would be respected. That is quite an achievement, because workers are paid a lot less at many plantations. The other two multicompany CLAs are in the homeworking industry and clothing industry. These are actually the forerunners to the sector or corporate branch CLA as we know it in the Netherlands.”


WERE THE COMPANIES OPEN FOR SOCIAL DIALOGUE?

“That goes in small steps. At the clothing

companies, it is actually the employers’ association that is the requesting party! Indeed, they are now applying social dialogue to other fields.”

WHAT IS IMPORTANT FOR SOCIAL DIALOGUE?

“Support and joint interests. In the case of the clothing companies, the union movement wants to strengthen the workers’ position, while the employers are looking for opportunities in what are rather closed off employment laws in Indonesia. Everyone feels that the oppressive regulations stand in the way of the country’s growth. Through consultation and negotiations, we arrive at agreements for improvements for example, about longer maternity leave and nursing mothers’ rooms in the factory. That is very important considering that 95% of textile workers



“Unions must get people enthusiastic and entice employers”

are female. The ministry and government are positive about it. It is important that parties realise that they all have something to gain from this.”

WHERE ARE THE DIFFICULTIES?

“It’s time consuming. And negotiating employment conditions is relatively new to the unions in Indonesia. A risk is that better agreements will be made in companies with a strong negotiating delegation than in those with weaker negotiators.”

WHAT IS THE ROLE OF CNV INTERNATIONAAL?

“We provide training, tips and we facilitate. I myself have trained union members in effective and strategic negotiations. I also trained the Forum,

a kind of Social Economic Council (SEC) in Indonesia. The role of CNV Internationaal is, above all, involving the governments and we go on corporate visits where we talk to the management and unions. The most important thing is to get people enthusiastic and give them confidence. Our role is thus creating support.”

WHAT DOES THE FUTURE LOOK LIKE?

“We are going to try and involve more clothing companies in the multicompany CLA. At present there are three, but ten other businesses have shown interest. If this succeeds, we will soon be talking about 6-8,000 staff who fall under the agreements. We are also trying to arrive at more clustered agreements. So, we will also be further developing the content of the



WHO IS HENK VAN BEERS?

At CNV Vakmensen, Henk van Beers is negotiator in the food industry (baking industry CLA). Additionally, he has been working for a few years on a project for CNV Internationaal in Indonesia to arrive at constructive, substantive and social consultation among unions, employers and government.

CLA. This will create a good basis for other branches of business. There is also interest in this approach from other countries and from international businesses. Although it will never simply be a copy-paste-solution, the method can definitely be used in other places.”



Social dialogue contributes to good business operations, which makes it an important value driver. This constructive dialogue between employers and employees, that sometimes includes the government as a third party, leads to improved business results. On behalf of CNV Internationaal, True Price investigated how exactly social dialogue adds value.

First, constructive social dialogue leads to harmonious relations between employers and employees. This improves staff motivation and commitment, and reduces absenteeism. Thus, employees can be more productive. And higher productivity can increase the sustainability and profitability of companies.

Second, social dialogue contributes to improved policy development and implementation. This increases innovative strength, encourages cooperation and leads to more effective reforms. That in turn increases the company's productivity and resilience. Companies

are then better equipped to cope with external influences and more able to recover well from economic downturns.

A third result is the prevention and significant reduction of conflicts, because alternatives for employees can be found through social dialogue. It can prevent serious conflicts such as strikes, but also other, less obvious, conflicts that result in poor cooperation within a company. Both types of conflict lead to reduced productivity and can cost companies dearly. Avoiding them therefore clearly adds value for entrepreneurs.

QUALITY AGREEMENTS ON WORKING CONDITIONS AND PRODUCTIVITY IN GUATEMALA

Guatemala is one of the most dangerous countries for trade union work. Trade union leaders are still getting killed in the Central American country. In the past, two trade union leaders at Kerns/CIFCO, a Costa Rican producer of fruit juices and sauces, were murdered. After subsequent consultation it was decided that trade union leaders would no longer work night shifts.

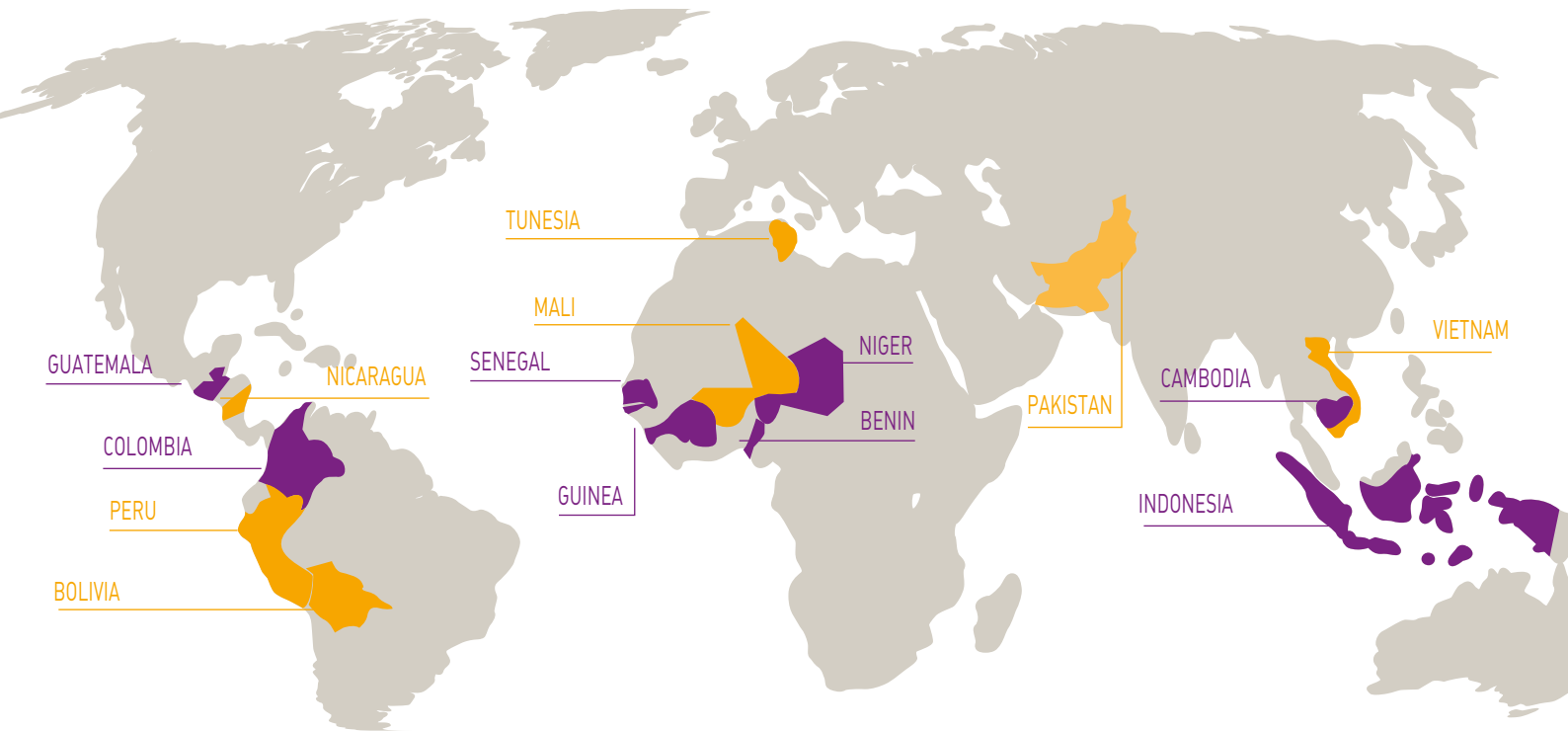
Kerns has developed a good reputation in Guatemala. According to general secretary Steward Maquepeace, the same can be said about trade union SITREMKANCO that is active within the company: "We don't go out on the streets to strike - that is our last resort. Thanks to assistance from CNV Internationaal and the confederation CGTG, we have been trained in this, and we have managed to improve the mechanism of social dialogue with our employer. This enabled us to build trust with our employer.

As staff, we have made good agreements on matters including pensions, health care and education. The company also benefits, because the CLA includes provisions regarding productivity. The production figures are published every month. On the basis of these numbers, bonuses are paid on top of every individual employees' salary, including that of the managers, every six months! This means that employees and management have mutual interests."

SAFETY AND HEALTH AT MELON PLANTATIONS IN HONDURAS

In the promotion of good social dialogue, eventually all parties involved will win as in Honduras, for example. The workers of melon plantations had to work with pesticides that were harmful to their health. They did not have protective workwear. The Honduran trade union CGT took the initiative not only to talk to the company that owns the melon plantations, the Grupo Agrolibano, but also with the ministries of labour, social security and health. Before, workers did not succeed addressing the problems, but now however, they succeed through constructive consultation with several stakeholders. Workers received protective workwear combined with information on safe and healthy work, and the company now benefits from the improved health of its employees. There is less absenteeism, less staff turnover and productivity improved. In addition, the image of this international company has improved. The government also saves on spending on health care. Higher productivity also increases export and tax revenues. In short, a win-win situation. The outcome is so positive that a sugarcane plantation also asked the trade union CGT to come to a similar agreement. Social dialogue thus generates money for the company. And the profit for the union? More members, but above all, better working conditions for plantation workers.

The future of CNV Internationaal



■ *Current partner countries: Benin, Cambodia, Colombia, Guatemala, Guinea, Indonesia, Niger, Senegal*

■ *New countries where cooperation is being explored: Bolivia, Mali, Nicaragua, Pakistan, Peru, Tunesia and Vietnam*



OUR WORK

The Foundation CNV Internationaal is a civil society organisation connected to the National Confederation of Christian Trade Unions in The Netherlands (CNV). CNV Internationaal has been working with trade unions in developing countries for more than 50 years. Together with its partner organisations CNV Internationaal protects and promotes workers' rights by means of a consultative and coherent model in which social dialogue, pluralism of the trade union movement and workers' individual responsibility are key values. CNV Internationaal's mission is to contribute to Decent Work in developing countries through strengthening the position of workers in both the formal and informal economy, through strong social partners and by promoting sustainability throughout supply chains. In the Netherlands, CNV Internationaal – together with the CNV and CNV trade union federations – contributes to Decent Work in developing countries through lobbying, policy and raising awareness. The work of CNV Internationaal is centred on the themes of social dialogue, labour rights in supply chains and (youth) employability.

COLOPHON

CNV Internationaal
P.O. Box 2475
NL 3500 GL Utrecht
The Netherlands
E: internationaal@cnv.nl

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Text: Frieda Tax
Photography: CNV Internationaal,
Bas de Meijer, Maarten Schuth,
Symphorien Daghilo.
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THE VALUE OF **Social dialogue**

Constructive social dialogue leads to decent work for workers worldwide. To improved employment conditions, honest wages and to compliance with workers' rights. Employers and governments also benefit from good social dialogue. And yet in many countries there are no constructive negotiations.

CNV Internationaal and its unions and social partners are committed to turning the tide. They strive for constructive social dialogue worldwide, from negotiation tables within companies to that of international organisations

This booklet shows what social dialogue is, what it yields, how it works and what is required. It gives both theory and examples from the practices of the CNV Internationaal and its union partners. Let yourself be inspired and stimulated by their stories for your own social dialogue. And let us work together through social dialogue on the improvement of labour conditions worldwide.