

Note on the proceedings

Tripartite Meeting on the Construction Industry in
the Twenty-first Century: Its Image, Employment
Prospects and Skill Requirements

Geneva, 10-14 December 2001

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Introduction

The Tripartite Meeting on the Construction Industry in the Twenty-first Century: Its Image, Employment Prospects and Skill Requirements was held at the International Labour Office in Geneva from 10 to 14 December 2001.

The Office had issued a report¹ to serve as a basis for the Meeting's deliberations. The report opened with an overview of global trends in construction output and employment, the role of construction employment, the characteristics of the workforce and the image of the industry in the eyes of the workforce. It then examined recent changes in employment relationships and industrial structure, presenting evidence of the increase in the use of casual and subcontracted labour, the declining role of the public sector, changes in the structure of the industry and factors driving those changes. The report discussed the implications of those changes in terms of erosion of social dialogue, lower levels of economic and social security, the link to health and safety, the impact on training and skill formation and some implications of skill shortages. It concluded by suggesting priority areas for action which were of interest to both employers and workers and noted possible levers for change.

The Governing Body had designated Mr. F.S. Duque Estrada Meyer of the Government of Brazil to represent it and to chair the Meeting. The three Vice-Chairpersons elected by the Meeting were: Mr. J. Zhang (China) from the Government group; Mr. G. Zaribwende (Uganda) from the Employers' group; and Mr. R. Khuntia (India) from the Workers' group.

The Meeting was attended by Government representatives from Austria, Brazil, China, Egypt, Germany, Italy, Kenya, Malaysia, Spain, Sweden, United Arab Emirates, and the United States; 22 Employer members and 23 Worker members.

A representative from the United Nations Conference on Trade and Development (UNCTAD) attended as observer.

Representatives from the following non-governmental organizations also attended as observers: Confederation of International Contractors Associations (CICA); International Confederation of Free Trade Unions (ICFTU); International Construction Institute (ICI); International Federation of Building and Wood Workers (IFBWW); International Organisation of Employers (IOE); Trade Unions International of Workers of the Building, Wood and Building Materials Industries; World Federation of Building and Woodworkers' Unions; and World Federation of Trade Unions.

The three groups elected their Officers as follows:

Government group:

Chairperson: Mr. Van Helden (United States)

Vice-Chairperson: Mr. Al Zarooni (United Arab Emirates)

¹ ILO, Tripartite Meeting on the Construction Industry in the Twenty-first Century: Its Image, Employment Prospects and Skill Requirements, Geneva, 2001: *The construction industry in the twenty-first century: Its image, employment prospects and skill requirements*, 68 pp.

Secretary: Mr. Klotz (Germany)

Employers' group:

Chairperson: Mr. Küchler

Vice-Chairperson: Mr. Swarup

Secretary: Mr. Dejardin

Workers' group:

Chairperson: Mr. Seno

Vice-Chairperson: Mr. Hawrysh

Secretaries: Ms. Murie

Mr. Hellman

The Secretary-General of the Meeting was Mr. O. de Vries Reilingh of the Sectoral Activities Department. The Deputy Secretary-General was Mr. P. Poschen of the Sectoral Activities Department. The Executive Secretary was Ms. J. Wells of the Sectoral Activities Department. The experts were Mr. N. Jennings and Ms. A. Herbert of the Sectoral Activities Department. The Clerk of the Meeting was Ms. S. Maybud of the Management Services Unit of the Social Dialogue Sector. The meeting held six plenary sessions.

The Chairperson opened the Meeting and noted the three important issues which were to be discussed: the image of the construction industry, its employment prospects, and its skill requirements. Construction was a labour-intensive activity. It provided jobs for an estimated 111 million construction workers worldwide in 1998, with three-quarters of them in low- and middle-income countries where unemployment was a serious problem. Clearly, the construction industry had a major role to play in providing productive employment for the growing populations of the developing world. While construction provided many jobs for unskilled workers, expanding employment in the sector depended upon maintaining the supply of key skills. In many developing countries, training was inadequate and skills were not being developed. One consequence had been the introduction of semi-industrialized methods of construction, which were not only more expensive to implement but provided fewer jobs. The construction industry suffered from its image as a poor place to work, an image which had deteriorated further in recent years. In many countries the terms of employment and conditions of work were bad and workers lacked even minimal social protection. The report which had been prepared for the Meeting drew attention to recent changes in employment practices and structure in the construction industries around the world and identified problems that needed to be addressed. The extreme fragmentation of the construction industry suggested that social dialogue and cooperation amongst the tripartite social partners had a special role to play in identifying and implementing appropriate solutions. He concluded by expressing the hope that the Meeting would reach consensus on the best way forward for the industry.

Ms. S. Paxton, Executive Director (Social Dialogue), welcomed the participants to the ILO. She noted that the construction industry played a vital role in economic growth and development as a provider of economic and social infrastructure. In most countries, around one-half of all fixed capital was invested in infrastructure, through the construction sector. In rapidly developing, middle-income countries the sector accounted for up to 10 per cent of GDP and provided employment for 15 per cent of the workforce. Construction had not been affected by the forces of globalization to the same extent as other industries; the vast

majority of roads, buildings and houses around the world were built by local firms employing local labour. Because of its essentially local nature and its important role in economic growth, the development of a strong and efficient industry was a major policy objective in all countries. Raising the quality and productivity of the labour force through investment in human resources was central, but recent changes in employment practices in the construction industry, notably the widespread increase in outsourcing and the adoption of flexible labour practices, had made the realization of this objective more difficult. While flexible labour practices offered lower prices to contractors and their clients, it also had a detrimental effect upon the terms and conditions of employment and had undermined collective agreements regarding the provision of training. Skill levels had fallen in many countries as a result of these developments and the image of work in the industry had deteriorated. In a number of countries labour shortages and skill shortages had begun to appear. The challenge before the Meeting was to explore ways in which the quality of employment could be raised to make work in construction more attractive, while at the same time ensuring that contractors retained the flexibility and got the skills that they needed. Improved access to training and skill upgrading, greater employment security and an improved health and safety record were all important. Solutions must be sought primarily at the national level. Experience in the small State of Kerala in India demonstrated that it was possible to ensure basic rights, decent working conditions and social protection for construction workers even in low-income countries. She expressed the hope that the tripartite discussion begun during the Meeting would continue at national level after the participants had returned home, so that national construction industries would find a way to meet both the skill requirements of employers and the aspirations of the workers.

Part 1

Consideration of the agenda item

Report of the discussion ¹

Introduction

1. The Meeting met to examine the item on the agenda. In accordance with the provisions of article 7 of the *Standing Orders for sectoral meetings*, the Officers presided in turn over the discussion.
2. The spokesperson for the Employers' group was Mr. Clark and the spokesperson for the Workers' group was Mr. Seno. The Meeting held five sittings devoted to the discussion of the agenda item

Composition of the Working Party

3. At its fifth plenary sitting, in accordance with the provisions of article 13, paragraph 2, of the *Standing Orders*, the Meeting set up a Working Party to draw up draft conclusions reflecting the views expressed in the course of the Meeting's discussion of the report. The Working Party, presided over by the Government Vice-Chairperson, Mr. Zhang, was composed of the following members:

Government members

Austria: Ms. Dembsher
China: Mr. Zhang
Egypt: Mr. El-Sayed
Germany: Mr. Herschel
Malaysia: Ms. Khalid

Employer members

Mr. Clark
Mr. Foote
Mr. Fraboschi
Mr. Tavares
Mr. Uys

Worker members

Mr. Bonnewijn
Mr. Hawrysh

¹ Adopted unanimously.

Ms. Jonsson

Mr. Moloto

Mr. Seno

Presentation of the report and general discussion

Presentation of the report

4. The report for the Meeting prepared by the International Labour Office was introduced by the Executive Secretary. She focused her remarks on the linkages among three issues: image, employment and skills. Employment practices had changed dramatically in the past 30 years away from stable, permanent employment towards flexible arrangements. Flexible labour practices included the employment of labour on a casual (e.g. daily) basis or on temporary (fixed-term) contracts, practices which now predominated around the world. Over the past three decades, labour agents, subcontractors and other intermediaries had become the most important means by which labour was recruited to the construction industry. This trend towards outsourcing had led to a dramatic change in the structure of the construction industry. There was a concentration at the top as large companies amalgamated and expanded their operations, while a process of fragmentation at the bottom meant that the majority of the workforce was employed in small firms. The report examined the implications of these trends. Principal among them were (a) loss of job security, marked by frequent changes of job and long periods of unemployment; (b) loss of social security, with a serious reduction in the number of construction workers entitled to unemployment benefits, sickness benefits, holidays with pay, pension or medical coverage; (c) fluctuating wages, which in developing countries could be at or below subsistence level; (d) increased risk of accidents due to high labour turnover, low levels of training, and the difficulties of labour inspection and the enforcement of safety and health regulations in very small firms; and (e) the effect upon training of a fragmented industry without agreed mechanisms to fund training or to ensure placements for workers on apprenticeship schemes. As a result of these trends, there was already a serious shortage of skilled workers in many countries. The image of the industry had deteriorated, creating difficulties in recruitment. In developing countries, conditions of work were dire and basic labour standards were not respected. There were no easy solutions to these problems. To some extent the industry was driven by competitive pressures to reduce costs even if this were at the expense of the workforce. The trend was unlikely to be reversed. However, with joint action between the social partners, things could be improved. Governments had a particularly important role to play as legislators and regulators, but also as clients who could lever changes through the procurement process. Multilateral and bilateral donors who funded construction projects in developing countries could help in this process. A first step had already been taken with an agreement at the international level between the Confederation of International Contractors Associations (CICA) and the International Federation of Building and Wood Workers (IFBWW), who had made a joint appeal to the World Bank and regional development banks to reflect ILO core labour standards in their practices. The speaker concluded by noting the importance of social dialogue among governments, employers and workers at the international, national and local levels as a means to enable the industry to improve conditions of work and meet future skill requirements.
5. The Chairperson of the Employers' group noted that construction was one of the oldest cultural activities of mankind. One of the challenges being faced today was sustainable development. Environmental aspects had to be taken into greater account than in the past. This was not only a problem, but also an opportunity. Employers and workers had

common interests in ensuring safety and health standards and in improving skills and qualifications. Training and retraining were important means to improve safety and health in the building trade. The speaker made a clear distinction between subcontracting which was carried out within a legal framework and the type of subcontracting intended to circumvent national rules and regulations. Subcontracting should be structured so as to avoid some of the negative consequences which had been described. The question of self-employment raised complex legal issues which were difficult to discuss in international forums. The speaker raised the question of corruption and how to counter it. With regard to representation, the speaker warned against making generalizations about situations which might differ widely from one part of the world to another. Employers wanted to improve the image of the construction industry. They wanted to counter illegal activities, such as the violation of safety regulations, which led to accidents. Improvements could be brought about with the help of employers' organizations and trade unions, and should be pursued in order to improve efficiency. The speaker thanked the Office for the picture it had painted of the industry which could serve as the basis for discussions and for having avoided ideological arguments. Employers, workers and public authorities must work together to improve matters, taking into account the economic aspects of the problem, the overall state of the industry as well as the situation of each enterprise. The ILO could help through the transfer of knowledge as well as through discussions with financial institutions such as the World Bank.

6. The Worker spokesperson said that overall the report was well researched and captured the dynamics of the construction industry. It provided an excellent overview of recent changes and gave a good indication of likely future areas of change. The report made it clear that there had been a huge shift away from direct employment as contractors met their labour requirements by recourse to outside labour, coupled with a marked increase in the proportion of workers employed in small or very small enterprises. The trend towards labour contracting was unlikely to be significantly reversed and the report dwelt on how to meet the skill requirements and increase the quality of employment in an increasingly casualized industry. The perception that construction work was dirty, difficult and dangerous made it difficult to recruit suitable people for a career in the industry. This, in turn, affected output. The fact that there were over 55,000 fatalities each year, plus many more injuries and occurrences of diseases was partly due to the existence of illegal working conditions. Moreover, there were plenty of examples of non-payment of social security, health, holiday and other benefits. If construction were to improve its image by contributing to sustainable industrial development and promoting a social agenda, there were several areas of common interest that needed to be addressed by the social partners. Greater efficiency, for example, would lead to more stable and more permanent employment, in both large and small enterprises. Better regulation could prevent unfair competition, and better trained workers would be more productive. The Workers' group looked forward to discussing ways to ensure that temporary and subcontracted workers had the same rights as permanent construction workers.
7. The representative of the Government of Egypt proposed a number of measures to be considered in the light of the major challenges facing the construction industry. Construction materials should meet higher standards than those in force today. Engineers should consider not only the technical and economic aspects of materials, but also the ecological and energy-saving implications of their use. International authorities should make more efforts in training, research and development. Cooperation should be directed towards changing outdated regulations which created obstacles to the use of new materials and systems. Employers' organizations had an important role to play in unifying international legislation and regulations concerning the rights of workers and their relations with contractors. They could formulate basic contracts for construction as well as for consulting work. Safety and health legislation should be adequate and construction sites should be periodically inspected. Both the public and private sectors were responsible for

increasing the attractiveness of the construction industry, particularly for young people. Finally, it was important to communicate knowledge between countries and to adapt and perfect it through international collaboration.

- 8.** The representative of the Government of Kenya congratulated the Office for a clear and focused report. He highlighted the employment potential of the construction industry, particularly in developing countries. Few people disputed the industry's poor image, which was due to a combination of low wages and bad working conditions, unlicensed builders and inadequate inspection. The prevalence of temporary or casual employment adversely affected occupational safety and health, collective bargaining and investment in training. A range of measures needed to be undertaken to restore the sector in the eyes of the public. He referred to the Kenyan situation, where minimum wages and terms of employment were covered by labour legislation. Well-organized construction workers' unions and employers' organizations negotiated collective agreements that affected all employment in the industry.
- 9.** The representative of the Government of China said the report provided a clear and complete description of the construction industry worldwide. In China, employment in construction had increased from 5 million to 35 million over the last 20 years and the sector now accounted for about 6 per cent of GDP. Strong economic growth was likely to provide further opportunities for new infrastructure, urban development and, following accession to the WTO, increased foreign investment in construction. The Olympic Games in 2008 would provide its own stimulus to the construction industry. This increase in activity had necessitated a range of government actions to ensure an adequate supply of qualified labour, acceptable working conditions, recognition of workers' rights and the management of employers and subcontractors. Provincial labour bases, including training centres, had been established. Safety legislations, which were enacted ever since the early 1950s, that included provision for accident inspection, reporting and the possibility of the licence to operate being removed, had been reinforced by a series of policies and measures taken by the Government. Sites were being assessed to see where emphasis on safety and health should be put. The Government was planning a series of measures to, inter alia, speed up the establishment of labour supply companies, establish training and certification centres, regulate social security and welfare in construction, and improve management and safety and health. He felt that the ILO could play a greater role in the construction sector, especially in developing countries.
- 10.** An observer (International Federation of Building and Wood Workers) stressed that the Meeting was not merely an occasion for exchanging information, it was an opportunity to propose concrete measures to improve matters in the industry. Economic viability, environmental protection and social responsibility were important factors in achieving sustainable industrial development. There needed to be greater engagement by governments and employers with workers in achieving it. Construction workers wanted their industry to survive; they were proud of their skills and wanted to use them, without being injured. Greater recourse to casual work contributed to low quality and productivity, further impugning the industry's reputation. The ILO had a role to play in providing a platform for social dialogue, promoting construction-related instruments and participating in other forums on behalf of the industry. The lead up to the Summit on Sustainable Development in 2002 provided an opportunity for this. Important milestones of cooperation between the social partners as a result of global social dialogue were the various agreements between IFBWW and socially responsible employers' associations, including in the construction industry, that were based on the ILO's core labour standards. They were the basis for global social dialogue, provided opportunities for workplace improvements and showed that good employer-worker relations could lead to sustainable industrial development. Such development included ensuring adequate living and working conditions for all construction workers. The Meeting had the opportunity to ensure that

steps were taken to improve the often deplorable situation of women construction workers, who often remained unskilled despite many years of service.

- 11.** A representative of the Government of Germany noted that many construction-related problems were universal, although there might be different obstacles to improvement, such as lack of freedom of association, which was still the case in a number of countries. He agreed there were fewer large enterprises today and that subcontracting, mainly by SMEs, was a means to maximize flexibility. He agreed with the Chairperson of the Employers' group that the report had portrayed SMEs in rather a negative light as far as wages, training and safety and health were concerned. He recalled the German dual training system, which applied equally to SMEs. He pointed out that, contrary to what was contained in the report, new provisions for payments when work was halted due to bad weather had been adopted in 1999. New criteria concerning government contracts would be introduced in 2002. It meant that all enterprises who tendered had to be reliable and had to respect all social and labour legislation in force. Those that did not would be excluded in future. Consideration was being given to establishing a register of enterprises that hired workers illegally, or had infringed labour legislation, and dealing with other measures to fight against the problems addressed in the report.
- 12.** A Worker member from Germany noted that, while training was still organized differently in the eastern länder, all enterprises, large and small, had a system for sharing the cost of providing training. The rise in subcontracting was accompanied by a reduction in the number of apprentices. A decline in the volume of construction and an increase in irregular employment led to it being considered less attractive as a career. This in turn will make it difficult to attract qualified, skilled entrants in the future. There was still time to take action to provide more stable employment and better future prospects for the industry and its workers.
- 13.** The representative of the Government of the United States pointed out that, since the report had been written, an executive order concerning labour agreements on federally funded construction projects had been withdrawn following court action. The administration was considering its options, including challenging the judgement in a higher court. He demurred with the opinion quoted in the report that "... construction is the armpit of jobs ...".
- 14.** A Worker member from Spain drew a distinction between regulated subcontracting and that which was uncontrolled. The latter led to unfair competition through lower wages, longer working hours and increased risks to workers. Ignoring labour rights and national laws and regulations was also a problem. Unorganized subcontracting was an issue for both employers and trade unions to address, such as had been outlined by the observer from IFBWW. He stressed the need for subcontractors to be registered and monitored to ensure they met their obligations.
- 15.** A Worker member from Panama felt that both governments and employers should do more to promote education and training. He was disturbed to learn that workers were not attracted to the construction industry because of low pay, a lack of job security and safety risks. In his country, construction workers had negotiated wages that were twice the national average and were highly motivated.
- 16.** A Worker member from South Africa acknowledged the construction industry's negative image. Since a poor work environment made it difficult to provide a quality product the social partners should work together to match productivity, working conditions and skills to provide stable employment and training and hence improve productivity and quality. The Meeting should examine the efforts that the social partners should make to this end.

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17. A Worker member from the United States agreed with the remarks of the representative of the Government of the United States concerning the reported impression of the industry and the status of publicly funded building contracts. He added that the pay and benefits offered by the industry affected the entry of young people to it. If the protection provided by project labour agreements was lacking, young people would be reluctant to consider a career in the construction industry.

Point-by-point discussion

Fostering social dialogue and collaborative initiatives

18. The Worker spokesperson called on governments to create or pursue tripartite structures to promote social dialogue for the construction sector. These might include industry advisory committees, industry development boards or industry training boards, wherein the social partners could discuss issues of mutual concern. Governments should continue to establish legislation, regulations and guidelines for implementation, and develop clear policies to cover contract workers and the self-employed. They should clarify procurement policies. Governments should ensure compliance with ILO core labour standards as well as national labour and social legislation, including health and safety requirements, payment of the minimum wage and environmental protection. Governments needed to define permissible subcontracting practices, including the rights and responsibilities of principal contractors with regard to the subcontracting of specialized work. Greater transparency was needed to ensure that legitimate, qualified subcontractors were engaged and that abusive, illegitimate contracting agencies could no longer avoid their legal responsibilities to workers and to the State. Trade union rights should be respected all along the employment chain: temporary and casual contracted workers should have the same protection afforded to regular workers. Procurement policies, contracts and tendering documents should include recognition of trade union and collective bargaining rights. Tendering policies should include criteria for evaluating contractors, based on their capacity to hire skilled workers, to train workers, to implement health and safety measures, such as the provision of personal protective equipment, and to comply with the law. Management systems should provide for effective worker representation, especially with regard to the establishment of health and safety committees. Trade union rights and other human rights must be protected. The IFBWW received over 100 reports a year of violations of these rights, including murders, death threats, disappearances, arrests and massive dismissal of union members or representatives. The speaker called on governments to provide a political climate conducive to the free exercise of trade union and collective bargaining rights. National and international financial institutions should encourage socially responsible business practices which promoted and protected workers' rights.
19. The Employer spokesperson thanked the ILO for preparing the report, but expressed his group's concern with regard to its overly negative, pessimistic tone. Positive aspects of the construction sector had not been given sufficient weight. A more balanced view of the industry would have depicted it as a productive social pursuit and would have highlighted its important role in national development through the production of wealth and the provision of employment. The speaker recognized the inherent difficulty in producing a rational analysis of a worldwide industry, when conditions varied so greatly from one country to another. For this reason, it was not possible to produce general conclusions. A number of factual errors or misinterpretations of information were cited. The Employers' group recognized that some of the problems identified did exist in some countries, but not all problems existed in all countries. Even when general concerns were identified, local solutions might be the most appropriate way of addressing them. The issue of subcontracting illustrated an essential paradox which underlay many of the problems

identified in the report, notably that supposedly negative trends had positive aspects. Subcontracting and temporary work did not necessarily lead to illegality. In New Zealand, the speaker's home country, subcontracting was one of the drivers of success in the construction industry precisely because it was beneficial to all parties. The industry had an attractive image. Workers chose to be in the industry because of its many advantages, such as the opportunity to work on diverse projects in different locations, the possibility of outdoor work in a temperate climate, flexible working hours and so forth. The Employers' group looked forward to constructive dialogue on issues such as skills acquisition and improvements in health and safety, which governments, employers and workers could work together to promote.

- 20.** The representative of the Government of Kenya observed that there was a need to foster cooperation among the social partners in order to improve the poor image of the industry and to make it more attractive to young people. Cooperation between employers' and workers' organizations would help prepare the workforce for new requirements in terms of behaviour, skills, job performance and work organization. To achieve these goals, social dialogue and collaborative initiatives between the social partners should be fostered, and joint consultation and collective bargaining should be promoted. The speaker noted that the right to organize applied not only to workers, but also to employers. Through education and participation in ILO workshops, governments could recognize the urgency of removing or amending restrictive legislation in order to allow both employers' and workers' organizations to represent the professional interests of their members. The ILO could play a crucial role in educating governments through the circulation of best practices on the right to organize. ILO could provide technical assistance to promote the ratification of Conventions Nos. 87 and 98 and to update labour legislation so that employers and workers could function fully in accordance with those Conventions.
- 21.** The representative of the Government of Spain stated that the report provided a useful tool for debate. Because it touched upon the greatest problems facing the industry, it could not avoid being contentious. By focusing on construction projects, rather than on the full range of activities in the sector, the report had presented a somewhat simplified view of the industry. The speaker noted that the situation in the construction industry in Spain was practically identical to that in the EU as a whole. He regretted that the report had not taken account of such important recent Spanish sources as the General Report of the Working Group on Construction of the National Commission of Occupational Safety and Health, which had been drafted by the social partners and the Government. The increase in subcontracting and the increase in accidents were parallel, but separate trends, which should not be linked. The threefold accident rate for temporary workers, however, pointed to factors which had to be addressed, such as work scheduling and lack of skills. Training could be an effective means of raising skill levels and lowering accident rates. The power of the main contractor to coordinate construction projects should be reinforced and perhaps linked to quality. Voluntary initiatives, such as those used to raise product quality or to improve environmental protection, could be applied to labour practices, including safety and health, in construction. Innovative approaches to worker representation should be developed to ensure trade union presence and enhance coordination with those responsible for projects.
- 22.** The representative of the Government of Italy expressed the view that governments and the social partners should work together at the national or regional level to eliminate the factors which had sullied the image of the industry. Workers' dignity and workers' rights should be guaranteed. Measures should be developed to combat the negative effects of temporary work, including lack of safety and lack of skills. In Italy, laws were in force to ensure that enterprises carrying out public works projects not only observed legal standards, but also ensured that their subcontractors applied standards at least equal to those established in relevant collective agreements. Those provisions protected workers

with regard to wages and safety and health. Social protection must be pursued along with social dialogue. The rise in casual and temporary work and in subcontracting had led to a significant reduction in the number of construction workers who received social protection. The challenge was to ensure protection against illness and unemployment as well as access to pension systems. Social dialogue was undermined by the fragmentation of the industry, the ineffectiveness of employers' and workers' organizations, the high turnover and mobility of workers, the short-term nature of much employment and legal restrictions in some countries on the right to union membership. The speaker stressed the importance of freedom of association, the right to organize and the right to collective bargaining, as well as the principle of non-discrimination.

- 23.** An Employer member from Argentina described joint efforts of employers and workers to meet the particular needs of their industry. These included the drafting of specific regulations on occupational safety and health based on the national law, and the establishment of both mobile and permanent training institutions, as well as bodies to inspect construction projects to ensure compliance with standards. The social partners had expressed their desire for proactive labour policies for the industry, rather than increasing labour costs. High labour costs in the construction industry were a contributing factor to the growth of "grey market" employment.
- 24.** A Worker member from Spain described a popular initiative in his country which would place limits on subcontracting to ensure compliance with regulations. A proposed legislative text had been placed before the Spanish Parliament for debate and, although defeated, it had spurred national discussion of this question as well as subsequent proposals along similar lines. The text aimed to create a register for subcontractors, which would identify subcontractors and provide information regarding the number of workers contracted, the types of contractual arrangements, compliance with social security requirements and the financial status of their firm. At least 30 per cent of workers would have to be permanently engaged.
- 25.** A Worker member from Poland stated that in his country, workers' and employers' organizations had agreed to fight against illegal subcontracting. About 100,000 seasonal guest workers and migrant workers were engaged without written contracts. They had no health insurance or pension rights. The Government was deprived of taxes owed both by the illegal subcontractors and by the employers or agencies who used them. The speaker stressed the need for a precise definition of subcontracting procedures in ILO documents to ensure greater respect for legitimate subcontracting practices. Subcontracting should be an integral part of collective agreements.
- 26.** A Worker member from India recounted instances in his country where, due to illegal subcontracting, neither the principal employer nor the intermediaries took responsibility for ensuring the most basic rights of workers. Even deaths on the job were not compensated. Much construction work was carried out by informal sector workers with low skills. The speaker raised the point that the introduction of modern technology to raise productivity would lead to massive unemployment and threaten their livelihoods.
- 27.** The representative of the Government of Germany described legislation to counter illegal employment practices which would come into force in 2002. According to the new Act, tax certificates could be given to subcontracting enterprises which met their tax obligations. This would enhance the attractiveness of those firms when competing for contracts. Also, the main contractor would be required to ensure that the subcontractors it engaged paid no less than the minimum wage and maintained appropriate working conditions on-site. The speaker noted the potential danger of over-regulation, which could be one reason in hampering the creation of new enterprises, particularly as the percentage of self-employed was relatively low in Germany compared to other OECD countries.

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- 28.** An Employer member from Australia called attention to a comprehensive review of the subcontracting system in his country, the Burns' inquiry, which had concluded that subcontracting did not exploit workers, but rather provided greater flexibility and opportunities for them to increase their earnings. Given the temporary nature of much work in the construction sector, Australia had developed a range of portable rights. Centralized funds involving the participation of all major stakeholders had made possible workers' rights to superannuation, redundancy, long-service leave, annual leave and even sick leave. Training levies were used to establish skill centres, conducted, managed and controlled by key industry stakeholders. Such collaborative efforts effectively redressed some of the problems associated with temporary work. The speaker added that the group apprenticeship scheme BIGS mentioned in the report had not been a model to follow, as it had collapsed due to mismanagement. The better models were those conducted by industry stakeholders.
 - 29.** A Worker member from South Africa suggested that the social partners focus on areas of common interest as well as on problems of mutual concern. One example concerned improving productivity and the quality of work. Given the temporary nature of much work in construction, it would be difficult to develop the skills needed for high-quality work unless governments and the social partners worked together to develop solutions which were in the best interest of the industry as a whole.
 - 30.** An Employer member from India associated himself with the previous speaker's comments. In any discussion of quality, safety standards, wage rates or workers' rights, it was clear that training and education were paramount. In India, concerted efforts began four years ago to develop training for construction workers. National vocational qualification standards were set, curricula were developed, pedagogy and training systems were defined covering 38 trades, ranging from masonry up to equipment operation. Today 19 training institutes were in operation, funded by industry constituents.
 - 31.** The Employer member from Ghana observed that in the informal sector, inherent skill was developed through apprenticeship training. What was needed was systematic integration into the formal sector to enhance job creation and skills development.
 - 32.** An Employer member from Portugal observed that governments, employers and workers needed to work together to instil a culture of accident prevention, which would increase safety without harming competitiveness. In Portugal an agreement had been reached which set out to modernize the sector, reduce risks at work, provide training within the enterprise and encourage workers to engage in lifelong learning. Commitments to obligatory training were undertaken with a view to making enterprises more productive. The Government had established the right of workers to at least 20 hours of training per year until 2006 and after that up to 35 hours per year. This was to raise Portuguese productivity to international levels. Structural reforms were also being undertaken to raise skill levels and to create high-skill jobs.
 - 33.** The Employer spokesperson summarized his group's position on point one by recalling his earlier general remarks concerning the difficulties they had with parts of the report. Since the points for discussion followed the line of the report, he also had reservations about their phrasing. The preamble, for example, contained assertions he did not necessarily accept. It was, however, clearly desirable for the image of the construction industry everywhere to be improved and for work in it to be made more attractive to young people. But in some countries the image of the industry was already good; if it could be further enhanced, so much the better. How it was done depended on the situation in each case. The first point concerning the removal of restrictive legislation caused some problems among the Employers' group since they were unable to identify any examples where it existed. As a general principle, the issue should be approached from the position that it should be

possible to organize, or not, and that the right should apply equally to employers' organizations and trade unions. He referred to the section of the ILO Declaration on Fundamental Principles and Rights at Work and its Follow-up which obligated all member States, even if they had not ratified the Convention in question – in this case on freedom of association and the effective recognition of the right to collective bargaining – to promote and realize the principles. As far as assistance in extending activities to embrace the subcontractors, labour contractors and temporary workers was concerned, it was not possible to have a single set of rules for all countries. It was up to governments and the social partners in each one to decide. The Employers' group emphatically opposed illegality. A decision on what was illegal in each situation also had to be made at the national level. Since issues concerning subcontracting, including its definition, had been discussed in other ILO meetings, he believed that they should continue to be dealt with in these other forums.

Tripartite collaboration to meet future skill requirements

34. The Worker spokesperson recalled that the report noted that changes in both the employment relationship and structure of the construction industry had raised the barriers to training and had led to problems in implementing joint training schemes. A way had to be found to involve subcontractors in training programmes if skill shortages were to be overcome and the level of skills raised. He agreed that sustainable industrial development could be considerably assisted by having a better trained and more productive workforce. Skills development should be designed to benefit the individual, the employer and society at large. Many workers possessed significant but uncertified skills; they needed assistance in obtaining certification. Basic training should be broad enough to facilitate mobility and flexibility. It should include safety and health, quality and environmental issues. The role of women in construction should be enhanced through affirmative action in training, recruitment and career development. Where training was not well coordinated, tripartite consultations should take place to improve it. Public subsidies for training should be supplemented by other funds from the industry, such as via levies. Construction contracts should only be concluded with registered employers and recruitment agencies which paid all workers' entitlements. A licensing system for subcontractors should be introduced to ensure they employ only adequately trained workers. Since many SMEs in construction were in remote areas, governments should promote the use of mobile training units and distance-learning programmes in conjunction with training institutions and the social partners. As far as paying for training was concerned, employers should bear the prime responsibility. If it was governed by legislation, the cost was generally taken into account during tendering and the client paid. If training was covered in collective agreements, its funding had to be ascertained. Training should be standardized, not merely company-based, so that the qualifications obtained were recognized throughout the industry. Moreover, if pay levels were linked to skills acquired, young workers would be more inclined to develop a career in construction. Basic training should encompass safety and health and certain management and grievance settlement issues. Refresher training was important, including for older workers. Trades and specialized occupations required appropriate professional training, mandatory if warranted. Access to training should be determined through social dialogue. Trade union trainers should also be accredited, including in order to be able to operate mobile training centres. The objective of all concerned should be to make training sustainable and transferable.

35. The representative of the Government of Austria referred to the dual system of training that was largely financed by employers and comprised a mix of on-the-job and theoretical training. Additionally, special training centres have been established for the construction sector to provide these qualifications and skills to apprentices based on the needs of the

industry and which cannot be fully provided at the single enterprise level. Social dialogue was an important means to determine what skills were needed so that appropriate training could be provided.

- 36.** A Worker member from Argentina described the system of vocational training in her country. Following agreement between employers' and workers' organizations, a training fund with a joint advisory board had been established to replace funding formerly provided by the Government. A particular focus was safety and health as well as training to involve more women in construction. There were now training centres throughout the country which also provided training at the workplace. A safety and health manual and a code of conduct for trade unions had been produced.
- 37.** The representative of the Government of Kenya noted that the point posed two questions. As far as collaboration was concerned, his Government had set up a tripartite industrial training council which elaborated the training needs of a number of sectors including construction. The social partners identified the sector's skill requirements and tried to ensure that all registered employers paid the levy, not just the major contractors. This raised a problem as far as the second question about involving all parties was concerned. Moreover, many who paid the levy did not provide training and claim the cost from the fund. He felt that this was due to the perceived temporary nature of much employment in construction and the fact that employers preferred to "poach" trained workers rather than provide lengthy training.
- 38.** A Worker member from Sweden referred to training initiatives directed at increasing the number of women and migrant workers in construction. These focused on lifelong learning, rapid and easy entry or re-entry, lessening discrimination, increased work study programmes in schools, and new possibilities for injured workers. As it was not the only sector in need of new workers, it had to compete for them and ensure that it was an attractive proposition. The expected results of the programme included, through increased tripartite cooperation, an opening up of the male-dominated construction industry to women and migrant workers, improved practices, and better management of recruitment needs.
- 39.** The representative of the Government of Brazil drew the Meeting's attention to the positive outcome for the industry from newly introduced qualification and training programmes that included greater incentives for apprenticeship schemes. The Government planned to reduce the number of fatalities by 40 per cent by 2003.
- 40.** A Worker member from Canada said there were 15 distinct craft construction unions in North America which, together with employers, maintained and controlled apprenticeship training programmes. The system worked well and built trust between the social partners. Payment for training was negotiated during collective bargaining. The levy on hourly wages went to a trust fund overseen by a joint employer-union board. Government involvement had been minimized as the stakeholders believed that they were best equipped to decide on the industry's training needs. Particular attention was paid to the needs of first nation communities in order to provide increased opportunities to join the industry. This example showed the positive side of joint efforts that led to stronger employer-worker relationships.
- 41.** An observer (International Federation of Building and Wood Workers) said that training was not merely a means for companies to increase productivity, it was also a way for workers to become emancipated. Where there was effective social dialogue, training was often the core of a collective agreement, not an accessory. Workers themselves were often blamed for their lack of skills and for closing off opportunities for employment. He warned that using a lack of skills as a means of suppressing wages was not acceptable. It was

important that workers received payments that recognized the skills they had obtained. He stressed the importance of sustainable transferable training so that workers could augment their skills and carry them with them throughout their working life.

42. The representative of the Government of Germany said that the increases in subcontracting should not lead to a decrease in providing training. After many years of growth, there had recently been a decline in the rate of providing skills to construction workers. The continual provision and upgrading of skills was important in a competitive atmosphere, as was their certification, including for those involved in subcontracting or in temporary employment. The report had illustrated interesting examples in certain countries, such as the certification of training for SMEs or the possibility of continuing with training even under several employers. Flexibility in providing training and further training was important for the industry, particularly where subcontracted and temporary workers were concerned.
43. The representative of the Government of Spain said that, notwithstanding the emphasis placed on vocational training outside the workplace, it was important that adequate on-the-job training was provided, especially as far as safety and health were concerned. When training had to meet certain statutory requirements there was a better guarantee that on-the-job training would also be of an adequate standard so that theory and practice were both covered. He referred to special mandated courses for crane drivers in urban areas as an example.
44. The Employer spokesperson recognized the need for developing the skills of all involved in construction through continued training, and for greater community recognition of this need. General measures that should be considered included: the development of easily understood and accessible qualification structures that could be used as benchmarks; the fostering and supporting of lifelong learning, and a commitment to it; the promotion of academic excellence through competency-based learning; and the rigorous assessment of training programmes. It was important that governments were involved in supporting industry-based skills training and lifelong learning. Specific measures that could be developed in the industry included an industry-led training strategy and the formation, through bipartite or tripartite cooperation as appropriate, of structured industry training organizations that would create a framework within which enterprises could achieve their business objectives. He stressed the relevance of on-the-job training as a means to develop employee potential. Legislation could be one means to support work-related, enterprise-led skills development, depending on national circumstances. There were several ways to address the contentious issue of how training was funded, again depending on national circumstances. One approach could be voluntary funding by the users of training organizations. Levies could also be appropriate, but they should not, in principle, be compulsory. Limited taxpayer subsidies, carefully monitored for performance and with a contribution by industry, could also play a role. An overriding requirement was that the industry was able to develop its own skill requirements in accordance with its business plans. Clearly, good dialogue between the providers of education and training and the industry was a key to identifying training needs, including in information technology, and ensuring they were addressed. There were good examples of the industry marketing itself – such as at trade shows – in order to attract new entrants. It was important to note that many construction MNEs provided a variety of training in the countries in which they operated, leading to long-term benefits. This should be encouraged.
45. An Employer member from Switzerland provided information on a long-running programme to train the migrant construction workers on whom the Swiss industry depended. Training was provided in the main labour-sending countries, in collaboration with their governments and unions, during the winter. A more recent programme of pre-employment training was also in operation before new workers left for Switzerland.

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46. An Employer member from the United States explained that his multinational construction company brought its US training programmes to the technical schools in the countries in which it operated. It trained thousands of workers on each large project, giving them skills that were of long-term benefit to the industry long after the project was completed. Moreover, the various training programmes in about 50 locations were entered into a database that could be used to find tailor-made programmes or solve training problems.
 47. An Employer member from Australia agreed with many of the comments made by Worker members. This was not surprising given the social partners' strong belief in training. It was paradoxical that the project-based and volatile construction industry often appeared too busy to afford the time to train its workers, but was never busy enough to afford to actually train. Costs were immediate but the benefits of training took time to materialize. In addressing this dilemma the Australian construction industry was attracted to achieving across-the-board solutions by linking the key players – schools and industry, trainers and the market-place, training and licensing – in order to align various stakeholders' objectives. Having an industry-wide approach meant that the concept of a training levy was acceptable since it spread the costs. Also, group apprenticeship and training schemes provided a blend of flexibility and stability, especially as far as SMEs were concerned.
 48. An Employer member from Argentina referred to the alliance between the social partners in regard to vocational training which was the bridge to employment for the unemployed. Young people were given basic training which enabled them to gain entry into the industry. They received more specific training when they started work. Fixed and mobile training centres provided training for workers on specific projects while permanent training centres could be used by SMEs, including employers. The limiting factor of finance was being addressed by having a central fund administered by the social partners.
 49. The Worker spokesperson reiterated the fact that many workers who had skills but had no access to testing or certification were disadvantaged. As long as this situation continued, these workers would be exploited. Standardized training and certification were essential so that workers could gain recognition for their skills and transfer them from one employer to another.

Promotion of safe working practices and improved conditions of work

50. The Employer spokesperson reiterated that different measures would be appropriate in different countries. However, while there was no single approach, there were common principles. It was critical that all involved in the construction industry were knowledgeable about safety and health and were properly trained. Notwithstanding the Employers' reservations about state intervention, it could be appropriate where safety and health were concerned. Legislation could provide a non-prescriptive umbrella that defined accountabilities, supplemented by succinct regulations and industry-led codes of practice or guidelines. He preferred having a single government agency responsible for the administration and enforcement of occupational safety and health policy, rather than the fragmented approach that was not uncommon. All persons had to acknowledge their obligations and ensure they acted in accordance with the relevant standards. However, while many countries had safety and health legislation, compliance and enforcement were sometimes lacking or minimal. This needed to be rectified. He underscored the importance of data collection, analysis and dissemination as a means to identify appropriate action.
51. The Worker spokesperson said that the overwhelming majority of the many accidents in construction were foreseeable and preventable. But there was rarely a coherent prevention system in place. The macro- and microeconomic costs were considerable. Moreover, the

social benefits to be gained from accident prevention included increased morale, better image and avoidance of pain and suffering. All governments should have a coherent policy and legislation on occupational safety and health that took account of international standards. He called for the widespread ratification and implementation of the Safety and Health in Construction Convention, 1988 (No. 167), and the Asbestos Convention, 1986 (No. 162). Policies should be developed through social dialogue and involve tripartite health committees and industry development and training boards. He warned that failure to provide the competent authority with sufficient resources, and a laissez-faire approach to self-regulation, could lead to government not being sufficiently active when regulations were broken. Statistics were an important factor in accident prevention strategies. Responsible employers needed information, training and guidance on hazards and their prevention that focused on the development and application of company safety and health policies. Good practice should be promoted and negligence sanctioned. As far as cost was concerned, the Workers' group strongly supported taking the costs of safety and health measures out of competition by including them in the prime costs of competitive tenders. The Workers' group had submitted a draft resolution concerning the possibility of including the cost of providing items, such as safety clothing and clean water for construction workers in the prime cost of donor-funded projects in developing countries. Employers needed safety and health policies and systems for risk management that included workers' participation. The increase in precarious employment had a direct and negative impact on safety and health and working conditions. Coordination and planning were fundamental to the management of safety and health and the avoidance of injuries and ill health. The principal objectives of a safety policy were to ensure compliance with legislation and eliminate or control risks and hazards to workers. Practical implementation could best be ensured through a joint union-management safety and health committee. Workers' organizations should include safety and health in collective agreements, particularly as far as joint committees, workers' participation in accident and ill-health prevention programmes, and the right of workers to refuse dangerous work without being penalized were concerned. Trade union density in construction was generally low, but all workers had rights and trained union safety representatives could make a positive contribution to safety and health in a number of ways. Their functions included inspections, promoting safe work methods, accident investigation and providing information and training advice. Roving safety representatives could be an innovative way of assisting contract workers and those in SMEs who had the right to the same level of representation as those in large enterprises with a high union density. It was difficult for unions to identify and train safety representatives because of the mobile and temporary nature of construction work and the reluctance of many workers to play a union role because of fear of reprisal. Unions at branch or regional level should be able to provide competent representatives to support members wherever and for whomever they worked, particularly in SMEs. They needed reasonable right of access to represent workers and a series of defined functions including the right to investigate accidents and to liaise with enforcement agencies. A good example was the Swedish system of roving safety representatives that had existed for more than 40 years. The speaker closed by urging everyone to support the dedication of 28 April each year as International Workers' Memorial Day.

52. The representative of the Government of Germany referred to the Employers' request for more state intervention in safety and health matters and indicated that this was the case in Germany, precisely because construction accident rates were twice those elsewhere in the economy. European studies had indicated that 35 per cent of construction-site accidents were due to planning errors, 28 per cent because of a lack of organization, and 37 per cent because of the way work was carried out. In order to improve matters, the German Government had drawn up a new directive specifically for the construction industry that exceeded general provisions for workplace protection. It provided for the implementation

of various measures depending on the size of the site, the number or persons employed and the duration of the project.

- 53.** The representative of the Government of Sweden said that the construction industry in his country did not have a bad image. On the contrary, construction work had a high status. Despite being hard, it attracted plenty of young workers. Workers were well trained in centres run by the Government, municipalities and sometimes by employers. While there were sufficient workers at present, a shortage was foreseen. For this reason, efforts were being made to encourage migrants and women into the industry. Experience with contractors and subcontractors was generally good, there being few illegal operations. Those who worked for subcontractors were normally well trained and union members. There was adequate safety and health legislation, although its implementation was not always easy. Safety and health representatives were elected for both workplace and regional duties that included training, inspection and providing information. There was a strong link between having well-trained workers and good safety and health performance. There were many state inspectors with considerable powers, plus a good system of accident reporting.
- 54.** A Worker member from Sweden added that all regional safety and health representatives were appointed by the union and registered by the safety and health authority. They had access to all sites, large and small. An important part of their work was providing advice to SMEs on legislation and technical issues.
- 55.** The representative of the Government of Spain described recent measures taken by his Government to improve labour inspection in construction. The new, more targeted approach to inspection focused on the prevention of accidents, rather than on applying sanctions for safety violations. Inspections were based on a protocol established by the General Directorate of Inspection and accepted by departmental and local authorities. Enterprises and trade unions have also found the protocol useful because it informs all parties of the criteria and priorities set by the inspectorate. It enables self-inspection, which can lead to self-improvement. Also, it provides information on the prevention of accidents at construction sites.
- 56.** An Employer member from Portugal noted that in his country and in the EU generally a coordination system and an insurance system had recently been developed with a view to promoting good practices in the construction industry. Based on the premise that most accidents arise as a result of problems in the project planning stage, a hierarchy of responsibility was established, starting from the head of the construction site to the coordinator and then to those responsible for implementation. Although the new system was in its initial phase, it had already given positive results.
- 57.** A Worker member from Canada expressed the hope that 28 April would be recognized and observed around the world as International Workers' Memorial Day in commemoration of workers who had lost their lives in occupational accidents. First established through the efforts of the Canadian trade union movement, this day of remembrance was intended to serve as a catalyst for improving and strengthening occupational safety and health laws. Awareness raising and education were key to this process.
- 58.** The representative of the Government of Italy noted that enterprises viewed safety measures as a cost. Unfair competition resulted when less safe working conditions were provided as a means of cutting costs. He put forward several suggestions to improve safety practices. The first was to carry out random inspection. The second was to impose fines, rather than simply administrative sanctions for violations. Also, the names of firms that broke the law should be entered in a data bank so that they would not be considered during the tendering process. Finally, training of workers should be improved. Since many

enterprises now operate throughout Europe, a pan-European training centre for workers might be appropriate.

- 59.** An Employer member from Australia suggested that employers' and workers' organizations in the industry should focus on priorities in terms of accident prevention, identifying the most serious types of accidents, determining their causes and then working aggressively to eliminate them. Moving down the hierarchy from the most serious to the less serious types of accident, the target should be zero fatalities and the reduction of injury through the adoption of preventive measures. Industry-wide tripartite bodies could provide the necessary structure and funding to carry out safety training courses at the enterprise level. Mobile or on-site training was one option. Reduction of insurance premiums for firms with low accident rates was another. The speaker observed that adopting risk management strategies was good management practice. He suggested the possible integration of international standards on quality, occupational safety and health and environmental protection. The ILO could look into integrated risk management standards.
- 60.** A Worker member from Argentina urged compliance with current safety and health legislation rather than the development of new regulations. She described a detection campaign carried out by her union, which had involved travelling to construction sites in various regions and denouncing illicit practices. There was now a link between her union's activities and the action of the provincial government with regard to inspection.
- 61.** The representative of the Government of Austria stated that her country applied the principle of territoriality to ensure that all workers in Austria, including those who had come from abroad, were protected by national safety and health legislation. If there was more than one employer active on a construction site, a construction coordinator had to ensure that laws and regulations on safety and health were being applied. There were specific requirements for posted workers, which applied to leave and pay. Special arrangements had been worked out to ensure that Austrian standards of pay and leave applied to posted workers from abroad who work in Austria. Liability arrangements had been worked out with regard to workers' claims related to subcontracting inside and outside the EU and EEA.
- 62.** An Employer member from South Africa urged the ILO to provide assistance to countries, particularly in southern and central Africa, in which a high prevalence of HIV/AIDS was having a strong impact on the construction industry. Some employers were losing up to 10 per cent of their skilled workforce each year to HIV/AIDS. The ILO could provide research, surveys and technical cooperation.
- 63.** A Worker member from Cameroon stated that one study of a pipeline project had revealed an HIV/AIDS infection rate of 50 per cent among construction workers on the project. Because of the mobility of the workforce and the fact that many were living away from their spouses, construction workers were particularly susceptible to infection. The ILO and the social partners should work hand-in-hand to communicate much needed information to workers. Awareness raising was the only means to prevent further infection and death from AIDS.
- 64.** The representative of the Government of the United States noted that safety and health was an issue of importance to both organized and non-union construction workers. More deaths were attributed to the construction industry than to any other industrial group. Work in construction was even more dangerous than police work or fire-fighting. Most training projects in the Bureau of Apprenticeship and Training (BAT) came from the organized sector, but the open shop sector was carrying out much more training than in the past. Both sectors were taking OSHA rules and regulations seriously. In the United States, the main professional trades in the construction industry commanded the highest hourly wages in

the country. Pay rates in the open shop sector were influenced by wages in the organized sector. The ILO should promote safe work practices and should encourage the World Bank and other international organizations to support such efforts.

65. An Employer adviser from Switzerland described his country's approach to workplace safety, which was based on a philosophy of accident prevention. Specific directives had been developed for the construction sector. The enterprises provided expert training in safety matters. Training centres had workplace safety areas which enabled enterprises to see the problems linked to safety and the ways to prevent accidents.

Future ILO action

66. The Worker spokesperson urged the ILO to provide leadership on socially responsible practices. It should promote tripartite discussion on sustainable industrial development and continue to provide a platform for social dialogue in the construction industry at the national and global levels. The ILO should promote core labour standards as well as the Asbestos Convention, 1986 (No. 162), the Safety and Health in Construction Convention, 1988 (No. 167), and the ILO code of practice on safety in the use of synthetic vitreous fibre insulation wools (glass wool, rock wool, slag wool). The ILO should work with other UN agencies and with international financial institutions to promote social issues in sustainable development. Engagement in international policy discussion should ensure that the decent work concept is embedded in the framework of the World Summit for Sustainable Development. The ILO should actively promote and encourage certification processes in sustainable construction work. The ILO should intensify its activities on HIV/AIDS and the world of work, focusing on prevention as well as workplace agreements on testing, confidentiality, information and training.
67. The speaker went on to note that the size, scope of activities and strategic position of international financial institutions such as the World Bank enabled them to influence policies and practice and placed them under an obligation to promote and protect workers' rights. He urged inclusion of a provision in the GATS which would ensure that international labour standards, national labour standards and collective bargaining agreements were respected by all parties to any temporary cross-border movement of construction workers. In closing, the speaker urged the adoption of 28 April as International Workers' Memorial Day and suggested that tripartite activities be promoted on that date.
68. The Employer spokesperson expressed his group's support for the ILO working further on the Decent Work Agenda in matters related to freedom of association, forced labour, child labour and discrimination. His group supported the ILO in strengthening its activities with regard to the establishment of sectoral social dialogue in the former socialist countries of Central Europe. Finally, the ILO should identify situations in which significant reductions in accidents had been achieved, identify the reasons for the reductions and disseminate the information more widely. An Employer member from Canada added that in certain jurisdictions in his country dramatic improvements had been achieved. In his home province of Ontario, the achievement had been due to joint union-management efforts. He suggested concentrating on identifying improvements with regard to frequency rates and the measures taken to achieve those improvements, and to avoid the problems inherent in trying to establish international statistical comparisons.

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

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

Geneva, 14 December 2001.

(Signed) Mr. Duque Estrada Meyer,
Chairperson.

Conclusions on the construction industry in the twenty-first century: Its image, employment prospects and skill requirements¹

The Tripartite Meeting on the Construction Industry in the Twenty-first Century: Its Image, Employment Prospects and Skill Requirements,

Having met in Geneva from 10 to 14 December 2001;

Adopts this fourteenth day of December 2001 the following conclusions:

The construction industry's contribution to the economy

1. The construction industry makes a major positive contribution to the economy of all countries. The output of the industry worldwide is estimated at around \$3,000 billion per annum. The industry creates employment for more than 110 million people worldwide. The provision of large numbers of jobs at relatively low investment cost per job invested is particularly important in the developing countries, where the construction industry plays a major role in combating the high levels of unemployment and in absorbing surplus labour from the rural areas.

Employment practices

2. In a number of countries, changes in employment practices in recent years, in particular the trend to labour subcontracting, have created serious problems. The problems are not felt to the same degree everywhere. There are differences among countries and regions.
3. It is important to distinguish between subcontracting that is carried out within a legal framework and practices which circumvent national and international rules and regulations. Subcontracting, when carried out legally, has many positive aspects. These include specialization of tasks, higher productivity and lower costs. However, when the regulations are weak, or when rules are not respected, there are negative consequences – such as the violation of safety regulations, failure to pay social security contributions, loss of tax revenue, wages below the legal minimum or working hours in excess of the maximum allowed by law.
4. Forms of employment which do not respect fundamental ILO principles and rights at work, national legislation or applicable collective agreements create unfair competition with those in the industry who abide by the law. Governments, employers and workers have common interests in countering illegal activities, and trying to eliminate factors leading to a negative image of the industry.
5. Appropriate regulation is needed to eliminate illegal practices and prevent unfair competition. Governments should develop regulations to protect contract workers and the self-employed. The subcontractors themselves and their employees should be entitled to the rights enshrined in the ILO Declaration on Fundamental Principles and Rights at Work.

¹ Adopted unanimously.

Where unanimously agreed on a tripartite basis, a licensing system and a register of subcontractors should be introduced.

Social dialogue

6. Governments, employers and workers have a common interest in engaging in social dialogue at all appropriate levels. Governments should ensure that employers and workers are free to exercise their right to organize and to bargain collectively, in accordance with the relevant ILO Conventions Nos. 87 and 98. These rights should be respected all along the employment chain with casual and temporary workers having protection equivalent to that given to permanent workers.
7. Governments can also help to promote social dialogue by creating and supporting bipartite or tripartite structures, such as construction industry advisory committees, construction industry research, development and environmental protection boards or construction industry training and development boards, where the partners can meet on a regular basis and discuss issues of mutual concern.

Training

8. Training is vital to the future health of the construction industry. Governments, employers and workers have a common interest in finding ways of meeting the future skill requirements of the industry.
9. In developing training programmes the following should be borne in mind:
 - there is a need for a qualifications structure so that training can be recognized across the industry and skills are transferable;
 - there should be a system for the certification of skills;
 - the concept of lifelong learning should be fostered, with retraining and refresher training for older workers;
 - mandatory basic induction training in safety and health should be included for all;
 - training on applying the building codes of practice governing all performance requirements for building and building materials;
 - the importance of on-the-job training should be recognized.
10. Special training methods should be developed for hard-to-reach workers, such as those workers engaged by subcontractors and those employed by small firms. These measures might include mobile training units and distance-learning programmes. Group apprenticeship schemes ensuring the communication of a wide range of skills may also be valuable in providing a balance between flexibility and stability.
11. National strategies for training need to be developed, led by the industry and effected through bipartite or tripartite organizations, with enabling legislation to support this. The costs can be met in a number of ways. Industrial training levies have been adopted in many countries. Taxpayer subsidies may also be appropriate. Companies should be allowed and encouraged to develop their own training in substantive areas in accordance with national standards.

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12. Multinational construction companies working in host countries should be encouraged to provide appropriate training to local workers that will be transferable when the project is completed.

Occupational safety and health and working conditions

13. Governments, employers and workers have a common interest in ensuring that health and safety standards are met. Construction is a high risk activity. Knowledge about the extent and the cause of accidents and ill health is very limited in many parts of the world. This situation must be addressed through the collection and dissemination of appropriate data on the causes of industrial accidents and their prevention.
14. Some forms of subcontracting have had a negative impact on occupational safety and health in some countries. To help counter this impact, in those countries where there has been a reduction in the number of accidents in recent years, the reasons should be investigated and the results disseminated.
15. Occupational safety and health is an area for state intervention. A coherent national policy framework needs to be developed, by appropriate bodies, taking into account the Asbestos Convention, 1986 (No. 162), and the Safety and Health in Construction Convention, 1988 (No. 167). Attention should also be paid to ensuring better compliance with the legislation that is in place. Responsible employers need help and guidance to coordinate and plan a safety policy to ensure compliance with the legislation. But there must also be strict sanctions for infringements of health and safety laws.
16. The number of accidents will be reduced if all persons involved in the industry are properly informed about risks and trained to carry out their work safely. All those working on site must also be trained in health and safety, with special attention paid to the training of workers' health and safety representatives. Safety and health committees, representative of employers and workers, have been established in many countries and work well. In those countries where they exist, workers' health and safety representatives make a very positive contribution in preventing accidents, injury and ill health.

Procurement

17. Governments should use their public procurement procedures to ensure that contractors and subcontractors comply with national legislation, including health and safety legislation. Greater transparency is needed in the award of public sector contracts to ensure that only legitimate and qualified contractors and subcontractors are engaged. Governments should continuously evaluate the performance of contractors and subcontractors and exclude those who infringe regulations from tender lists.
18. Governments and international financing agencies should encourage socially responsible business practices that promote and protect workers' rights in accordance with the ILO Declaration on Fundamental Principles and Rights at Work. The ILO can help to bring this about by providing a platform for social dialogue and for discussions with financial institutions such as the World Bank. In this connection, consideration should be given to the Labour Clauses (Public Contracts) Convention, 1949 (No. 94).

Role of the ILO

19. The ILO should continue to provide a platform for social dialogue in the construction industry. Particular assistance should be provided to those countries that need to develop social dialogue in this sector at the national level.
20. The ILO should also exercise leadership concerning socially responsible business practices through research into Decent Work in the construction industries, through the promotion of core labour standards as well as the Safety and Health in Construction Convention, 1988 (No. 167), the Asbestos Convention, 1986 (No. 162), and the ILO code of practice on safety and health in construction. The ILO should document and widely disseminate the success stories concerning safety and health in the construction industry.
21. The ILO should cooperate with other United Nations organizations, with the World Bank and with other sources of development assistance to promote sustainable development in the construction industry. This should include:
 - promotion of training, occupational safety and health, and adequate conditions of employment;
 - follow-up to the social and labour components of Agenda 21 adopted at the United Nations Conference for Environment and Development in Rio de Janeiro in 1992, inter alia, by actively participating in the Rio +10 meeting in Johannesburg in 2002;
 - promoting access to housing for all in cooperation with HABITAT.

The ILO's programme on HIV/AIDS at the workplace should include specific activities addressing the severe problems faced by the construction sector in a number of countries.

Part 2

Resolutions

Consideration and adoption by the Meeting of the draft resolutions

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

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

Officers of the Meeting:

Mr. Duque Estrada Meyer (Chairperson)

Mr. Zhang (Government Vice-Chairperson)

Mr. Zaribwende (Employer Vice-Chairperson)

Mr. Khuntia (Worker Vice-Chairperson)

Government members:

Brazil: Mr. Teixeira

Italy: Mr. Trento

Sweden: Mr. Holmström

Employer members:

Mr. Foote

Mr. Gyau

Mr. Küchler

Worker members:

Mr. Bernardes

Mr. Mbagga

Mr. Schmidt-Hullman

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

The Working Party had before it two draft resolutions submitted by the Workers' group, which were declared receivable. The Working Party amended the text of the resolutions on the basis of proposals made by its members within the time limit set by the

Officers of the Meeting. The Working Party recommended the adoption by the Meeting of the two amended draft resolutions.

Resolution concerning the future activities of the ILO

The Meeting unanimously adopted the resolution.

**Resolution concerning health and safety
representation for construction workers**

The Meeting unanimously adopted the resolution.

Texts of resolutions adopted by the Meeting

Resolution concerning the future activities of the ILO¹

The Tripartite Meeting on the Construction Industry in the Twenty-first Century: Its Image, Employment Prospects and Skill Requirements,

Having met in Geneva from 10 to 14 December 2001,

Recognizing new challenges facing the construction industry,

Stressing the importance of the construction sector for the overall stimulation of economies as a whole, particularly in finding solutions during economically recessed periods,

Recognizing that in some countries there is a need to improve conditions in the construction sector particularly as regards to the full respect and application of freedom of association and the improvement of working conditions;

Adopts this fourteenth day of December 2001 the following resolution:

The ILO Tripartite Meeting on the Construction Industry in the Twenty-first Century: Its Image, Employment Prospects and Skill Requirements invites the Governing Body of the ILO:

- (1) to allocate the necessary resources for the ILO programme of sectoral activities to facilitate implementation of the Meeting's conclusions and resolutions, taking account of the final report of the Meeting;
- (2) to convene a sectoral tripartite meeting for construction as early as possible and to consider putting on its agenda "the achievement of sustainable economic, environmental and social development in the construction industry through social dialogue at all appropriate levels"; and
- (3) to request the Director-General of the ILO:
 - (a) to prepare a study on industrial relations in the construction industry and identifying what needs to be done to strengthen social dialogue, including collective bargaining in the sector; and
 - (b) to call on governments to consult with workers' organizations and employers' organizations when they consider measures to be taken as follow-up to the Tripartite Meeting.

¹ Adopted unanimously.

Resolution concerning health and safety representation for construction workers²

The Tripartite Meeting on the Construction Industry in the Twenty-first Century: Its Image, Employment Prospects and Skill Requirements,

Having met in Geneva from 10 to 14 December 2001,

Considering that the health and safety record in the construction industry needs improvement and that an avoidable high number of workers are killed on construction sites each year,

Observing that, due to the temporary and mobile nature of construction sites and the high proportion of small companies in the construction industry, there are difficulties in the selection and training of workers' health and safety representatives,

Observing that workers' health and safety representatives can make a positive contribution to the prevention of injuries and ill health on construction sites;

Adopts this fourteenth day of December 2001 the following resolution:

The ILO Tripartite Meeting on the Construction Industry in the Twenty-first Century: Its Image, Employment Prospects and Skill Requirements invites the Governing Body of the ILO to request the Director-General of the ILO to prepare a study on workers' health and safety representatives in the construction sector, including an assessment of effective representation of workers on health and safety in construction and identifying what needs to be done to ensure that construction workers may exercise their right to representation on health, safety and welfare.

² Adopted unanimously.

Part 3

Other proceedings

Panel discussions

Ensuring the health and safety of construction workers

- Moderator:* Mr. Jukka Takala, Director, SafeWork Programme, ILO, Geneva
- Panellists:* Ms. Fiona Murie, Coordinator, Global Health and Safety Programme, IFBWW, Geneva
- Ms. Karla de Sa Fioretti, Sinduscon-SP, São Paulo, Brazil
- Mr. Seiji Machida, SafeWork Programme, ILO, Geneva

Ms. Murie opened her presentation by referring to the “3D-image” of the construction industry as “dirty, difficult and dangerous”. The latter attribute was borne out by the large number of fatal accidents, estimated by the ILO at some 55,000 per year. There was also a long list of less well-documented, but serious occupational health problems ranging from deafness through vibration-induced and musculo-skeletal disorders to respiratory and infectious diseases. It was tragic that 70 per cent of these accidents were foreseeable and preventable. They were known to be mostly caused by falls due to poor scaffolding and unprotected shafts and by unstable excavations. With the cost of all occupational accidents estimated at about 4 per cent of GDP, safety was not only an ethical but also a development issue.

There was a lack of prevention even though there was evidence suggesting that prevention of accidents was much cheaper than the cost of accidents that occurred. Ms. Murie attributed the lack of prevention to the changes in employment practices towards precarious jobs of short duration in small subcontracting firms. These arrangements blurred responsibility for safety and resulted in relatively low union density. To overcome this situation the cost of prevention needed to be taken out of the competition for projects, tenders had to be evaluated also on the basis of the prevention measures and safety requirements explicitly included in the contracts awarded.

She spelled out the roles for the social partners: governments should ratify the ILO Safety and Health in Construction Convention, 1988 (No. 167), establish national legislation and a tripartite forum for social dialogue on safety and health in construction, and promote good practice, inform and enforce. Employers should also promote compliance, vocational training and skills certification. Occupational safety and health management by contractors should be monitored on-site. Workers’ organizations should participate in drawing up and implementing regulations, in information and training and by providing qualified safety representatives. Roving safety representatives who could cover numerous small and short-lived construction sites in an area were a particularly effective measure as demonstrated by the experience in Sweden.

Ms. de Sa Fioretti reported on her experience as a safety and health consultant to a large organization of employers in the construction industry with over 10,000 affiliated firms in the State of São Paulo in Brazil. In Brazil, the construction industry had been gaining importance over the last three decades with rising shares in both GDP and employment. In terms of occupational safety and health, the sector was among the most hazardous. The main reasons were poor levels of knowledge, strained labour relations and a dispersal of responsibility as well as a lack of enforcement.

Sinduscon had made very positive experience with tripartite dialogue as the vehicle to change attitudes and practices. It had taken time to overcome the scepticism on all sides, but the joint safety committees that had been put in place at all levels from state to the individual site were now recognized as a successful model. All parties were committed to prevention. Management systems, and programmes for training, quality and productivity improvements had been put in place. The number of accidents had fallen and so had the cost to government and industry. The initiative had been instrumental in introducing new technology and in increasing productivity. Over the years the programme had evolved from an emergency plan to rescue lives to preventing accidents and finally to improving the quality of life in the industry.

Ms. de Sa Fioretti made it clear that the threat of sanctions remained an important element. This was all the more true because of the growing dualism in the sector. While major progress had been made in the formal sector, this was more than offset by growing informality particularly in housing construction. More inspection was vital to address this deterioration.

Mr. Machida quoted ILO accident statistics to set the stage for his presentation. In many countries, the construction industry registered two to four times the average frequency of fatal accidents for all industries. Health hazards included potentially fatal ones like asbestos. Even where its use had been banned in new construction, it was still encountered in demolition and repairs. He agreed with the other two panellists that the short duration of projects, the unclear subcontracting arrangements and the presence of migrant workers were the main obstacles to better safety and health.

The ILO had developed an extensive set of standards, codes of practice and training materials for use in the construction industry. The latest addition was the ILO-OSH 2001 safety management system, which was already being adapted and introduced in the construction industry in Japan. The ILO materials had been used successfully in projects for the construction industry in Peru, Colombia, Viet Nam, in the Mercosur countries and in Chile. It was essential to apply a multi-pronged approach including a suitable regulatory framework, national programmes with adequate funding and annual performance targets, data collection and analysis, information, awareness raising and training. The effectiveness of this approach had been demonstrated inter alia in a programme in Thailand where 100,000 construction workers had been trained in a single year, resulting in a major reduction of accidents, in particular of fatal ones.

Discussion

In the discussion, it was noted that in many countries there appeared to be an imbalance: too much emphasis on research and too little action. Networks across the various groups in the industry were needed for effective programmes. One of the greatest challenges was to have safety considered in the project tendering and government procurement. Safety and health should be one of the criteria for the evaluation of bids and should be assessed independently. One of the main shortcomings of safety management systems was that they left out the many small and medium-sized enterprises. Certification according to ISO or other standards by private assessors was a complement to, but not an alternative to, government inspection.

Improving communications and social dialogue in the construction industry

Moderator: Mr. Ludek Rychly, InFocus Programme on Social Dialogue, ILO, Geneva

Panellists: Ms. Jane English, Professional Communication Unit, University of Cape Town, South Africa

Mr. Peter Smith, Department for International Development, London, United Kingdom

Mr. Albrecht Ehlers, Senior Vice-President, Hochtief, Essen, Germany

Ms. English reported on a project commissioned by a construction company in South Africa aimed at improving communication and cross-cultural skills. The project was a response to widespread complaints among Xhosa-speaking construction workers about treatment on-site. Surprisingly, misgivings about the lack of greetings, about failure to use the correct form of address, about crude speech and about a lack of explanation of instructions by fellow workers and superiors were more prevalent than complaints about wages or working conditions. The discontent was caused by the mismatch of expectations and cultural norms on ethnically and culturally very diverse building sites. Among the 150 participants in the pilot project as many as 30 different cultural backgrounds and languages were found.

The project addressed the problem by using the concept of “Ubuntu”, a traditional African tradition of interpersonal relations by which the status and identity of a person is created by the way the individual interacts with others. The first task was to create awareness for the cultural diversity and the differences. This was followed by training in rudimentary language skills and greeting formula in Xhosa, in ways to avoid gestures that are perceived as offensive by Xhosa workers, and in listening and showing respect. The training was unanimously credited with creating a positive atmosphere, resulting among other things in a lower rate of absenteeism, and with improving productivity due to instructions that were clearer and better understood.

Just how valuable this kind of training can be was demonstrated in a follow-up study of participants. In a period of recession and major retrenchments over the last few years, course participants stood out: none of the participants lost their job and a disproportionately high number was actually promoted. In conclusion, Ms. English suggested that cultural sensitivity and interpersonal skills were as important as trade skills.

Mr. Smith reported on a project funded by the Department for International Development for the improvement of bridges in Northern Ghana which had included the incorporation of fundamental ILO standards. Ghana had good labour laws, but they were poorly enforced. The construction industry was characterized by low wages, a public image as a dangerous occupation and gender disparities with women mostly in marginal jobs and in the informal sector.

The project had set out to build core ILO standards into all agreements and contracts. These included the right to organize and to bargain collectively, the elimination of forced as well as of child labour, the timely payment of a “living wage”, reasonable working hours, occupational safety and health and stable employment to the extent possible.

Initially, there had been difficulties to get all to understand the intentions and the implications. These had been overcome and the initiative enjoyed broad support now. The challenge was, however, to make good practice common practice and to institutionalize the approach. In addition to its own projects, the Department was working also with the European Union and with the World Bank to ensure labour standards were built into loans and aid projects.

Mr. Ehlers recalled the protests at recent International Monetary Fund and World Employment Forum meetings. This unrest underlined that globalization had to create jobs

and contribute to alleviating poverty. Companies had to face up to their social responsibilities and the globalized economy needed global rules, including on social and labour matters. His company, Hochtief, was Germany's largest builder and number five worldwide. Hochtief generated three-quarters of its turnover outside Germany and two-thirds of its 40,000 employees worked outside the country.

The firm had intended to commit itself by introducing an ethical code of conduct and signing an agreement with the International Federation of Building and Woodworkers (IFBWW), but it also hoped to set signs for others in the industry. Most clauses in the agreement with IFBWW were taken for granted in industrialized countries, but not observed in many developing ones. The code had been built into the company's management system. An officer had been appointed for monitoring performance and operations were subject to review by works councils and trade unions. Hochtief required compliance from all its subcontractors and joint venture partners. This policy had led to better job satisfaction and higher motivation among workers as well as to trust and cooperation with both workers and business partners.

In Mr. Ehlers' opinion, the bidding process for construction was flawed in that it encouraged competition solely on price. Legislation should include a pre-qualification process which would establish the eligibility of firms based on their competence. This would provide the basis for a clear and transparent bidding process. Social responsibility was a precondition for the long-term survival on international markets, but it required a level playing field. In that respect, he welcomed the agreement at the World Trade Organization to discuss social standards and saw an important role for the ILO in this debate.

Discussion

In the discussion the question of implementation of the Hochtief-IFBWW agreement was raised. Mr. Ehlers insisted that his company made sure the agreement was handed down along the contractor chain. It had established a register of contractors and partners that it would work with. He passed the question on to a representative of the German trade union who explained that follow-up was channelled through IFBWW where complaints were registered and checked. Where believed to be founded, they were taken up with a contact person nominated by Hochtief. The two cases considered so far surprisingly had concerned industrialized countries. In Germany a subcontractor had not paid wages to Turkish employees. This had been unbureaucratically resolved by Hochtief. IFBWW had recently signed a second such agreement with the Swedish multinational Skanska.

Several participants referred to the problem of fragmentation in the industry and to the high and growing share of workers in the informal sector. This was the case also for Ghana where unions were well organized and active in the formal sector in cities but largely absent among the casual workers in rural areas. In South Africa a recent study on the informal sector found that only 2 per cent of the construction workforce was unionized. This seriously curtailed the coverage of institutions like the wage councils.

A lively exchange was sparked by an account of alleged wage discrimination by a United States building company working on a large World Bank-funded infrastructure project in Cameroon. Enforcement of legislation was a challenge for all parties. Some discussants insisted that internationally operating building firms are interested in transparency. CICA for example had been discussing with the World Bank and with the International Monetary Fund procedures for the award of contracts funded through loans that would avoid the irregularities and corruption often associated with such tenders. They had not obtained a satisfactory answer so far. For the time being complaints could only be filed after the event, not while contracts were being awarded. The World Bank had

promised to come up with new rules, but fairness also remained an important responsibility of governments.

The role of women in the construction industry

Moderator: Mr. Terje Tessem, Employment-Intensive Investment Programme, ILO, Geneva

Panelists: Ms. Susan Eisenberg, Master Electrician, Professor, University of Massachusetts, Boston

Ms. Christine Nathan, Indian Federation of Building and Woodworkers, Mumbai

Ms. Marie Winsvold, Employment-Intensive Investment Programme, ILO, Geneva

Ms. Susan Eisenberg spoke about the participation of women in the construction industry in the United States. The industry was opened to women workers in 1978 when then President Carter issued a set of Executive Orders that set goals and timetables for recruiting and training women workers. The process was stimulated by skilled labour shortages in the industry. The goal was to raise the percentage of women in the construction workforce to 25 per cent by the end of the millennium. This goal would have been achieved if the early efforts had been pursued, but they were short-lived. By the early 1980s the percentage of women in the workforce had grown to 2 per cent, where it had remained.

The low share of women in the workforce was not a reflection of lack of interest or ability but rather of massive resistance by male colleagues. Women were exposed to harassment, in training and at work, and hazards were sometimes used deliberately to frighten them. There was also discrimination, although this was covert rather than overt. For example, women did not have equal access to informal hiring networks; they were often hired as low wage apprentices rather than at the full journeyman rate; and they were less likely to be brought into the social security network. Even on union jobs, where men and women were paid equally, the industry cycles of hiring and lay-offs were often used as a smokescreen to hide discriminatory practices.

Some of these problems relating to gender equality in the industry might be solved if there was a critical mass of women in the construction workforce and if women workers on jobsites came to be seen as normal and necessary. This might yet happen as current labour shortages had led to renewed interest in recruiting women.

Ms. Christine Nathan presented an overview of women workers in the construction industry in India. The construction industry was the second largest employer of women in India. According to her estimates, about 35 per cent of the 20 million construction workers were women. Yet despite the importance of women in the workforce they were largely invisible. Most women construction workers were hired in the rural areas by subcontractors. They were generally hired and paid through their husbands, which meant that their names were not listed in the payroll record of the subcontractors. The traditional, male-dominated social system in India, the nature of women's work as casual labourers and the subcontractors' unwillingness to disclose the number of women workers to avoid the obligation to pay social costs, all contributed to their invisibility.

The invisibility of women workers hindered them from improving their working and living conditions. Women workers were forced to work in unsafe and unsanitary

environments for long hours. They suffered from many kinds of injuries and accidents at work which often harmed their reproduction capacity. Companies did not provide safety equipment or maternity leave and miscarriages were common. Although contractors provided living quarters for workers, these were inhumane, with no water or toilet facilities and no electricity.

Women workers' wages were lower than male workers' wages. Needless to say, the industry took advantage of this situation. Contractors sometimes threatened that they would not hire women workers if they insisted on receiving equal pay. The inequality was rooted in the lack of skill, as well as the failure to recognize skills, among women workers. The traditional system whereby skills were transferred from father to son prevented women workers from receiving skill training, which was given only to male workers. But even when women workers did possess skills, they did not receive a fair evaluation and contractors would never hire them as skilled workers.

Ms. Marie Winsvold presented the ILO's concept of an appropriate role for women in the construction workforce. The ILO had developed employment-intensive construction programmes involving women workers in sub-Saharan Africa. These included road construction, irrigation projects, housing, solid waste management, water supply, access and sanitation. She stressed that the employment of women in these programmes would help to promote growth and reduce poverty.

Gender inequality in the construction industry occurred because of segregated schools, gender stereotypes and unequal access to training, which allowed for the development of different wage rates for different jobs, lower pay for women and inequality in job promotion. She offered the Meeting solutions to overcome these various constraints. The solutions should be based on the principle of equal access to jobs and to individual work operations. At the time when labourers were hired, any obstacles to women taking jobs should be removed (for example, by advertising the jobs in places where women were found) and efforts should be made to ensure that women were fully aware of their terms of employment. Further, there should be encouragement to hire women workers in higher positions. This could be achieved by a three-pillar strategy. First, training programmes should be developed locally with community participation and special training programmes targeting women. Second, there was a need for education, with the development of an improved and equal schooling system. Third, it was necessary to avoid any requirements which could cause discrimination against the promotion of women and to sensitize supervisors, site engineers and decision-makers on promoting more women workers in higher positions.

Discussion

In the following discussions, several participants expressed their concerns about the devastating conditions of women workers in the construction industry, particularly in India. It was questioned how women's status in the industry could be changed, and what type of training was needed to promote better employment for women workers. Ms. Nathan pointed out the social and cultural problem inherent in the way skill training is delivered in India, with skills passed from father to son and not from father to daughter. Under such circumstances, it was difficult for women to obtain proper skill training and to promote them to higher positions.

The second major question referred to the difference between the conditions of women workers in the unionized and the non-unionized sectors. Ms. Eisenberg noted that there was not a lot of difference. The unionized sector has better prospects, although the record is not very good. The non-union sector had recently begun to show interest in women workers and started a number of training programmes. A discussion ensued on the

role of affirmative action. It was suggested that affirmative action needed to be continued for sufficient length of time for real change in the environment of the industry to be brought about.

Closing speeches

The Secretary-General provided information on participation in the Meeting, noting that women made up only 12 per cent of the total number of delegates. This was rather low but probably reflected the characteristics of the sector. The Meeting had provided an important opportunity to discuss topical issues related to the construction industry in a global tripartite framework. The three panel discussions presented a further occasion for more in-depth exchange of information and experience of particular topics. The spirit of social dialogue which had prevailed had enabled the Meeting to adopt by consensus a set of key conclusions, as well as two resolutions. The Secretary-General highlighted the importance for ILO constituents, as well as for the Office, of now putting these conclusions and resolutions into action.

Mr. Van Helden (representative of the Government of the United States; Chairperson of the Government group) said it was very important that the ILO recognized the contribution of the construction industry, both in terms of employment and output. The Meeting had taken a step in this direction. He hoped that the conclusions would become official policy of the ILO. The conclusions were certainly important to the representatives from his country, where much could be done to improve safety and health in the construction industry. His country had, however, learned the importance of the “hard hat” in saving lives and he would like this message to be passed on to the rest of the world. He pointed out that during the recent rebuilding of the World Bank offices in New York, every individual had worn a hard hat for every minute of the job and there had been no fatalities and no major injuries. He asked that the World Bank and other multilateral funding agencies follow that example and ensure that hard hats are worn on all projects they finance throughout the rest of the world.

Mr. Clark (spokesperson of the Employers’ group) endorsed the comments of the previous speaker. He congratulated the author of the report, which had served as a springboard for the discussions at the Meeting. These discussions had led to a satisfactory conclusion. Agreement had been reached by give and take on both sides and by all parties listening to each other in a constructive way. The report of the discussion was a succinct and accurate record and had been very skilfully prepared.

Mr. Seno (Chairperson of the Workers’ group) said that much had been learned during the course of the week, including the fact that corporate social responsibility is now regarded as a competitive tool by some of the biggest global construction companies; and that the ILO and other international agencies can set global standards for the industry. He hoped that the ILO will strengthen its efforts to push for decent work in the construction industry through the ratification of ILO Conventions and by providing a platform for tripartite social dialogue.

The Chairperson noted that everybody present had made a contribution to the success of the Meeting, with each person adding a little brick to build a successful structure. There had been frank discussion and the result was very positive. The Chairperson declared the Tripartite Meeting on the Construction Industry in the Twenty-first Century: Its Image, Employment Prospects and Skill Requirements closed.

Evaluation questionnaire

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

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

	5 Excellent	4 Good	3 Satis- factory	2 Poor	1 Unsatis- factory	Average score
The choice of agenda item (subject of the Meeting)	14	13	1			4.46
The points for discussion	5	19	4			4.03
The quality of the discussion	6	11	10	1		3.78
The Meeting's benefits to the sector	8	12	4	2		4
The conclusions	1	14	10			3.64
The resolutions	3	9	10	2		3.54
Panel discussion on health and safety	5	13	3	3		3.83
Panel discussion social dialogue	4	12	5	1		3.86
Panel discussion on the role of women	9	9				4.5
Opportunity for networking	8	15	2	1		4.15

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

	5 Excellent	4 Good	3 Satis- factory	2 Poor	1 Unsatis- factory	Average score
Quality of analysis	13	11	2	2		4.25
Objectivity	10	12	2	4		4.00
Comprehensiveness of coverage	9	14	2	1		4.00
Presentation and readability	12	9	7			4.17
Amount and relevance of information	6	18	3	1		4.03

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

	Too much	Enough	Too little
Discussion of the report	3	17	6
Panel discussions	3	20	3
Groups	1	21	5
Working Party on Resolutions	1	16	3
Working Party on Conclusions	1	17	3

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

	5 Excellent	4 Good	3 Satis- factory	2 Poor	1 Unsatis- factory	Average score
	19	6	2			4.63

5. Respondents to the questionnaire

Government	Employers	Workers	Observers	Total	(Response rate: 32%)
2	8	16	2	28	

6. Participants at the Meeting

Government	Employers	Workers	Technical advisers	Observers	Total
12	22	23	15	17	89

7. Delegates/technical advisers

	Government	Employers	Workers	Total
Delegates	12	22	23	57
Technical advisers	8	3	4	15

8. Female participation

	Government	Employers	Workers	Total	per cent women delegates
Delegates	2	2	3	7	12
Technical advisers	1	1	0	2	

List of participants
Liste des participants
Lista de participantes

Representative of the Governing Body
of the International Labour Office
Représentant du Conseil d'administration
du Bureau international du Travail
Representante del Consejo de Administración
de la Oficina Internacional del Trabajo

Sr. Frederico S. Duque Estrada Meyer, Misión Permanente de Brasil, Ginebra

Members representing governments
Membres représentant les gouvernements
Miembros representantes de los gobiernos

AUSTRIA AUTRICHE

Ms. Iris Dembsher, Deputy Director, International Social Policy Division, Federal Ministry of Economic Affairs
& Labour, Wien

BRAZIL BRÉSIL BRASIL

Mr. Adailton Teixeira, Head of the Cabinet of the Vice Minister, Ministry of Labour and Employment, Brasilia

CHINA CHINE

Mr. Zhang Junfeng, Councillor, Permanent Mission of China, Geneva

Advisers/Conseillers techniques/Consejeros técnicos

Mr. Zhao Hui, Director of International Division, Department of Construction Market Administration, Beijing

Mr. Duan Dongwen, Second Secretary, Permanent Mission of China, Geneva

EGYPT EGYPT EGIPTO

Mr. Hamdy El-Sayed, Director, Construction Materials Division, Housing and Building Research Centre, Cairo

Adviser/Conseiller technique/Consejero técnico

M^{me} Nadia El-Gazzar, Conseiller des affaires du travail, Mission permanente d'Égypte, Genève

GERMANY ALLEMAGNE ALEMANIA

Mr. Peter Herschel, Ministerial Counsellor, Bundesministerium für Arbeit und Sozialordnung, Bonn

Adviser/Conseiller technique/Consejero técnico

Mr. Valentin Klotz, Social Counsellor, Permanent Mission of Germany, Geneva

ITALY ITALIE ITALIA

M. Luigi Trento, Funzionario in servizio presso, Divisione II Affari Internazionali, Ministero del Lavoro, Roma
Adviser/Conseiller technique/Consejero técnico

M. Fabio Piero Fracasso, Ministero delle Infrastrutture e dei Trasporti, Ispettorato Generale per I Contratti,
Roma

KENYA

Mr. Ephraim Waweru Ngare, Labour Counsellor, Permanent Mission of Kenya, Geneva

MALAYSIA MALAISIE MALASIA

Ms. Maimunah Khalid, Manager, National Institute of Occupational Safety and Health (NIOSH), Selangor
Adviser/Conseiller technique/Consejero técnico

Mr. Amir Abdullah, Deputy Chief Executive Officer, Construction Industry Development Board, Kuala Lumpur

SPAIN ESPAGNE ESPAÑA

Sr. Raimundo Aragón Bombín, Inspector de Trabajo y Seguridad Social, Ministerio de Trabajo y Seguridad Social, Madrid

Adviser/Conseiller technique/Consejero técnico

Sr. Rodrigo García-Conde, Consejero Laboral Adjunto, Misión Permanente de España, Ginebra

SWEDEN SUÈDE SUECIA

Mr. Mårten Holmström, Göteborg Work Environment Inspectorate, Swedish Work Environment Authority, Göteborg

UNITED ARAB EMIRATES EMIRATS ARABES UNIS EMIRATOS ARABES UNIDOS

Mr. Adel Al Zarooni, Labour Inspection Incharge, Ministry of Labour and Social Affairs, Labour Inspection Dep., Dubai

UNITED STATES ETATS-UNIS ESTADOS UNIDOS

Mr. Ronald Van Helden, International Representative, Bureau of International Labour Affairs, US Department of Labor, Washington DC

Adviser/Conseiller technique/Consejero técnico

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

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

- Mr. Habtezion Asmellash Ghermatsion, Manager, Employers' Federation of Eritrea, Asmara
- Sr. Germán Botero, Gerente General, Cementos El Cairo S.A., Asociación Nacional de Industriales, Medellín
- Mr. Pavel Caba, President, Investment and Building Joint Stock Company "Moldconinvest", Chisinau
- Mr. Michael David Clark, Employment Relations Consultant, Employers' & Manufacturers' Association (Northern) Inc., Auckland
- M. José Costa Tavares, Director de Serviços de Relações de Trabalho, Associação de Empresas de Construção e Obras Públicas (AECOPS), Lisboa
- Mr. Antal Csúport, Managing Director, Confederation of Hungarian Employers' Organizations for International Cooperation (CEHIC), Budapest
- Mr. Brian Foote, Director of Labour Relations, General Contractors' Section, Toronto Construction Association, Richmond Hill
- Sr. Ricardo Fraboschi, Presidente Comisión Asuntos Laborales, Cámara Argentina de la Construcción, Buenos Aires
- Mr. Theodore Kwame Gyau, Executive Member, Ghana Employers' Association, Accra
- Mr. Abdul Khalique Khan, In Charge Projects Personnel & Administration, DESCON Engineering Ltd., Lahore
- Mr. Wilhelm Küchler, Vice-President, Confederation of International Construction Associations (CICA), Fédération de l'industrie européenne de la construction, Kelkheim-Fischbach
- Adviser/Conseiller technique/Consejero técnico*
- M^{me} Laetitia Passot, Rapporteur affaires sociales, Fédération de l'industrie européenne de la construction, Bruxelles
- Ms. Sandra Lamy, Manager Human Resources, HCL Group of Companies (Home Construction Ltd.), St. James, Port-of-Spain
- Mr. John Murray, National Executive Director, Master Builders Australia, Turner Act
- Sr. José Luis Pastor Rodríguez-Ponga, Secretario General, Confederación Nacional de la Construcción, Madrid
- Mr. Giuseppe Scarno, Funzionario Relazioni Sindacali, Associazione Nazionale Costruttori Edili (ANCE), Roma
- Ms. Kirsti Stokland, Director, Byggenoringens Landsforening BNL, Oslo
- Mr. Priya Ranjan Swarup, Director-General, Construction Industry Development Council, New Delhi
- M. Jean-Louis Terdjman, Directeur des affaires sociales, Fédération française du bâtiment, Paris
- Mr. Clay Thompson, Senior Vice-President, Global Construction, Fluor Corporation, Aliso Viejo
- Mr. Hendrik Uys, Human Resources Director, South African Federation of Civil Engineering Contractors, Bedfordview
- M. Kurt Walser, Secrétaire, Société suisse des entrepreneurs, Zürich
- Advisers/Conseillers techniques/Consejeros técnicos*
- M. Serge Oesch, Secrétaire central, Société suisse des entrepreneurs (SSE), Lausanne
- M. Xavier Schnyder de Wartensee, Secrétaire patronal, Société suisse des entrepreneurs (SSE), Zürich
- Mr. Godfrey Zaribwende, Chairman, Uganda National Association of Building & Civil Engineering Contractors (UNABCEC), Kampala

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

- Mr. Herbert Aufner, Gewerkschaft Bau-Holz Österreich, Wien
- Ms. Nada Bakula, Trade Union of Construction Industry of Croatia, Urbanisticki Zavod Grada Zagreba, Zagreb
- Mr. Hüseyin Baykal, General Organization Secretary, Turkish Trade Union of Road Construction & Building Workers (YOL-IS), Ankara
- Adviser/Conseiller technique/Consejero técnico*
- Mr. Burak Ekmekçioğlu, International Relations Assistant, Turkish Trade Union of Road Construction & Building Workers (YOL-IS), Ankara
- Sr. Edison Bernardes, Presidente, CONTICOM-CUT, São Paulo
- M. Guy Bonnewijn, Coordonateur politique sociale européenne, CSC Bâtiment et industrie, Bruxelles
- Mr. Ravi Chandran, Union of Employees in Construction Industry, Kuala Lumpur
- Sr. Gerardo de Gracia Pastor, Responsable Política Industrial, Federación Estatal de la Construcción, Madera y Afines (FECOMA-CC.OO), Madrid
- Mr. John Harrington, President, Business Manager, Sheet Metal Workers International Association (SMWIA), Washington DC
- Mr. Ed Hawrysh, International Representative, Teamsters Canada, Laval Québec
- Ms. Ulla-Maria Jonsson, Swedish Union of Clerical & Technical Employees in Industry, Stockholm
- Adviser/Conseiller technique/Consejero técnico*
- Mr. Leif Nyrell, Byggnads, Stockholm
- Mr. Ramachandra Khuntia, Vice-President, Indian National Building, Construction, Forest & Wood Workers Federation (INBCWF), Bhubaneswar Orissa
- Mr. Jakub Kus, Director, Construction Workers Trade Union “Budowlani”, Warsaw
- Mr. Julius M. Maina, Assistant National Secretary General, Kenya Building, Construction, Timber, Furniture & Allied Industries Employees Union, Nairobi
- M. Jean-Michel Mbagu, Coordonateur national, Fédération des travailleurs du bâtiment, travaux publics, activités annexes du Cameroun (Ftbac), Longkak Yaounde
- Mr. Narius Moloto, General Secretary, Building Construction & Allied Workers Union of South Africa, Johannesburg
- Sra. Marta H. Pujadas, Vicepresidente Comité Regional Latinoamericano Mujeres, Federación Internacional de Trabajadores de la Construcción y Madera (UOCRA), Buenos Aires
- Mr. Li Quanliang, Vice-Chairman, National Committee, Urban Construction and Building Material Workers’ Union of China, Beijing
- Adviser/Conseiller technique/Consejero técnico*
- Mr. Li Jianming, Division Chief, All-China Federation of Trade Unions, Beijing
- Sr. Rubén Miguel Rivera Martínez, Secretario General, Sindicato Nacional de Trabajadores de la Construcción Similares y Conexos (SNOCTEC), México
- Sr. Genaro Rodríguez López, Secretario General, Sindicato Unico Nacional de Trabajadores de la Industria de la Construcción (FITCM/ORL), Panamá
- M. Hans-Ueli Scheidegger, Zentralsekretariat, Gewerkschaft Bau & Industrie GBI, Zürich

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M. Bernard Jeandet, Secrétaire central, Syndicat industrie et bâtiment (SIB), Lausanne

Mr. Frank Schmidt-Hullmann, Abteilungsleiter Internationales/Europ. Baupolitik, IG Bau Bundesvorstand, Frankfurt-am-Main

Mr. Gerard Seno, National Vice-President for Operations, Associated Labor Unions (TUCP), National Labour Center, Quezon City

M. Jean-Marc Zénon, Secrétaire fédéral, Confédération générale du travail F0, Paris

Representatives of non-governmental international organizations
Représentants d'organisations internationales non gouvernementales
Representantes de organizaciones internacionales no gubernamentales

Confederation of International Contractors Associations (CICA)

Confédération des associations internationales d'entrepreneurs

Confederación de Asociaciones Internacionales de Contratistas

M^{me} Claude Revel, Directeur général, Paris

International Confederation of Free Trade Unions (ICFTU)

Confédération internationale des syndicats libres (CISL)

Confederación Internacional de Organizaciones Sindicales Libres (CIOSL)

Mr. Dan Cunniah, Director, Geneva Office, Geneva

Ms. Anna Biondi, Assist. Director, Geneva Office, Geneva

International Construction Institute (ICI)

Mr. John Löfblad, Geneva Representative, Geneva

Mr. Antonio Deruda, Research Project Director, Roma

International Federation of Building and Wood Workers (IFBWW)

Fédération internationale des travailleurs du bâtiment et du bois

Federación Internacional de Trabajadores de la Construcción y la Madera

Mr. Roel de Vries, President, FNVBouw, Am Woerden

Ms. Anita Normark, General Secretary, Geneva

Ms. Fiona Murie, Director, Health, Safety and Environment, Geneva

Mr. Marion Hellmann, Industrial Relations Secretary, Geneva

Ms. Edith Gross, Secretary, Building, European Federation of Building and Wood Workers, Brussels

Mr. Sam Hägglund, Researcher, NBTF, Stockholm

Mr. Harrie Bijen, General Secretary, European Federation of Building and Wood Workers, Brussels

International Organization of Employers (IOE)

Organisation internationale des employeurs (OIE)

Organización Internacional de Empleadores (OIE)

Mr. Jean Dejardin, Adviser, Geneva

**Trade Unions International of Workers of the Building, Wood
and Building Materials Industries**

**Union internationale des syndicats des travailleurs du bâtiment,
du bois et des matériaux de construction**

**Unión Internacional de Sindicatos de Trabajadores de la Construcción,
Madera y Materiales de Construcción**

M. Michel Blondel, Toulouse

World Federation of Building and Woodworkers' Unions

Fédération mondiale des organisations de la construction et du bois

Federación Mundial de Trabajadores de la Construcción y la Madera

Mr. Petrus Nelissen, Executive Secretary, World Confederation of Labour, Brussels

World Federation of Trade Unions

Fédération syndicale mondiale

Federación Sindical Mundial

Sra. Aida Avella Esquivel, Representante Permanente en Ginebra, Ginebra

Sra. Aurora García Torres, Asistente, Ginebra