



## **ASEAN Trade Union Council (ATUC) Statement to the ASEAN Labor Ministers Meeting (ALMM) and Senior Labor Officials Meeting (SLOM) 2010**

### **A TRADE UNION ROAD MAP**

### **TOWARDS CREATION OF AN ASEAN SOCIAL AND LABOUR STANDARDS**

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#### **INTRODUCTION**

1. The ASEAN Trade Union Council (ATUC<sup>1</sup>) welcomes, with great interest, the ASEAN integration process, beginning with its establishment in 1967 by its six original founding states to its expansion to become a 10-state body in 1999.
2. The ASEAN Charter, adopted on 15 December 2008, created a “new ASEAN”, proceeding from the original goals of the ASEAN Founding Fathers “to create an organization that would help bring about a Southeast Asian Region of peace, freedom and prosperity for their peoples.”
3. The ASEAN Charter hopes to “alleviate poverty and narrow the development gap within ASEAN through mutual assistance and cooperation; strengthen democracy, enhance good governance and the rule of law, and to promote and protect human rights and fundamental freedoms; enhance the well-being and livelihood of the peoples of ASEAN by providing them with equitable access to opportunities for human development, social welfare and justice; and promote a people-oriented ASEAN in which all sectors of society are encouraged to participate in, and benefit from, the process of ASEAN integration and community building.”
4. With a population of 575 million, the ASEAN has great potentiality for future economic development. It is increasingly becoming the center of global economic growth because of its geopolitical position with diverse and rich human and natural resources, and accumulation of capital investments. By its integration into a wider network of the global market by means of free trade agreements with China, Korea, Japan, Australia, New Zealand, India and soon with the European Union, the ASEAN is becoming a hub of economic integration. Economic integration of the ASEAN process also has attracted political networking<sup>2</sup> to around the ASEAN.

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<sup>1</sup> ATUC is a grouping of 15 representative national trade union centers in 9 ASEAN states except Brunei including Cambodia Confederation of Trade Unions (CCTU); Confederation of Indonesian Trade Union (K-SPI/CITU); Confederation of All Indonesian Trade Union (K-SPISI); Confederation of Indonesia Prosperity Trade Union (K-SBSI); Lao Federation of Trade Unions (LFTU); Malaysian Trades Union Congress (MTUC); Trade Union Congress of the Philippines (TUCP); Federation of Free Workers (FFW); Singapore National Trades Union Congress (NTUC); Labour Confederation of Thailand (LCT); Thai Trade Union Congress (TTUC); State Enterprises Workers' Relations Confederation (SERC); National Congress of Private Industrial Employees (NCPE); Vietnam General Confederation of Labor (VGCL); Federation of Trade Unions-Burma (FTUB); and Timor Leste Trade Union Council (TLTUC).

<sup>2</sup> With the core of the ASEAN 10 (6 + CLMV), it has ASEAN + 3 (ASEAN 10 + Japan, China, Korea), East Asia Summit (ASEAN 3 + Australia,

5. The ASEAN Trade Union Council (ATUC) expresses its intention to work with the ASEAN to create One Community with One Identity of ASEAN.
6. Despite growth and economic developments, the ATUC sees four (4) major challenges that threaten balanced economic growth towards “one caring and sharing community”:
  - a) **Gap between the nations and within the nation**, in terms of GDP per capita, Human Development Indicators, and inequality in incomes;
  - b) **Flexible labor market policy** is being used for reduction in production cost resulting in surge of atypical work force, contract workers and informal economy in the ASEAN;
  - c) **Labor mobility** --rapid population growth coupled with lack of adequate employment creation policy has increased labour mobility within the ASEAN causing many problems among migrant workers in destination countries; and
  - d) **Gender equality**, in terms of opportunity and remuneration, **and youth employment**, especially among women, need more attention.

Specifically, the economic gaps within and between ASEAN states – arising from inadequate mechanisms of distribution and re-distribution of national wealth, i.e. collective bargaining, Social Safety Nets, fair taxation and fiscal policies. Increasing labour mobility, gender and youth issues -- needs adequate development and social policies.

The ASEAN intends to create an integrated economic area of 10 states by means of establishing common standards of trade, communication, transportation and so forth. In other words, the ASEAN is pursuing economic aspects of integration. However, in the light of the ASEAN's purpose to achieve a true integration, social aspect of the ASEAN integration should also be part of ASEAN integration. The ILO Decent Work Agenda, the internationally recognised social infrastructure, should be the guiding principles for such social integration of the ASEAN.

The ATUC proposes to establish fora to discuss with the ATUC on pressing labour issues arising from the ASEAN process with the aim to create ASEAN Social and Labour Standards as part of its Mottos- “One Community, One Identity,” and “Caring and Sharing Community.”

## **THE TRADE UNION ROAD MAP TOWARDS A SOCIAL ASEAN**

7. The ATUC proposes a **TRADE UNION ROAD MAP TOWARDS A SOCIAL ASEAN** as it welcomes the inclusion of the concept of Decent Work in the ASEAN Socio Cultural Community Blueprint<sup>3</sup>.

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New Zealand, India), ASEAN Regional Forum (EAF + U.S., Canada, Russia, EU, PNG, Mongolia, North Korea, Pakistan, East Timor, Bangladesh, Sri Lanka). PNG has an observer status in the ASEAN and Timor Leste is expected to affiliates to the ASEAN in 2012. The ASEAN is also a member of the ASEM which has 43 member states including whole ASEAN 10 states, the ASEAN and the EU. Engagement with the OECD is in progress.

<sup>3</sup> It states in its strategic objective, “Incorporating Decent Work Principles in ASEAN work culture, safety and health at workplace and that the promotion of entrepreneurship becomes an integral part of ASEAN's employment policy to achieve a forward-looking

8. The scope of the Decent Work in the ASEAN Socio-Cultural Community Blue Print should not be narrowly defined, but should be a comprehensive instrument to create a balanced economic growth.

### **General Principle**

9. The ASEAN Road Map should be implemented in due attention to Decent Work Agenda, an internationally-recognised ILO guiding policy, to bring about balanced economic growth or distributive justice in the ASEAN process. The ASEAN should declare in its policy documents that Decent Work is one of the guiding principles of the ASEAN process as the ASEM Beijing Declaration 2008 indicates.
10. The ATUC proposes that the four components of Decent Work Agenda be incorporated in the implementation of the ASEAN Road Map.

#### **A. Decent Work 1: Rights at Work**

The right to bargain collectively should be guaranteed in trade union laws. Restrictions in the exercise of collective bargaining should be removed in conformity with relevant ILO conventions.

Concerted actions for gender equality should be organized. Forced labour and child labour should be eliminated. Adequate mechanisms to protect migrant workers should be worked out.

In most ASEAN Countries, Labor reforms are being re-written reducing workers' rights. Laws should be changed to harmonize them with ILO Core Labor Standards

#### **B. Decent Work 2: Employment protection**

An ASEAN standard for human resource development should be worked out, where training and retraining for skill development, efficient job exchange, gender and youth perspectives should be properly incorporated.

ASEAN integration will bring about employment dislocation which would require fair labour market adjustment measures.

In the light of COP 15 and further development of international framework against climate change, creation of green jobs should be pursued.

The ASEAN should establish an ASEAN guideline for employment protection on the basis of the ILO Global Jobs Pact.

#### **C. Decent Work 3: Social protection**

ASEAN should establish a clear definition of social protection and set standards for each component of various Social Safety Nets, such as employment insurance, retrenchment benefits, pension, medical care, occupation-related accident and/or occupational diseases, survivors' benefits, invalidity benefits, maternity benefits and other benefits specific to women, guaranteed minimum wage, general social development programmes, such as basic education, basic general health, housing, social assistance for specific groups, such as the hard core poor, community development, and provisions for natural disasters.

The ASEAN should establish an ASEAN guideline for Social Safety Nets

#### **D. Decent Work 4: Social dialogue**

Social partnership -- through constructive industrial relations<sup>4</sup> at national, industrial and company levels -- should be promoted in the ASEAN process. The base for the constructive industrial relations is the recognition of trade unions.

Corporate Social Responsibility, based on social partnership, should enhance corporate accountability to stake holders, i.e., shareholders, business partners, consumers, citizens and trade unions representing employees.

The ASEAN should review the industrial relations in the ASEAN states and exchange good practices at the SLOM and the ALMMs levels with the participation of the ATUC.

#### **Trade Union Participation in the ASEAN Process**

11. The ASEAN Charter and the Road Map stress the importance of inclusive approach towards a "sharing and caring" community. However, in reality, trade unions are not given proper space within the ASEAN process in contradiction to national tripartite mechanisms in ASEAN states.

The ATUC, composed of the most representative trade union organisations in ASEAN states, is ready to contribute to the ASEAN process, as its affiliates have been pursuing within their national tripartite systems.

12. The ATUC should be given accreditation in the ASEAN process as a counterpart to the ABAC as part of ASEAN's inclusive development policy.

#### **12 May 2010, Hanoi, Vietnam**

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<sup>4</sup> The ATUC defines the Constructive Industrial Relations as follows: On the basis of full recognition and operations of trade unions in compliance with the ILO Conventions 87 and 98 in pursuit of Decent Work and common welfare, and in a stable political climate for social partners to operate without fear of reprisal; parties concerned share common interest in labour standards, performance of business, conditions of national economy, industries and labour market; and share a principle of fair distribution of output to stakeholders.