



INNOVATIVE COLLECTIVE REPRESENTATION

A global research agenda

ESRC/GCRF STRATEGIC NETWORK ON LEGAL REGULATION OF UNACCEPTABLE FORMS OF WORK

Unacceptable work: global dialogue / local innovation

The **UN International Labour Organization (ILO)** has called for workers around the world to be protected from **unacceptable forms of work (UFW)**: jobs that “deny fundamental principles and rights at work, put at risk the lives, health, freedom, human dignity and security of workers or keep households in conditions of extreme poverty”¹ This ILO policy agenda responds to the growth in insecure and low paid labour across the global work force. Sustaining productive and protected working lives is among the most pressing challenges of the early twenty-first century. The urgency of this objective was recently confirmed by the inclusion of the Decent Work objective among the **UN Sustainable Development Goals (SDG8)**.²



The Strategic Network identifies and responds to Global Regulatory Challenges: the most urgent and complex issues that face lower-income countries in upgrading or eliminating UFW.



Effective labour regulation is crucial to securing decent work. Yet the regulatory strategies that can eliminate unacceptable work – most urgently in lower-income countries - have yet to be identified.³ **The ESRC/GCRF Strategic Network on Legal Regulation of Unacceptable Forms of Work** responds to this urgent need by supporting a dialogue on UFW regulation.

The Network has brought together a **team of researchers and policy-makers from a range of disciplines and from the global North and South**. Network Teams are focused on identifying and responding to Global Regulatory Challenges: the most urgent and complex issues that face lower-income countries in upgrading or eliminating UFW. A set of Challenges have been identified and **Research Agendas** developed to investigate each Challenge through cross-regional comparisons of countries of different income levels.

The global regulatory challenge: effective collective representation in developing countries

Effective collective representation is fundamental to eliminating UFW. The implementation of labour laws depends to a substantial degree on employment relations structures, institutions, and the activities and strategies of trade unions and employers’ organisations.

Representative organisations play a crucial role in channelling worker voice and ensuring participation in decision-making. **Representation and voice mechanisms** are therefore crucial to tackling UFW. The Project on Legal Regulation of UFW has therefore identified **innovative collective representation** as a Global Regulatory Challenge.

In **advanced industrialised countries**, the role of the social partners (trade unions and employers’ organizations) is highly-developed.⁴ In many **lower-income countries**, industrial relations frameworks also have a substantial history.⁵ Extensive **informal workforces, weaknesses in collective institutions, and the growing presence of precarious workers in formal firms** are challenges to effective collective bargaining and to the elimination of low-quality jobs.

Yet there are also **innovations** in collective representation strategies in these countries. These include efforts by local and national unions to **recruit informal workers**. There has also been a rise in worker organization and representation beyond traditional trade unions, such as **workers’ associations and cooperative bodies**. These include organisations established to represent **informal workers** such as the Self Employed Women’s Association (SEWA) in India.⁶

1. ILO Towards the ILO centenary: realities, renewal and tripartite commitment (2013); <http://www.ilo.org/global/topics/dw4sd/theme-by-policy-outcomes/>.
2. <http://www.un.org/sustainabledevelopment/sustainable-development-goals/>
3. See further Judy Fudge and Deirdre McCann Unacceptable forms of work: a global and comparative study (ILO 2015); Deirdre McCann and Judy Fudge ‘Unacceptable forms of work: a multidimensional model’ (2017) 156(2) *International Labour Review* 147-184.
4. Eg Barbara Bechter and Bernd Brandl ‘Recent developments in European industrial relations’ *Industrial Relations in Europe 2014* (European Commission, 2014).
5. Carlos Lamarche ‘Collective bargaining in developing countries: negotiating work rules at the firm level instead of the industry level could lead to productivity gains’ (2015) *IZA World of Labor* 183.
6. <http://www.sewa.org/>.

Innovative collective representation: a research agenda

During 2017, the Strategic Network on Legal Regulation of Unacceptable Forms of Work was funded by the UK Economic and Social Research Council through the Global Challenges Research Fund to design **Research Agendas** on combating unacceptable work. The purpose of the Research Agendas is to identify the **most effective research strategies** that can (1) illuminate the Global Regulatory Challenges and (2) identify the most effective legal and policy responses.

This **Research Agenda on Innovative Collective Representation** proposes a linked research/policy project to investigate and respond to this Challenge. The focus is on innovations in collective representation regimes and strategies that are tailored towards improving low-quality jobs.



The Research Agenda has been designed by a **Strategic Network Team** led from Durham University Business School.

RESEARCH OBJECTIVES

There is limited knowledge of how collective representation is operating in lower-income settings, the current challenges and trends, and in particular the **extent to which these frameworks are used to pursue the elimination of UFW**. Data is limited and of variable quality. The available research, further, has tended to centre on the economic impact of collective bargaining rather than on **social objectives**.

The objective is to identify and investigate **innovative structures and strategies of collective representation**. The focus should be on bargaining strategies, innovative institutions, and the emergence of new models of collective representation, including engagement with informal workers.

A particular focus would be the gap between the **working conditions of small/micro enterprises and those of larger employers**. In many LMICs, labour relations are relatively formalized in large Multi-National Companies (MNCs). In smaller firms, informal regulation of conditions is widespread. The impetus to close this **'formalization gap'** between small/micro and large employers is reflected in the international debates, most prominently in the ILO *Recommendation concerning the Transition from the Informal to the Formal Economy, 2015* (No. 204).

A crucial research question is how decent work initiatives and policies can **spill over to smaller firms** in countries in which **MNCs are a significant part of the economy**. Extensive studies have analysed how decent work can be promoted in MNCs, with a focus on global supply chains. Further research is needed on **small- and medium-sized firms**, including on the link between decent work and productivity.

This analysis would be **comparative**. It would analyse the diffusion of decent work from MNCs in countries with **different institutional systems** and in which collective bargaining frameworks and/or union and employer strategies are rapidly evolving.

METHODOLOGY

A research methodology to investigate collective representation in low-income countries should make use of **quantitative and qualitative methods and data**. This **mixed method strategy** fosters a rich understanding of the findings and their implications for policy development.

Quantitative data would be generated by a survey of country experts. The analysis would then be deepened through **qualitative in-depth studies** of national industrial relations systems. This would involve semi-structured interviews with employers and unions that inquire about the actors' goals and motives, to understand how these actors approach the objective of upgrading UFW.

An illustration: Argentina, China, Malaysia



An illustration: Argentina, China, Malaysia

Comparative research on the operation of regulatory frameworks is crucial to combat UFW and to derive global lessons from innovations at the country level. For this reason, the Strategic Network has concluded that future research should involve **comparisons** of countries at a range of income levels and in different regions.

A comparison on ***Innovative Collective Representation*** should focus on globally-significant innovations in collective working relations. Key illustrations, for example, are in three middle-income countries: **Argentina, China, and Malaysia**.

These countries are diverse in **socio-economic development, industrial relations regimes, and labour and development strategies**. Yet they provide a useful comparison of settings in which **industrial relations frameworks are evolving**, including through efforts to represent workers in informal working relations.

Argentina and **Malaysia** are examples of countries which are characterized by enduring collective institutions, yet which also have a large share of informal workers. In **Argentina**, collective agreements have traditionally been negotiated at industry level and there is relatively high coverage in the formal sector. **Malaysia** also has a long-established industrial relations framework, introduced by the Industrial Relations Act in 1967.

China, in contrast, illustrates the relatively recent introduction of an industrial relations framework, in which collective bargaining was widely unknown until the mid-1990s. Legislative reform of industrial relations through the revision of the Chinese Trade Union Law in 2001 established a legal framework for **collective bargaining** and formal mechanisms for **dispute settlement**. These reforms triggered an increase in trade union membership and stimulated new forms of collective bargaining at local and sectoral level.