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ADDRESS BY  
PRIME MINISTER  
RT. HON. P.J. PATTERSON, P.C., Q.C., M.P.  
TO  
THE NATIONAL WORKERS' UNION  
ON THE OCCASION OF THEIR  
TWENTY-SIXTH CONGRESS  
1999 SEPTEMBER 04

THE CARIBBEAN SINGLE MARKET & ECONOMY (CSME)  
IN THE CONTEXT OF GLOBALISATION - IMPLICATIONS FOR  
LABOUR AND THE WORKFORCE

(Salutations)

Timely and challenging theme, "defining workers' role in the single market: our hopes, our future."

As you prepare in earnest to walk across the bridge to the new century, it is only natural to turn around and look, with pride, at

- How far you have walked
- The milestones you have created along the way.

## PROGRESS OF THE NWU

- Can be proud of your landmark victories in advancing the cause of Jamaican workers
- The towering contribution you have made to the Government and politics of the country.
- From your ranks have come some of our most distinguished political representatives and Cabinet Ministers, headed by the late Prime Minister, Michael Manley.

In the early fifties when the NWU was born, the challenges we faced were those of a colony struggling to assert its identity and sovereignty in a world suffering from the great Cold War divide.

Today the challenges we face are those of a small ex-colony struggling to survive and find its proper place in a world that is being reconfigured by a process called globalization.

## Globalisation

To survive and flourish, the territories of the West Indies will have to make common cause with each other.

I understand that in preparing for this Congress, the Union initiated discussions focusing on

- The single market concept,
- Labour market reform
- organizing for survival.

The process of creating a Single Market Economy is in train.

CARICOM member states are dismantling the comforting protective barriers to allow for freedom of movement of goods, services, labour and capital.

We are committing ourselves to bringing our separate economies together in order to achieve a balance in the distribution of costs and benefits.

These are very bold steps with far reaching implications.

### JAMAICA - PROTOCOLS

The question today is how prepared is Jamaica?

During the course of this Administration, we have been engaged in the painful but absolutely essential process of restructuring the economy.

We are signatories to the seven Protocols, which have been signed into agreement by CARICOM Heads of Government to establish the Single Market and Economy.

These include;

- Rights of establishment services and capital;
- Industrial Policy;
- Trade Policy;
- Agricultural Policy;
- Transport Policy

We have been proceeding with the legislative and administrative arrangements that need to be put in place to give effect to the protocols.

## FREE MOVEMENT OF LABOUR

The Trade Union movement is obviously concerned with the free movement of capital, labour, goods and services.

CARICOM has been promoting the free movement of persons since 1989, and Jamaica already has in place facilitating legislation requiring only administrative arrangements.

Free movement has been extended to cover artistes, sports persons, musicians and media workers.

We must make sure that Jamaican labour is not going to be put at a disadvantage by the free flow of labour from other countries.

If Jamaican labour is to benefit from the new arrangements, the work force has to become fully equipped with the knowledge, skills and attitudes required for production in the 21st century.

**This process must start within the formal education system.**

**Without the base of a good general education, effective skills training for sustained productivity cannot be achieved.**

**Our challenge is twofold at this time.**

- **Ensuring that our workers have a sound education**
- **The right mix of available options for training and development in preparation for the world of work.**
- **Workers now in the labour force, need to ensure that they are equipped with the required level of technological skills.**

**These are important steps in ensuring that Jamaican labour becomes competitive and stays that way.**

**This process involves training and re-training, versatility and mobility.**

**To take advantage of the opportunities and withstand competition wherever one is located, the best candidate will be the multi-skilled worker, who is able to shift gears with ease.**

## **ROLE OF THE PRIVATE SECTOR**

The private sector must be equally committed to play its part in building a strong, multi-skilled work force.

- On the job training
- Scholarships
- Fellowships
- Study grants
- Time release arrangements
- Funding of educational and training institutions

Are just some of the ways that support can be given.

There also has to be greater understanding of the need for:

- Re-tooling
- Re-engineering
- To bring the productive capacity up to speed.

The most successful organizations are those which are dedicated to improving the quality of the human resource and the relationships at the work place, employing the team concept which positions workers as partners in production

## LOW INFLATION

In taking advantage of the benefits offered by the single market and economy, we have to create the environment in which workers can earn the rewards commensurate with their level of skill and productivity.

There is an inextricable link between wages, inflation and training.

High inflation hurts the economy but hurts the workers even more because their incomes are fixed.

It is in the best interest of workers to ensure that government maintains low inflation levels.

Keeping inflation low is one of the most important guarantees in ensuring that the value of incomes are protected.

**This is why fighting inflation has been a major priority of this administration.**

**Last year the inflation rate was 7.9%. We cannot go back to the early 90's when inflation was running at almost 100%.**

**We cannot allow any action by government, the private sector or the unions to push up the inflation rate.**

**There is responsibility on all sides. Bargaining for compensation must be on the basis of high productivity.**

**Workers are ideally placed to help identify ways of increasing efficiency and making better use of resources at the workplace, and taking the necessary steps in improving the level of productivity.**

**High productivity is an indispensable component in generating economic growth.**

## **SOCIAL PARTNERSHIPS**

**This Administration has placed a great deal of emphasis on social partnerships.**

**The late Michael Manley did ground breaking work in achieving the accord, which brought together trade unions, government and employers.**

**Sectoral partnerships have already demonstrated great effectiveness in significantly improving the industrial relations climate.**

Government played an active role in initiating dialogue in

- the mining and agricultural sectors,
- the Jamaica Public Service Company
- National Water Commission

This led to the signing of Memoranda of Understanding (MOU) identifying specific actions to be taken by the three sides.

The National Workers Union and the Trade Union movement must be commended for the support given in this movement towards more harmonious industrial relations.

The social partners are now realizing that they can only meet the competitive challenges of globalization if they are prepared to abandon confrontational approaches for co-operation.

The MOU'S have established a framework and the mechanisms for co-operation between Trade Unions, employers and the Government.

We are working towards having these arrangement implemented in other sectors and in time, arriving at a national social partnership.

## WORK OF GOVERNMENT & UNIONS

As we look forward to the year 2000 and the formal establishment of the single market and economy, government must continue to lead the process of transforming the relations at the workplace from adversarial to one based on a social contract.

One large area of Government responsibility is to:

Educate the Jamaican people on globalization, specifically about the;

- Nature,
- Requirements,
- Risks
- opportunities of the Single Market and Economy.

The Single Market and Economy will undoubtedly offer more space and more opportunities for workers.

Such opportunities hinge on our level of preparation.

The Union Movement will be called upon to be more fully involved in

- The education and training of workers.
- Process of effectively reforming legislation
- Regulating the trading system.

## CONCLUSION

The challenge for the NWU, and indeed the entire Union Movement, is to arrive at a new vision for the Jamaican worker and to keep that vision ever before the Government, the employers, the people as whole and not least of all before the workers themselves.

We must work towards having a highly skilled, versatile workforce;

- Prepared for production on the basis of existing and future demands of the market place,
- Achieving the highest level of productivity in modern work settings
- Properly equipped with all the technological advantages of the modern world.

**These are not dreams.**

**These are objectives, which we must achieve.**

**As a people we have always demonstrated the capacity to overcome changes.**

**We can make it happen.**

**May this congress help to lay the basis for greater gains in the next century, not only in Jamaica but throughout the region.**

## DISCUSSION ON BAUXITE

I have observed a number of statements about discussion taking place between the government and the bauxite companies, which suggest that the government is not acting in the best interest of the industry.

It is important for the public to understand that in conducting the discussions and negotiations the government must act on the critical premise that our bauxite resources represent a wasting asset unlike tourism, agriculture, manufacturing and service sectors which are renewable.

Indeed bauxite is a national patrimony, which belongs to the entire nation and not just the companies and the workers in the industry.

Consequently any arrangements being put in place must ensure adequate returns to both the companies and the country.

Furthermore, in arriving at agreements it is also critical that the trade-off between investments and incentives granted is balanced in such a way as not to jeopardize the country's fiscal programme and targets. There is no reason to doubt that the interests of both sides can be accommodated.

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