

**THE ROLE OF LABOUR IN PROMOTING
THE CARIBBEAN SINGLE MARKET AND ECONOMY**

LECTURE BY

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Whenever and wherever people of the Caribbean gather to reflect on their circumstances, and the desirability of having those circumstances improved by coming together as one; the peroration of Norman Manley at the 1947 Montego Bay Conference on Closer Association assumes a fresh, yet enduring relevance:

"I say, here we are all on a sea of world conditions, stormy and hazardous in the extreme, each huddled in some little craft of our own. Some hardly have oars, and only a few have accomplished a rudimentary sail to take them along.

And here offered us is a boat substantial, capable of being made sea-worthy and ready to be manned by our captain and our own crew. If we won't leave our little boats and get into that larger vessel which is able to carry us to the goal of our ambitions, then I say without hesitation that we are damned and purblind and history will condemn us."

In a similar vein, but with an even more pragmatic directness it was left to another Manley in 1974 to speak to the requirements of a regional manifest destiny in these terms:

"The challenge of the future is to shake off the shackles of yesterday's assumptions which have delivered us into a separatist trap. The logic of tomorrow's possibilities unfolds in the larger context of regional cooperation and economic integration."

The realization that integration represents the only viable destiny for the people of the Caribbean came to life, not in 1973 at the signing of the Treaty of Chaguaramas, or in 1958 with the creation of the West Indies Federation but has been etched in the hearts and souls of the labouring masses since the end of slavery.

Organised labour, which has been at the vanguard of the struggle for social and economic transformation of the Caribbean people has done more than any other institution of our civil society to first define, and next to express in practical terms what that manifest destiny should entail.

Indeed the last century is replete with evidence of labour's role and commitment in forging unity among Caribbean states. And at a time when the region seems to be at the point of doubling itself as to where it should go with its integration movement, it is necessary that we should reflect for a moment on how sure and how deep have been the perspectives expressed and the initiatives undertaken by the regional labour movement over time to advance the cause of Caribbean integration.

Proposals for the integration of the British West Indian colonies as they were then called, date back to the 19th century. The impetus for political integration however, was provided by the efforts to unite the workers of the region in 1926, when the first regional labour conference was held in British Guiana. That conference approved a resolution for the formation of a labour federation between Guyana and the West Indies. It also resolved that the inhabitants of British Guiana and the West Indies should be federated and granted some form of self-government which would enable them to conduct their own affairs.

The idea of federation was pushed even further when, at the invitation of the Dominica Tax-payers Reform Association a conference of West Indian leaders was summoned to meet in October 1932 in Roseau. That conference did a remarkable thing. It drafted, as its first act, a Federal Constitution to include Trinidad, Barbados, Grenada, St. Vincent, St Lucia, Antigua & Barbuda, St. Kitts-Nevis, Anguilla and the British Virgin Islands.

The proposals presented way back then merit being revealed so that their daring can be an inspiration to all in today's more doubtful environment.

In this West Indies Federation there was to be a single chamber legislature of 33 members with 27 elected. The government, the Federal government, would be financed by each territory making contributions in proportion to its revenues. It sought too, to remove tariff barriers between the islands on all goods, "wherever practicable." There would be a united West Indian civil service. The Federal Government was to have power

on 24 matters, inclusive of police, education, public health, commerce, public loans, postal services, shipping etc. Where the law of any unit of the Federation conflicted with Federal law, federal law was to prevail. There was to be a West Indian Supreme Court, with puisne judges in the Windward and Leeward Islands. Though this conference was still shackled by colonial obeisance and perhaps influenced by the prevailing colonial mentality, it represented, nevertheless, a significant departure.

Following this, the social upheaval of the 1930s gave rise to an entrenched labour and political leadership in the region and galvanized the request for political integration. In its submission to the West India Royal Commission (Moyne Commission) appointed by the imperial government to investigate the causes of the 1938 upheaval, the British Guiana and West Indian Labour Congress, submitted a draft bill for federation of the West Indies based on full internal self government with adult suffrage. So committed was the British Guiana and West Indian Congress of Labour to the immediate achievement of federation that it was prepared to compromise immediate self-government to secure "federation now on any terms". It is fair to say therefore that by 1938 the Caribbean labour leaders had accepted the necessity of collective endeavour and representation to more effectively negotiate with the British government.

Although between 1938 and 1945 there were significant changes in the political climate in both Great Britain and the Caribbean which led to a moderation of the enthusiasm for a federation, the Caribbean Labour Congress, the new name for the British Guiana and West Indian Labor Congress, did not waiver in its commitment to integration. Therefore in September 1947, when Caribbean leaders and colonial representatives met in Montego Bay to consider proposals for the closer association of the British West Indian colonies, the Caribbean Labour Congress reaffirmed its desire for the creation of a federation when it submitted a draft bill for a constitution of the federation. History therefore will reflect that the labour movement was a chief architect in our integration project. As such the vision embodied in the post-Federation integration process is one which the political leaders have inherited from our workers' unions. It is for this reason that we must ensure that this project comes to its right fruition since it is a direct reflection of the conscience of our people, and the expression of that consciousness by a long and glorious tradition of labour leaders.

Against such a background, it has to be a matter of both regret and irony that the contemporary initiative to bring about the integration of Caribbean societies is one that is far more modest in scope and intent than that which has been consistently promulgated by the regional labour movement for almost a century now. For the contemporary initiative is focused almost entirely on achieving economic integration.

It is a matter of regret because, by settling now largely for deeper economic integration, the region has also largely eschewed any prospect of achieving deeper integration on a parallel political plane. The irony in it arises from the fact that by not pursuing both forms of integration as a mutually reinforcing process, our region has perhaps chosen a strategic direction that will make it difficult to achieve the very objective of economic integration itself.

For better or for worse, the Caribbean community has since 1989 agreed to advance its process of economic integration to the point where the region becomes a Single Market and a Single Economy. The essential aspects of the programme to create the regional Single Market, involving the removal of all restrictions on the free movement of goods, the provision of services, the free flow of capital, the establishment of enterprises and the movement of skills have been agreed to and are now intended to be implemented by all participating countries by the year 2005.

The main aspects of the initiative to create a Single Caribbean Economy will take the form of programmes to bring harmony and add synergies to the development of our main productive sectors. It will also involve a regional effort to coordinate our main macro economic policies, to harmonise the incentives we offer to business, to pursue a common external trade policy and to put in place relatively common legislation stretching across areas ranging from company law, to customs, to taxation. It will entail the creation of new regional institutions in respect of matters such as Accreditation, Standards and Competition to oversee the implementation of important new regional policies in these areas.

It also proposes to have at its core a regime of special and differential policies and measures to safeguard the interests and to promote the fullest development of the lesser developed members of the Community and disadvantaged sectors, regions and countries.

The creation of a Single Caribbean Economy also calls for the putting in place of a new Regional Development Fund whose resources are to be applied predominantly to financing programmes to spur the social and economic upliftment of the lesser developed members of the community.

Finally, it is proposed that new mechanisms and institutions, with the Caribbean Court of Justice at the apex, for the settlement of economic disputes should come into operation as part of the endeavour to create the CSME.

It will, of course be appreciated that a Caribbean Single Economy as conceived will not appear in any one place or time as a finite nor finished entity. It will necessarily evolve. Some elements of the programme to create the Single Economy, notably the initiative to pursue a common external trade policy are already in place.

It is envisioned that the Special Meeting of Heads of Government, scheduled to take place in November, will give special consideration to major proposals that will be presented with a view to having the main aspects of the Single Economy in place by 2008.

In all of this, it is important to stress that the concept of Caribbean integration that is intended to be applied draws its defining characteristics not only from the precepts of liberalization as are embodied in the policies to remove barriers that have historically stymied the free flow of goods, services and factors and which have reduced the scope for the workings of competitive forces as agents in Caribbean growth development.

Rather the concept of integration rests predominately on the premise of the superior benefits that can be gained from a process of cooperative development. And it prescribes that perhaps the most viable course open to any and to all Caribbean economics is to have our resources effectively pooled, and our approaches to their uses efficiently coordinated and harmonized so as to widen the scope and options for development available to any constituent member of the community, and to invest the community with an economic potential that is greater than the sum of its constituent parts.

Many of the member States of Caricom have based their own national development efforts on the quality of their human resources and social capital.

It goes therefore without saying that the opportunity to have access to a regional pool of human resources greatly enhances the prospects of all participating economies in the CSME in their endeavour to build new, more competitive enterprise to world standards. It also offers the exciting prospect of widening the horizon of economic opportunity that is to be available in the future to the ordinary Caribbean man and woman.

More to the point, the early harvest that the CSME is capable of bringing is likely to take the form of the employment benefits that will ensue to the ordinary man and woman in the Caribbean as a result of the removal of restrictions on the movement of our people, and the new businesses that they will create as self-employed entrepreneurs because of the right they enjoy for the first time to establish their own enterprises, on terms available and open to all, wherever they choose to, in our region.

The need for a Single Market and Economy in the Caribbean is deeply rooted in the deficiencies in the functioning of the Caribbean economy when viewed either as a single entity or as a collection of individual economies. For too long, the growth of the Caribbean has been constrained by the fragmentation of the Caribbean economic space and the failure to pursue consistent and coordinated economic policies that are meaningful both in relation to the need to build strong domestic economies and a regional economy that is competitive in the international arena.

The effort to erect a single market and a single economy has been inspired therefore by a determination to overcome fragmented development, as well as by the determination to ensure that we harmonise and harness the use of our individual and collective resources in support of domestic and regional development.

It also has a vital international dimension.

The people of the Caribbean today also face a set of challenges of a complexity and magnitude that are unprecedented in the history of the Caribbean and which demand from us as governments and people, the most carefully thought out, timely and effective

responses. It concerns the workings of the forces of globalisation and our response to them. The current globalization process is guided by the powerful few and essentially involves the setting of normative principles of economic organization for all countries, central to which is the primacy attached to the unbridled play of market forces driven by transnational corporatist strategies of trade and investment, with the objective of maximizing shareholder values, rather the meeting of human needs.

The tendency towards the globalization of the production process has been accompanied and reinforced by the articulation and application of new multilateral trade rules, all of which have profound implications for the workings of the Caribbean productive system and its labour market environment.

In this regard, it is now intended that a new global economy should now be built based on the application of the precept that, in general, countries will extend national treatment to foreign investment and goods and transactions originating abroad. It is also intended to be a world economy in which the special preferential market arrangements, which have historically provided the comforts of guaranteed market quotas and prices to certain small vulnerable developing countries, are to be replaced by new reciprocal arrangements whereby all countries extend the same economic conditions to each other, and compete on equal terms despite drastic differences in their resource endowments and general economic circumstances.

Increasingly, spheres of economic activity which have historically not been the subject of international trade rules, nor for that matter, opened to competitive processes internationally (such as Government procurement) are to be brought under the influence of authority of the WTO. It all portends a more competitive international market environment within which global economic activity is to take place.

For us in the Caribbean, the market environment within which our general economic development takes place is set to become even more sharply competitive by the requirement that we re-write the rules-book of our economic engagement with our principal partners in the Americas and Europe to make them WTO compatible.

And behind all of this, the speeding up of technological change and the direction of such technological change, especially in relation to the use of information and communications, are radically re-defining the competitive positions of respective domestic economies, radically changing the product cycle in major areas of economic activity and reducing the useful life span of major investments.

All of these forces and tendencies taken together will make obsolete a number of traditional industries in the Caribbean. They will also require that we conceive of and build in a very short space of time, a virtual new economic system, featuring enterprises that can hold their market position without any special preference or coddling, and that can adapt to rapidly changing market and technological convulsions.

The Caribbean essentially therefore has to call a new economic world into existence to

redress many of the imbalances of the old. It also has to do so in very short order and without any expectation of receiving any special empathic or preferential consideration from the international economy.

It will amount to the most comprehensive exercise in economic repositioning ever undertaken in the Caribbean.

In such a context the creation of a Caribbean Single Market and Economy is intended to serve a unique strategic purpose. For it is intended that, over and beyond its other beneficial effects, it should help in a major way to prepare the Caribbean to participate in the new competitive global economy by exposing Caribbean enterprises and economic agents to a more competitive environment within the regional setting than they are likely to face in any extra regional setting.

To this end, the provisions relating to the creation of a Caribbean Single Market and Economy are all being designed to allow Caribbean economies to carry out faster, deeper, broader liberalization among themselves, including the labour market environment, then they propose to undertake in their extra regional and global economic relationships.

Thus conceived, the CSME can become the principal agency by which to bring about Caribbean economic repositioning in the early years of the 21st century.

Even as we formulate what essentially will be a strategy of repositioning, we have to be especially conscious that our workers, and the environment within which they work, are faced with enormous challenges brought about by the rapidly changing international division of labour and the new rules of the international institutions, which unchecked can derail the efforts of national governments and workers' unions to safeguard the social and economic welfare of their constituents. Of special significance is the fact that Corporations have found that it is desirable to outsource increasing amounts of the production processes, either domestically or abroad. Consequently, production is becoming an international process. The net result is that corporations can now shift locations relatively quickly depending on market conditions and the availability of labour. This in turn has impacted domestic companies, with varying consequences for skilled and unskilled workers.

Undoubtedly, globalization and adjustment processes have had a negative short-term effect on employment, wages, labour relations and the scope of the coverage of social protection systems. At the same time it has ushered in a greater demand for labour market flexibility. In some quarters this has seen the reduction of public employment through the privatization of state-owned enterprises and the establishment of new types of labour relations that include contracting, subcontracting and fixed term contracts. All these have altered the composition of waged employment.

In addition, the scramble for access to private capital is in some respects leading to a race to the bottom, as some countries promote their attractiveness as preferred locations for international production on the strength not of the quality but the cheapness of their

labour.

Globally this has created the so-called 'decent work deficit'. This deficit represents an absence of sufficient employment opportunities, inadequate social protection, the denial of rights at work and shortcomings in social dialogue.

We cannot afford to ignore these developments.

The creation of a single economic space in the Caribbean, must therefore embrace a process which seeks to decrease the "decent work deficit" wherever it exists, and which maintains a commitment to the respect for workers' rights and the fair treatment of workers without regard for nationality, socio-economic background or race.

These two principles are central to any effort at enhancing the competitiveness and productivity of our regional workforce. They also take into account the need to protect the welfare of vulnerable groups of workers in Caribbean societies such as non-unionized workers, workers with disabilities, the youth and unskilled persons who may be subject to exploitation from unscrupulous employers.

Equally, as a result of the vastly improved levels of information and communication technology and an enhanced global transportation network, the world's economy has become more integrated. As a result there has also been a marked increase in the international mobility of labour. The challenge confronting the global community and in particular, the Caribbean, is to manage migration so that it can serve as a force for growth and development and not lead to clandestine movements and the dangers these pose for established institutions and the respect for labour standards.

While there had been a renewed focus on the need for specific action at the national and multilateral levels to establish a more orderly and mutually beneficial migration regime during the 1990s, this effort has been no doubt derailed by the events of September 11, 2001. The resultant concerns over international security have led to waning interest in seriously addressing the issue. It is in the best interest of the Caribbean, however, to lobby for a renewed and vigorous discussion on the international mobility of labour and ways in which we can preserve our traditional respect for workers rights. In recognition of our comparative advantage in the supply of skilled labour, we must pursue relationships with third countries which would provide our workforce with additional employment opportunities outside the region.

The Caribbean has a rich and proud history in its recognition and protection of workers' rights and welfare, and to date most Caricom member states have ratified core labour standards. That notwithstanding, the integration process cannot be furthered without a clearly defined framework for social dialogue and the evolution of a truly regional social partnership. More specifically, decent work, within the context of the region, must be conceptualized as an integrated policy, which will lead to a successful implementation of the CSME.

In this regard the Caribbean Congress of Labour must consider its position fortuitous, since unlike its counterpart in Europe, its existence (in one form or another) predates any formal integrative attempt in the Caribbean. Through its membership, it has been at the forefront of the enhancement and sustenance of workers' rights in the Caribbean. In spite of the relative institutional stability of industrial relations in the Caribbean countries, the twin effect of fiercer external competition and the resultant domestic labour market restructuring will lead potentially, to growing strains within national systems and the possible erosion of trade union power and membership.

The Caribbean Congress of Labour must seize the opportunity to develop initiatives which seek to renew and modernize union structures, organization and recruitment strategies. This renewal will no doubt involve the adoption of more indirect modes of representation and must be set within the wider context of a more vital role for the labour movement in the creation and effective functioning of the Caribbean Single Market and Economy. The labour movement as a whole will be indispensable for national governments' ability to govern and assure legitimacy to the transformation of national economies into the new context of the single market.

Furthermore, it is the unions across this region that must assert a more decisive role in the shaping of workers' attitudes towards the CSME, for it is ultimately our workforce which must embrace this change for it to be effective.

Opting out of the international economic and financial system is not an option for us in the Caribbean. Indeed for as many challenges that exist there are potentially an equal number of opportunities to be gained from further integrating into the global economy. We therefore must now adjust our policies and restructure our economies to function in a global economic system which we did not shape, but feel compelled to influence if we are to survive.

It is against this background that we should evaluate the features of the programme, for which provision has been made in the Revised Treaty of Chaguaramas, to facilitate the free movement of labour as part of the general effort to establish the CSME.

It is amazing that in a world in which economic transactions are becoming increasingly liberalized, there continues to be a widespread disinclination to accept the mobility of labour as an essential element in programmes of integration. There is an equally strong reluctance to accord it the kind of weight that is now given to the free movement of goods and services, the unimpeded flow of capital and the creation of an environment that promotes the rapid diffusion, globally, of intellectual property and technology transfers.

It should therefore come as no surprise that the provisions contained in the Revised Treaty of Chaguaramas in respect of the movement of skilled nationals of the Caribbean community are not matched by any other similar provisions in any economic agreement in our own Hemisphere. Indeed our regional arrangements for labour mobility are exceeded globally only by the arrangements set out in the various Treaties of the EU

pertaining to its own nationals.

Having said that, we are in no position to gaze in splendid wonder at what is being reached for in relation to the mobility of labour, as is expressly set out in the Revised Treaty of Chaguaramas.

For it is a regime to promote labour mobility that is modest in scope, and imperfect in design. It cannot be regarded as the finite product, but the start of a process. It is to be anticipated that, the foundations of labour mobility having been established for the region by this initial effort, further developments will be triggered that will ultimately succeed in releasing the full energy, talents and the creative imagination of the people of the region to become the driving force behind coherent regional development.

The modest scope provided for the freedom of movement of labour within the CSME must however be realistically seen in the light of the very strong resistance, in the last half of a century, to making any such process a legitimate aspect of the arrangements governing the affairs of the people of our region.

Indeed, it is a great irony that the freedom of movement we are seeking today was readily available to the people of the Caribbean during the era of Colonial rule. In that era when the entire Anglophone Caribbean was administered by the Colonial Office, and in the absence of sovereign status for the respective societies, residents of the Caribbean were free to move live and work in any of the several islands.

That situation changed for the worse as some element of limited local governance was attained, so much so that the movement of labour within the West Indies Federation of 1958 - 1962 came to be one of that regimes most hotly divisive issues.

Wickham and the authors of the CPDC study of Freedom of Movement in the CSME have, indeed, accurately observed that "The West Indies Federation of 1958 was perhaps the only federation known to humanity where it was theoretically possible to deport a citizen of that federation from the Federal Capital".

The imposition of colossal restrictions on the movement of people within the region has come to enjoy a very firmly entrenched status as part of the Independence experience of Caribbean States.

Nothing was proposed in the arrangements under CARIFTA of 1968 to alter this situation, as attention was focused exclusively on the removal of barriers to intra-regional trade in goods. In fact, absolutely no provision was made for the free movement of labour in this first post-Federation attempt to forge economic integration within the region.

Better should have been expected from the formation of Caricom. For the conversion of CARIFTA into Caricom in 1973 was intended to transform the region from being a mere free trade area into a Common Market whose distinctive feature ought to have been the

explicit provision made for the free movement of factors of production - including labour.

The opportunity was missed.

Amazingly, the original architects of Caricom, including some of the most visionary and committed regionalists in our history, prescribed, at Article 38 of the Treaty of Chaguaramas of 1973:

"Nothing in this Treaty shall be construed as requiring or imposing any obligation on a Member State to grant freedom of movement to persons into its territory whether or not such persons are nationals of other Member States of the Common Market."

It was left to one of the original framers of the Treaty of Chaguaramas, The Rt. Excellent Errol Barrow, to capture 14 years later, the defects in the 1973 designs, and to set the tone to bring about betterment, in these terms:

"If we have sometimes failed to comprehend the essence of the regional integration movement, the truth is that thousands of ordinary Caribbean people do in fact live that reality every day.

This fact of regional togetherness is lived every day by ordinary West Indian men and women in their comings and goings - the small traders, and some not so small who move from Jamaica to Haiti, on what I believe is their legitimate business - what people call the underground economy.

It is true that the laws of each country may sometimes get in their way, but for the majority of these decent and industrious sons and daughters of the Caribbean I believe that their business is spontaneous though unassisted, and legitimate though unregulated.

The regional integration movement is a fact of daily experience. It is a reality which is lived, but which we have not yet been able to institutionalize."

The Revised Treaty of Chaguaramas, establishing the CSME sets out, albeit in a modest and imperfect way, to begin to bridge the gap between the lived reality and the law as it relates to the free movement of Caribbean nationals within the region.

Within the context of the Caribbean Single Market and Economy, the free movement of nationals is set as a goal to be achieved - but on a phased basis. In the first instance the Revised Treaty of Chaguaramas addresses the mobility of labour in the context of the "right of establishment". In this regard Articles 32 to 34 prescribe the removal of restrictions on the right of establishment for self-employed persons who may be involved in commercial, industrial, agricultural, professional or artisanal activity.. In pursuit of that right of establishment, the Revised Treaty also requires the removal of restrictions on the movement of managerial, technical and supervisory staff of economic enterprises and on establishing agencies, branches and subsidiaries of companies and other entities established in the Community. Under the Revised Treaty, these same categories of

persons also have certain contingent rights which allow them non-discriminatory access to land, capital, buildings and property.

In the second instance the Revised Treaty, at Article 46, commits member states to a phased approach to labour mobility for wage earners. As such, member states have allowed the free movement of five categories of workers. These are university graduates, media workers, sportspersons, artistes and musicians. An integral component of this provision is the harmonization and transferability of social security rights, the elimination of the requirement for passports for Community nationals and the establishment of mechanisms for certifying and establishing equivalency of degrees and for accrediting institutions. For all of the above provisions member states are supposed to establish reciprocal agreements amongst themselves.

The Revised Treaty also speaks to the issue of the promotion and maintenance of harmonious industrial relations within the Community. In this regard, members of the Community commit themselves, through the Council for Human and Social Development to the objectives of full employment, improved working conditions, adequate social security policies and programmes, tripartite consultations among governments, workers and employers' organizations and cross border mobility of labour. The Council is further mandated to promote recognition of the principle of non-discriminatory treatment among Community workers in the pursuit of employment within the Community.

The implementation and effective functioning of the above provisions are central but are a mere start to the creation of a Caribbean labour market.

There has been some modest progress made. For example, almost all member states have fully operationalised the agreement concerning the movement of university graduates, artistes, media workers, musicians and sports persons. Since that time some 800 persons have moved to Barbados under Article 46, while a total of 400 persons moved to Trinidad & Tobago under the same provision.

In addition the CARICOM Agreement on Social Security which is a major supportive measure in the CSME with respect to the free movement of labour, has also been fully operationalised by all member countries which have functioning social security systems and our citizens have already begun to benefit from the arrangement. This agreement facilitates the transferability of long term benefits only. In the case of Europe, while long-term benefits are included, so too are short-term benefits such as sickness and maternity benefits.

That notwithstanding, there still remain major differences in the benefits covered by individual social security schemes and the contribution periods required in order for persons to receive those benefits. In the case of Suriname, for instance, the social security system is not even comparable to that of other member states. Moreover, in absence of a fully functioning Caribbean Court of Justice, there remain ambiguities in the way in which the agreement is interpreted and implemented at the national level..

The central concern however is still to ensure that workers' rights to social security benefits are not eroded or diminished when they avail themselves of opportunities conferred by the Revised Treaty.

The implementation of the regime for labour mobility for the CSME has also thrown up some immediate challenges and defects which must be corrected.

While there is much widespread support for the notion of a phased approach to the free movement of labour, we cannot escape the fact that the benefits of a common labour market will not be immediately apparent if member states continue to deal with the issue on the existing, limited category by category basis.

For there is nothing intrinsic in the nature of the five types of professions chosen to be the beneficiaries of the regime for free movement that intuitively suggests that such categories of labour can, or have made a more profound contribution to the development of the respective national economies, or the regional economy as a whole, than can other professions.

To the contrary, there is overwhelming evidence that the general development of some Caribbean economies and the viability of some economic sectors are now being greatly supported by the movement of people across boundaries, for which there is no sanction in either the Revised Treaty of Chaguaramas nor in the domestic law of the respective Caribbean societies themselves.

And there is still across the Caribbean strong evidence of our inability, at the national level, to match the demand for skills with the supply that exist locally. In many instances, much of the skills that are in short supply in one location are in more than ample supply elsewhere in the region.

John Steinbeck in a striking letter to John Kenneth Galbraith once observed:

"Some men grow to love their chains, and with time come to regard them as wings."

In the Caribbean, the impulse to restrict the free movement of our people has become so institutionalized, because of its appeal to the more brutal aspects of our supposed national sovereignty and independence, that it has made it very difficult for us to see the obvious and to do the logical.

The very same logic which supports the notion that free movement should be accorded to the five categories included in the Revised Treaty is the very logic that should also prescribe that our artisans, agricultural workers, tradesmen, nurses, teachers and other nation builders should enjoy a similar dispensation.

The logic is that freedom of movement for all rather than a few is crucial because it is the only means by which the given pool of regional skills can be pressed into service to make the maximum contribution to regional nation building, while allowing each member of

the regional society the opportunity to become the best that he or she can be.

The Resolution before your Conference that we should move immediately to this higher platform of labour mobility therefore deserves the support of every Caribbean citizen.

In this respect, we can draw some guidance from the European experience. The European Union presently unites some fifteen countries of diverse culture, history and language. In particular Europe is characterized by member states with vastly differing levels of income, varying types of social policy, and varying structures of economy. Nevertheless, when the Treaty establishing the European Community was signed it committed member states to the full mobility of natural persons and furthermore, conferred on member citizens the right to reside in any member country.

More specifically, under Article 7 of the Treaty of Rome, discrimination on the basis of nationality is forbidden, ensuring that the same treatment should be given to the nationals of all Member States working in any of the individual Member States labour markets. Articles 117 to 128 set out specific measures to support what was termed 'social policy', including commitments to improving working conditions, aspirations to pay equality between the genders for equal work and the establishment of the European Social Fund, which provided funding for training and employment programmes in the Member States. This measure had been specifically designed to address fears of migration en masse from low income countries to high income countries. The provision does speak to a recognition on the part of the EU that labour mobility must be accompanied by certain supportive measures, which redound to improve overall the quality of worker in the union. More recently, the European Union has passed a series of laws relating to job creation measures, employment right and work organization, and social protection. More importantly, the European Economic and Social Committee, has sought to establish a region-wide employment services designed to publicize all jobs available in the region and to improve the transparency with which jobs are advertised. All these measures are aimed at improving the work environment across the Union and to enshrine within national laws, a greater level of protection for migrant workers.

Again the fundamental difference is that Europe is a more political union than Caricom and is using that union to give effect to real changes and improvements in its labour market, which will ultimate result in a more competitive work force.

On this matter of providing scope for the full mobility of labour within Caricom, I cannot overstate the importance of the creation of a Regional Development Fund as a necessary comparison piece.

Integration schemes between countries at unequal levels of development and preparedness can, without the deliberate deployment of affirmative action programmes, lead to the polarization of benefits and the accelerated development of a few at the expense of others.

In the Caribbean Community the human development indices of its respective states

reflect a substantial difference in levels of attainment. In addition, some of the MDC's of the region possess immediately the institutional, productive and human resources to take fuller advantages of the provisions of the CSME than others. Already the pre CSME liberalization of the intra-regional trade in goods has seen an extraordinary concentration of the benefits of intra-regional exports with {over 75% } accruing to Trinidad and Tobago.

Barbados, possessed of a strong capacity to produce and export services can conceivably make more of the initiative to liberalize the regional market for services than its immediate neighbours.

There will, in such circumstances, be the legitimate concern that should uneven development be the result of integration, there will be a tendency for the massing of a liberalized workforce in those locations within the integrated area that attains the greatest level of development, to the distinct and sustained detriment of the lesser developed members.

The better arrangement therefore is to put in place special financial arrangements to bring about general regional development and upliftment and especially to by enable the lesser developed states to rise quickly to social and economic levels equivalent to those of the MDC's.

Europe addressed this matter spectacularly in the form of the sum of 300 billion pounds sterling in resources that have made available through Social Cohesion Funds and other Regional Development Financing Facilities, which have been liberally drawn upon by countries such as Ireland, Portugal, Greece and Spain to facilitate their efficacious integration in to the European Union.

Our Treaty establishing the CSME calls for the creation of a Regional Development Fund to perform an equivalent task in the Caribbean.

There is no doubt that the creation of such a Fund is an absolutely necessary component of the effort to have harmonious, people- focused, labour-driven development ensue from the operation of the CSME.

We should therefore strain our every sinew to ensure that such a Regional Development Fund is in place by December 2005, to coincide with the full compliance by all member states of their obligations to implement the regime to create a Single Caribbean Market.

Another major issue which Caricom governments will have to confront as the labour market is liberalized is putting in place a satisfactory regime in respect of contingent rights. These rights, which by definition include social security, refer to those rights which member citizens are entitled to when they exercise their option to work in another member state. Thus far, the Revised Treaty has spoken only to the provision of contingent rights with respect to land, capital, buildings and property and this is in relation only to the right of establishment.

In contrast the European Union has termed these rights related rights and they pertain to the right of establishment as well as the free movement of workers. Under these provisions, family members of migrant workers, who are citizens of the European Union, have the right to reside and work without having to obtain a work permit. The same does not apply under the Revised Treaty of Chaguaramas. The European Union also provides for access to such social services as health care and education. In the case of health care workers and their families are entitled to immediately necessary care and to care which becomes necessary. However this care is paid for by the original insuring institution, so that in the end the cost the care is met by the home country in which that worker has been first insured. With respect to education, the children of member countries are entitled to access education in other member states under the same terms as nationals. Migrant workers and their families are also guaranteed access to accommodation under the laws pertaining to related rights.

One of the major differences between the two integrating regions has been the way in which family and dependents have been classified. More specifically, despite definitions employed by the national legislation, for the purposes of movement, the EU has applied a definition at the supranational level. In this regard therefore, while common law relationships are recognized by the national legislation, they are not recognized by EU law and so common law spouses are not considered dependents for the purposes of the related rights under the free movement of workers provision.

On the contrary, the issue of what constitutes a dependent in the context of the Revised Treaty of Chaguaramas, is defined in accordance with the income tax legislation and the Social Security Schemes of the respective Member States. Not having a generalized and agreed definition of dependents and spouses at the regional level, means that there will inherently be differences within each member state as to the categories of persons covered by the agreement on the transferability of social security benefits. It also means that member states may be able to alter the definitions of these persons within their national laws so as to lead to exclusions in the future.

With the improvements in inter-island transportation both in terms of airlift, scheduling and cost, we must be prepared to recognize the evolution of a new type of worker - namely the frontier worker - who will reside in one country and work in another. This is already a reality in Barbados, Trinidad and Jamaica, where as a result of the increasingly regional presence of major companies, managerial and technical staff may leave one member state and go to another to work for as little as a day or as long as a week and then return to his or her country of residence. As this category of worker increases, we will have to give some consideration to a special scheme of rights which facilitates their movement. Since these persons divide their time equally between member states, they will no doubt be faced with practical problems related not only to social security and social advantages but also to income taxation and retirement.

In Europe, frontier workers enjoy all the benefits available to migrant workers in the Member State of employment, but some Member States impose residence conditions for entitlement to social advantages. Frontier workers are entitled to unemployment benefit

in the Member State of residence rather than the Member State of employment. They may choose the Member State in which to obtain health care, but when they retire, this choice between Member State of employment and Member State of residence disappears.

The Revised Treaty of Chaguaramas and its relevant implementation procedures do not speak to this category worker.

Having said all of this, you must allow me to bring it all together in the one message that I hope will resonate from this forum and be its own force for change.

The manner in which the provision of the CSME relating to movement of our nationals is crafted has clearly reflected a conceptual bias towards treating our nationals as economic operators only.

This concept is too limited. Labour mobility, as one of the major forms of mobility to be set in train by the CSME must not be promulgated and addressed in a social policy vacuum.

In this regard, it is important that we take note of the fact that as we approach the integration of labour markets, seeking for full integration in the near future, member state labour markets can be characterized as being largely fragmented and self-contained, governed by individual regulatory systems and bargaining structures which do not in every instance conform to the best and highest standards.

There must be, in this matter, no race to the bottom.

For us in the Caribbean, we must all be mindful that the free movement of labour does not merely represent a means to an end. It has at its core, the goal of promoting a programme of sustainable job creation and the collective enhancement of the skills-base of our workforce in an environment which ensures adherence to the highest labour standards.

The CSME must be able to deliver opportunities for decent work in a sustainable environment.

This decent work can only be created by combining employment, rights, social protection and social dialogue into a wider framework of a regional development strategy. We must use this integration process to evolve a collective approach to sustainable development, the expansion of employment, the reduction of poverty, the improvement of living standards, the reduction of inequality and the opening of a real opportunity to the ordinary Caribbean man and woman to enjoy sustainable livelihoods in a condition of human dignity.

While providing for freedom of movement is important from an economic perspective, we need to go as soon as possible to the full social agenda. We need to truly accompany the provision of freedom of movement with measures of equivalent strength to harmonise

working conditions, strengthen and make invulnerable our regimes for social protection, ensure across the region safety and health in the workplace, assure a safe place for the physical challenged, persons living with HIV/AIDS and other disabilities in our workplace, provide training for all, and make genuine consultation with the workers and their representatives an essential aspect of a new governance for these new times.

We need especially to make the right to decent work a constitutional necessity.

Finally, you must allow me to use this forum to send a message which I trust others beyond your immediate boundaries will not treat as a case of special pleading.

Our Caribbean has a rich and significant history that has been made possible by the extraordinary efforts of a number of patriots and their institutions.

On the occasion that I had the honour to address the 90th Session of the ILO in 2002 I was clear to inform the international community that our modern Caribbean society, uniquely so among the family of nations, has in every aspect been the product of the successful ordeal of free labour.

From the very beginning and ever since then, our labour movement has been concerned not only with wages and other conditions of labour at the workplace, but with wider political and social issues, and fundamentally so, with matters of governance and general material development, all within the context of social justice.

The Labour Movement has, in the main, provided the leadership that has enabled us to build modern societies from the ground up.

The circumstances which face our region today may be different in character but are no less demanding than those which called the labour movement into existence in the first instance more than 50 years ago.

To deal with them, the Caribbean has to call upon its every institutional resource.

We need a strong labour movement now more than ever.

Sadly, we are increasingly living in a region which is becoming too bedevilled by doubt and the preparedness to accept failure. We witness now too often the dismal death throes of vital institutions which we need to carry our region forward but which we seem prepared to allow simply to slip away for the lack of the will, and an inability or refusal to find the way.

Recently, our regional labour movement has fallen on trying times. It would be an unpardonable betrayal of everything that the modern Caribbean has come to represent as a model of civilized development were we to allow our labour movement, domestic and regional, to wither on the vine.

I have come, therefore, today to give you the pledge of the Government of Barbados of its continuing strong support for the work of this institution.

And I wish this Conference every success, and trust that your institution, like so much that is good in our region, will continue to be a light rising in the west.

Submitted by: Press Secretary, Sylvan Greenidge