G7 Social – 1<sup>st</sup> Meeting of the Employment Task Force Session 1 "Improve social justice through greater incorporation of international labour standards into multilateralism"

24 January 2019, Paris, France



## Trade agreements and decent work

Imagine...
fair globalisation
that works for all

Deborah Greenfield

Deputy Director-General for Policy

International Labour Organization

# The beginning of the trade and labour linkage



#### 18<sup>th</sup> and 19<sup>th</sup> centuries:

- **Economic:** Level the playing field
- Moral: charitable urge to constrain appalling working conditions

#### 1919 ILO Constitution

- Economic progress goes hand in hand with social justice, prosperity and peace.
- ..the failure of any nation to adopt humane conditions of labour is an obstacle in the way of other nations which desire to improve the conditions in their own countries".



If you desire peace, cultivate justice ("si vis pacem, cole justitiam")

# Trade and labour standards linkage: W CC Consensus-Instruments



World Summit for Social Development (1995)

Singapore Ministerial Declaration (WTO, 1996)

Declaration on FPRW and its follow-up (ILO, 1998)

Decent work (1999)

> World Summit of the United **Nations** (2005)

Declaration on Social Justice for a Fair Globalization (ILO, 2008)

2030 Agenda for Sustainable Development and SDGs (2015)

### Definition of Labour Provision (ILO, 2016) (@







(i) any standard which addresses labour relations (for example, with reference to international labour standards) or minimum working conditions and terms of employment (for example, occupational safety and health (OSH), minimum wages and hours of work);



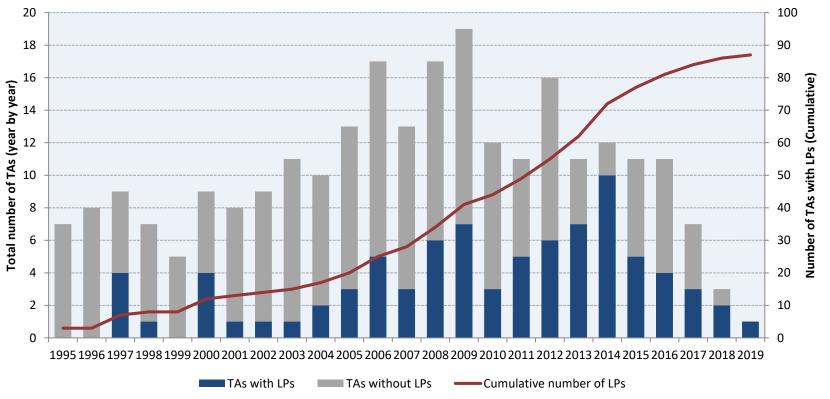
(ii) any mechanism to ensure compliance with the standards set, under national law or in the trade agreement; and



(iii) any framework for cooperative activities, dialogue and/or monitoring of labour issues (for example, development cooperation, established bodies for facilitating consultation between the parties or regular dialogue).

## Number of trade agreements notified to the WTO that entered into force, by year





## The design of labour provisions





Effective enforcement of labour laws

Adopt, maintain or improve labour standards

Non-derogation

No use or labour standards for protectionist purposes

Transparency on labour laws

Provide access to tribunals and procedural guarantees



Standards/instruments/issues

**ILO** frameworks or instruments

Acceptable minimum working conditions

**Corporate Social Responsibility** 

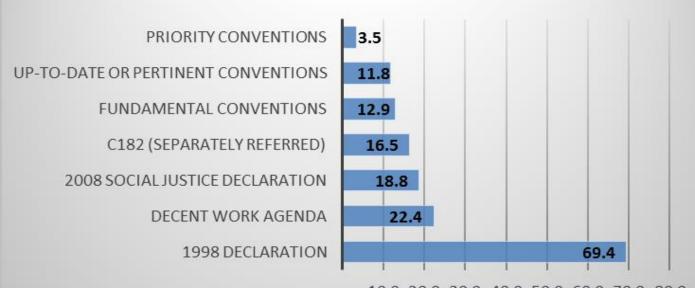
Reference to specific gender issues

Levels of commitment – hortatory to binding









10.0 20.0 30.0 40.0 50.0 60.0 70.0 80.0

% of the total of TAs with LPs

### Assessment of labour provisions

How and whether LPs set framework conditions for decent work?

#### **Key findings:**

- 1. No trade distortion
- 2. Gender impacts
- 3. Ratification and work towards ratification of fundamental ILO Conventions
- 4. Institutional role and stakeholder involvement









# Effectiveness of LPs depends on 'inclusive implementation'



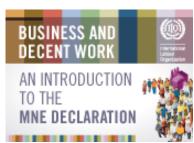


# **Corporate Social Responsibility in Trade Arrangements**



- Respond to civil society demands
- Foster coherence in CSR initiatives
- Rebalance investors' rights with right to regulate and social aspects
- The institutional mechanisms in the trade agreement can foster implementation
- Promotion of responsible practices wherever enterprises operate





### The role of the ILO in Trade Agreements (1988)











- Technical assistance
  - Development cooperation activities



- Source of information based on advice and reports of supervisory bodies of the ILO
   Knowledge buildings and leaves and reports of supervisory bodies of the ILO
  - Knowledge building and sharing of information