#### **Provisional Record**

11



102nd Session, Geneva, June 2013

# Sixth item on the agenda: Recurrent discussion on the strategic objective of social dialogue under the ILO Declaration on Social Justice for a Fair Globalization

## Report of the Committee for the Recurrent Discussion on Social Dialogue

1. The Committee for the Recurrent Discussion on the Strategic Objective of Social Dialogue (Committee for the Recurrent Discussion on Social Dialogue) was set up by the Conference at its first sitting on 5 June 2013. It was originally composed of 172 members (84 Government members, 26 Employer members and 62 Worker members). To achieve equality of voting strength, each Government member entitled to vote was allotted 403 votes, each Employer member 1,302 votes and each Worker member 546 votes. The composition of the Committee was modified five times during the session and the number of votes attributed to each member was adjusted accordingly. <sup>1</sup>

- (a) 5 June p.m.: 172 members (84 Government members with 403 votes each, 26 Employer members with 1,302 votes each and 62 Worker members with 546 votes each);
- (b) 6 June: 211 members (105 Government members with 12 votes each, 36 Employer members with 35 votes each and 70 Worker members with 18 votes each);
- (c) 7 June: 223 members (110 Government members with 1,443 votes each, 39 Employer members with 4,070 votes each and 74 Worker members with 2,145 votes each);
- (d) 8 June p.m.: 182 members (112 Government members with 15 votes each, 30 Employer members with 56 votes each and 40 Worker members with 42 votes each);
- (e) 13 June: 161 members (114 Government members with 92 votes each, 23 Employer members with 456 votes each and 24 Worker members with 437 votes each);
- (f) 14 June a.m.: 156 members (114 Government members with 12 votes each, 18 Employer members with 76 votes each and 24 Worker members with 57 votes each).

<sup>&</sup>lt;sup>1</sup> The modifications were as follows:

**2.** The Committee elected its Officers as follows:

Chairperson: Mr Pierre-Paul Maeter (Government member, Belgium)

Vice-Chairpersons: Mr Jørgen Rønnest (Employer member, Denmark) and

Ms Sarah Fox (Worker member, United States)

Reporter: Mr Luis Espinosa Salas (Government member, Ecuador)

at its fourth sitting

**3.** At its fourth sitting, the Committee appointed a Drafting Group to prepare draft conclusions based on views expressed during the plenary discussions, for consideration by the Committee. The Reporter attended ex officio. The Drafting Group was chaired by the Chairperson of the Committee, and was composed of:

- eight Government members: Ms Omalisa Baldeo (Trinidad and Tobago), Ms Joan Barrett (United States), Mr Dongwen Duan (China), Mr Michael Hobby (New Zealand), Mr Liam Kelly (Ireland), Mr Edgars Korcagins (Latvia), Mr Ian Macun (South Africa), Mr Joachim Ouedraogo (Burkina Faso);
- eight Employer members: Ms Sandra Aguettaz (France), Ms Ronnie Goldberg (United States), Mr Enrique González (Colombia), Mr Nick Huffer (United Kingdom), Mr Timothy Parkhouse (Namibia), Mr Jørgen Rønnest (Denmark), Mr António Vergueiro (Portugal), Ms Iftida Yasar (Indonesia); and
- eight Worker members: Ms Sarah Fox (United States), Mr Sam Gurney (United Kingdom), Ms Noemí Menéndez Ruíz (Argentina), Mr Nicholas Mgaya (United Republic of Tanzania), Ms Natalja Mickevica (Latvia), Mr Magnús Norddahl (Iceland), Mr John Ryall (New Zealand) and Mr Yves Veyrier (France).
- **4.** The Committee had before it Report VI, entitled *Social dialogue*, prepared by the International Labour Office for a recurrent discussion of the sixth item on the agenda: Recurrent discussion on the strategic objective of social dialogue under the ILO Declaration on Social Justice for a Fair Globalization.
- **5.** The Committee held ten sittings.

#### Introduction

- **6.** In his opening statement, the Chairperson underlined the key role of social dialogue across the world. The Committee provided an excellent forum for reviewing the views, needs and priorities of governments and the social partners on this strategic objective of the Organization, to provide guidance to the Office on its future work.
- 7. The deputy representative of the Secretary-General, Mr Moussa Oumarou, stressed the fundamental and continuing importance of social dialogue and tripartism since the Organization's creation in 1919. The ILO's structure and functions were based on social dialogue and required the participation of governments, workers and employers to achieve its mandate. As noted by the Governing Body (GB) in March 2011, the recurrent discussion on social dialogue was particularly timely, as social dialogue had been crucial to efforts by many countries facing the impact of the economic recession. The Committee's discussion would cover the contribution of social dialogue to social justice, fair and harmonious industrial relations and decent work, but also trends and difficulties

concerning its actors and institutions in a globalized economy. He recalled the Office's work on strengthening tripartism and social dialogue through capacity building, knowledge sharing, education and training, implementing Decent Work Country Programmes (DWCPs) and technical cooperation projects. The suggested points for discussion were aimed at adopting an action plan on social dialogue.

#### **Opening statements**

- **8.** The Employer Vice-Chairperson commended the Office's report, which his group viewed as a considerable improvement on previous recurrent item discussion reports. The recurrent item discussion was of particular importance to ensuring that the Office responded effectively to the constituents' needs regarding social dialogue. The synthesis review of evaluations of social dialogue interventions complemented the background report and improved understanding of which policies and approaches worked in social dialogue and which did not, and why they succeeded or not. Social dialogue was essential to mitigate the current challenges of high unemployment and low growth that many countries were facing, and helped them to deal with the process of political, economic and social transformation and to avoid social unrest and crises. Social dialogue contributed to the competitiveness of enterprises and to the social stability of societies. The Ninth European Regional Meeting in Oslo (April 2013) had underlined the need for social dialogue to be responsible so as to contribute to recovery and reform in very diverse national contexts. Worldwide, industrial relations systems were diverse, thus the recurrent item discussion should not promote only one form of social dialogue but reflect national traditions and constituents' needs. When looking at collective bargaining it was important not to focus just on collective bargaining at the national or the sectoral level or to be judgmental about increasing flexibility within collective agreements. The increasing decentralization of collective bargaining was a process that had taken place in many countries for quite some time and might have accelerated in countries through the crisis. This development was an expression of changing environments and was not per se good or bad. At the end the question was whether the outcomes were satisfactory for both sides. The social partners were pursuing shared goals of preservation and creation of employment, of economically healthy and competitive enterprises, and sustainable success on the market. The outcomes of social dialogue directly affected the prospects of enterprises and of employment. Social dialogue should be free, independent and autonomous, so employers and workers must be able to select their representatives freely and independently, choose the topics for discussion and debate freely without interference from third parties. He asked governments to respect the autonomy of the social partners and social dialogue, as well as to encourage freedom of association. However, it also meant that the Office should be careful to ensure that its interventions did not inappropriately interfere in social dialogue and collective bargaining. The Office criticism on wage moderation in countries with high levels of collective bargaining was an example of harmful interference. The Office should strengthen social partner organizations to enable them to better fulfil their roles and build the capacity of governments and social partners to assume their responsibilities. The social partners should also be included in the Organization's projects on the three other strategic objectives.
- 9. With regard to the points for discussion, on Point No. 1, the Employer Vice-Chairperson stressed that the Office could best promote dialogue by helping constituents to modernize their dialogue structures through capacity building and information exchange. For Point No. 2, it was more important to ratify and implement up-to-date standards new standards were not the answer. The various categories of workers addressed in the report under Point No. 3 differed widely. Non-standard forms of work were often covered by collective bargaining agreements in many countries. Workers in the informal economy were in a completely different category and should not be put in the same basket. Expert workshops

on the informal economy and non-standard forms of work had already been planned by the 2012 recurrent discussion, and this Committee should avoid duplication of work. He observed that Point No. 4 reflected the fact that global value chains had recently received increasing attention. Two recent Organisation for Economic Co-operation and Development (OECD) studies confirmed that workers in global value chains were better paid and better trained than in purely domestic enterprises. However, the Employers' group thought that this specific topic was inappropriate for the recurrent item discussion. Global value chains had been described as pearls on a string, but it would be more accurate to compare them to a dish of spaghetti. If you tried to pull them apart, it was unclear where the other end was. Social dialogue should be promoted generally on the ground, whether or not the company was part of a global value chain. The ILO should take a holistic approach to promoting social dialogue instead of creating "islands of social dialogue" and should strengthen its engagement on bringing together the social partners in ILO global dialogue meetings at the sectoral level. On Point No. 5, the Employers' group agreed that it would be important for other United Nations (UN) agencies and international organizations to appreciate the importance of including social partners when implementing their projects in the field and when giving policy advice. The promotion of social protection schemes without involving social partners had not been helpful in the past. The Employers' group believed that real policy coherence could only be achieved through the creation of solid partnerships. Synergies should be harnessed in pursuit of common goals and respect for each partner's distinctive mandate. The ILO had specific skills and expertise to bring to the table. While other organizations might be active in employment or social protection, social dialogue was unique to the ILO. The Employers' group stressed that the ILO had a very limited role with regard to trade issues, and that topic was contentious; the Office should concentrate on its core mandate. Finally, the Employers' group appealed for short and operative conclusions, because social dialogue was too important to get lost in generalized rhetoric.

- 10. The Worker Vice-Chairperson thanked the Office for the excellent report and emphasized that the discussion of the Committee was critically important. Social dialogue was not only one of the four strategic objectives of the ILO, but also it was the governance paradigm for promoting social justice, fair workplace relations, sustainable development and social and political stability. As a process, social dialogue should be valued in and of itself, as the basic democratic principle that people affected by decisions should have a voice in the decision-making process. But social dialogue was also a key means to achieve social and economic progress, and equitably functioning labour markets. She acknowledged that social dialogue was not always effective. There were examples where governments engaged unions and employers in social dialogue to give the appearance that they had wished to consult without being prepared to take on board the views of the social partners. Consequently, there were important preconditions that must be met for real and effective social dialogue. At the heart of social dialogue was collective bargaining. True social dialogue could not exist without freedom of association. It could not succeed in a context where there was no democracy, or independence and autonomy for the social partners.
- 11. She then commented that global economic growth was slow and, as a result, the world of work characterized by rising unemployment, informal work and income inequality. Social dialogue should be fully utilized to identify solutions, policies and economic reforms that were politically and socially sustainable. In too many instances, social dialogue had been rejected or used in a token way. Many countries had responded to the crisis with fiscal austerity and structural reforms, similar to those that failed to create jobs during the 1980s. Austerity and structural reform policies were promoted by an elite group of international and financial institutions and financial and banking circles that did not have to live in the real world. In contrast, trade unions and employers' associations understood the problems of workers and employers in the real economy, but were largely excluded from the process of economic policy design. The ILO's advice on the importance of social dialogue had

been largely ignored. Many key aspects of the structural reforms were designed to weaken collective bargaining and social dialogue.

- **12.** Therefore, the Workers' group would focus on the following six key topics:
  - (1) Effective social dialogue could only occur when workers could organize themselves in free, democratic and independent unions.
  - (2) The Workers' group stressed that, in light of declining wages, widening income inequality and expanding precarious work, the attacks on collective bargaining should be reversed in order to produce the level of demand required for full employment.
  - (3) Structural reforms were making things worse through blatant attacks on collective bargaining, in public and private sectors.
  - (4) The ILO Committee of Experts concluded that these reforms were in violation of ratified Conventions. However, the ILO had remained largely silent and was not proactive or effective in defending its own core principles and fundamental rights in recent years. The ILO had failed to exercise its own mandate, while talking about policy coherence at the international level.
  - (5) The expansion of contract work, temporary contracts and other forms of precarious work left vast portions of the workforce excluded from collective bargaining. This trend should be reversed through effective promotion of collective bargaining and the extension of collective agreements to all workers within a sector.
  - (6) Globalization and the organization of production along supply chains posed major challenges to social dialogue and collective bargaining. Effective ways to promote cross-border dialogue and bargaining should be an aim of the discussion.
- 13. The Workers' group detailed their expectations for outcomes of the discussions. The ILO should renew its commitment to tripartism and social dialogue, including collective bargaining, requiring a reallocation of priorities and resources. There should be a greater emphasis on the importance of trade union rights and more vigorous promotion of the Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87), and the Right to Organise and Collective Bargaining Convention, 1949 (No. 98). An ambitious new work programme on collective bargaining should include more promotion and implementation of the relevant Conventions Recommendations, technical assistance, capacity building for the constituents, and a regular flagship publication on global trends and challenges in collective bargaining, including in the public sector. The ILO should increase its capacity to assist governments with labour law reforms, including systematic interventions when other organizations provided legislative advice inconsistent with ILO principles particularly to countries in crisis or making the transition to democracy. The Workers' group would like the Committee to consider a new Convention on labour courts or tribunals to ensure timely and meaningful remedies for violations of workers' rights. This Committee should identify how to make cross-border dialogue more effective in the context of globalization and global supply chains. Corporate social responsibility (CSR) has not resulted in safer operations, as demonstrated by the recent tragedies including factory fires and building collapse. The ILO should consider decent work in supply chains in a future session of the Conference. The ILO also failed to influence the international policy debate regarding issues that fell within its core mandate.

- 14. The Government member of Colombia, speaking on behalf of the Governments of member States of the Group of Latin American and Caribbean Countries (GRULAC) <sup>2</sup> attending the Conference, reiterated the commitment of the region for promoting social dialogue and noted that the ILO had recognized this by including many examples of the commitment to social dialogue in the report. GRULAC member States had taken the crisis as an opportunity to introduce institutional and legal procedures and frameworks throughout the region. The unwavering support of GRULAC for social dialogue was also reflected in the high ratification rate of Conventions Nos 87 and 98 in the region.
- 15. The Government member of Ireland, speaking on behalf of the European Union (EU) and the Governments of its Member States attending the Conference, <sup>3</sup> as well as Albania, Armenia, Bosnia and Herzegovina, Croatia, Georgia, Iceland, Montenegro, Serbia, The former Yugoslav Republic of Macedonia and Ukraine, congratulated the Office for an excellent report. He welcomed the independent evaluation of the ILO's work on social dialogue and encouraged their inclusion in future background papers for recurrent discussions. They were fully committed to all four aspects of the Decent Work Agenda and considered social dialogue an enabling condition for implementation of all ILO Conventions and Recommendations. More than half of the world's population lived in countries that had neither ratified Convention No. 87 nor Convention No. 98. The European countries stressed the need for worldwide ratification and implementation of the eight core ILO Conventions. The Committee should adopt a plan of action that would lead the Office to adjust its priorities and programmes.
- 16. The Government member of Denmark, speaking also on behalf of Finland, Iceland, Norway and Sweden, supported the EU statement, welcomed the opportunity for a thorough debate and asserted the need for worldwide ratification of the ILO core Conventions, in particular, Conventions Nos 87 and 98. He noted that the Nordic labour market model was one in which wages and working conditions were based on collective agreements, labour laws prepared with input from the social partners, and agreement on other labour market issues reached through social dialogue. The foundation of this model was based on cooperation and trust between the parties, and this had helped to ensure a high standard of working life for all. The social partners were actively involved, giving them both rights and duties. Experience had shown that the social partners were in the best position to know where problems lay and how they might be resolved, and to find sustainable solutions that were adapted to the circumstances. To be self-regulating, social partners needed to be strong and responsible organizations, with high membership rates. The authorities could contribute to their success by providing effective mediation and dispute resolution mechanisms, and sound labour inspection systems. The questions raised by the report to the Committee resonated with the challenges discussed in his own region and reflected in the ILO's Oslo Declaration: Restoring confidence in jobs and growth (2013), which was a valuable contribution to the discussions and to a plan of action that should be focused and precise, delineating clear priorities for the ILO.

<sup>&</sup>lt;sup>2</sup> Argentina, Bahamas, Barbados, Plurinational State of Bolivia, Brazil, Chile, Colombia, Costa Rica, Cuba, Dominican Republic, Ecuador, El Salvador, Guatemala, Haiti, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, Suriname, Trinidad and Tobago, Uruguay and Bolivarian Republic of Venezuela.

<sup>&</sup>lt;sup>3</sup> Austria, Belgium, Bulgaria, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden and United Kingdom.

- 17. The Government member of Trinidad and Tobago, speaking also on behalf of Barbados, Jamaica and Suriname, noted that social dialogue was at the core of the ILO's existence and structure, and that its discussion was timely, given the ILO's reform process and the consideration of the post-2015 development agenda. The report and evaluation submitted to the Committee were comprehensive and thought-provoking and would help in defining the ILO's role in this area, as well as the roles of its constituents. The economic and financial crisis had demonstrated the need for the involvement of social actors, and not governments alone, to solve problems and make decisions that would contribute to building economies and societies. Social dialogue was being strengthened in the Caribbean subregion through many mechanisms, including specific tripartite knowledge-sharing forums and symposiums supported by the ILO. Social dialogue was well established at the national level in some countries. In Barbados, for example, social partnership had begun in the 1990s as a response to the economic crisis, but had developed into a mechanism to address industrial unrest and socio-economic problems, agreeing protocols that covered human development, prices and incomes, employment relations and environmental protection; a tripartite subcommittee of the partnership met monthly. Following the good practices of Barbados and learning from its own experiences in tripartite and multipartite engagement, Trinidad and Tobago was also in the process of formalizing a social dialogue mechanism that would bring together government, employers and workers, with the support of civil society. Social dialogue was an approach to be shared with the rest of the world. The ILO's unique position as the only tripartite organization of the UN system and its long and successful experience in achieving international consensus on critical issues qualified it as a distinguished authority and leader in social dialogue.
- 18. The Government member of Turkey commented that social dialogue was both a symbol of the age of communication and information which defined the beginning of the twenty-first century and at the heart of the ILO since its creation in 1919. She shared with the Committee examples of her own country's experiences of social dialogue. While the first tripartite council was established in 1995, the amendment of Turkey's Constitution in 2010 represented a crucial step forward for social dialogue. Since the economic and financial crisis, a Tripartite Advisory Board, which usually met at least three times a year, convened once a month so that the social partners were actively involved in efforts against the crisis; this mechanism had also been important in the development of laws on trade unions and collective bargaining, and on occupational safety and health (OSH). Other social dialogue mechanisms gave inputs to policy-making and the fixing of wage limits by the Government. Dialogue was also used in other national boards and councils, and at sectoral and local level, some receiving additional funding for this purpose. Collective agreements and social dialogue mechanisms were in place in many sectors and enterprises. Any new institution in Turkey integrated a social dialogue approach.
- 19. The Government member of Belgium thanked the Office for an excellent report and stressed that healthy and productive social dialogue was an essential component of the market economy, with a stabilizing effect that encouraged investment and growth. The precondition of social dialogue was for its participants to be fully representative organizations able to develop freely their own strategy and broad vision. Collective bargaining was one form of social dialogue that could achieve win—win solutions, and which should cover a broad range of issues, including employment, the evolution of the economy, social cohesion and climate change. One-size-fits-all social dialogue was not feasible the process should be defined by the partners themselves. However, it was useful to learn from good practices and to be aware of national and international trends, as the Office report showed. He supported the Worker Vice-Chairperson's point that it was also important to watch the evolution of practices in global supply chains. Social dialogue instruments needed to be clearly defined and collective agreements enforced. During the crisis, social dialogue was in the spotlight because of its potentially distortionary effect, but he warned against competition that was based on reducing working conditions.

Competition should be based more on innovation and investment – including investment in social dialogue and social peace. In all cases, both parties needed to take account of the interests of the enterprise. The role of the public authorities was to provide a legal framework and act as facilitator, but public intervention had increased during the crisis. Collective bargaining was a means to address social conflict, while stable industrial relations and social peace were the foundations of economic growth. Conciliation was therefore critically useful in this respect; it was rapid, was usually consensual and allowed the parties to adapt or create rules. Transnational dialogue could create transnational conflict, so it was important to put in place conciliation mechanisms for this context.

- 20. The Government member of New Zealand hoped that the Committee would formulate specific conclusions to help the Office deliver and advance the strategic objective on social dialogue. Social dialogue was understood by his Government in a broad context that included both bipartite and tripartite dialogue, and was seen as both a means and an end. It was a useful tool for building consensus and delivering positive social and economic outcomes, as was the case in his country's recent legal reforms on OSH. His Government recognized the diversity of social dialogue, pointing out that the realities of social dialogue in the Asia–Pacific region were different from those in Europe. With regard to the ILO, he supported reforms that would improve the ability of the Office to provide technical assistance to constituents in the area of social dialogue, particularly in implementing existing ILO instruments. This included strengthened policy guidance and capacity building for labour administrations, workers and employers, which was a greater priority than the development of new international standards. He supported efforts of the ILO to increase dialogue with other international organizations but only within the extent of its mandate.
- 21. The Government member of the Bolivarian Republic of Venezuela noted that social dialogue had been a main approach in recent years for guiding government action, particularly in the adoption of new labour legislation. She expressed her Government's support for broad and inclusive social dialogue, adding that it led to a more direct and participative approach when addressing socio-economic challenges in her country.
- 22. The Government member of India noted the importance of the social partners in the development of national labour policies. Towards this end, he urged the ILO to provide member States with technical support and capacity building while advocating that social dialogue did not have negative economic effects, even in times of crisis. India had not ratified Conventions Nos 87 or 98, but the principles of these instruments were reflected in its laws, listing a number of statutory and policy initiatives that reflected India's implementation of the ILO fundamental principles and rights at work (FPRW). He further suggested that the ILO develop a guide for constituents on the various forms of social dialogue for preventing and resolving disputes. India regularly undertook training and other capacity building for stakeholders in both the formal and informal economies. The objectives of social dialogue could not be achieved if they were not expanded to the informal economy. In this respect, he cited several approaches to improve working conditions in the country's large informal economy adding that issues related to the informal economy were already addressed in various tripartite forums. However, agricultural and rural workers needed representation in dialogue bodies and he hoped that special tripartite forums could be set up for informal workers at various levels. Likewise, multinational enterprises (MNEs) should also be represented in India's social dialogue bodies. Policy coherence was the responsibility not only of multilateral organizations but also of the governments that oversee their work. However, achieving policy coherence required a framework of well-defined policy actions. In any case, he insisted that trade should not be linked to labour standards and policy coherence should not be used to generate non-tariff barriers.

- 23. The Government member of the United States stated that the recurrent discussion would allow for further understanding of the needs of constituents and help inform the ILO's decisions. She joined other speakers in requesting that independent evaluations of ILO technical cooperation programmes should accompany future recurrent item reports. Social dialogue should be considered in the context of the eight areas of critical importance under the ILO's proposed Programme and Budget for 2014–15. Social dialogue was both an end and a means to other ends. There was no single model for social dialogue, collective bargaining, dispute prevention or resolution and she welcomed a fruitful discussion on the range of approaches employed and their effectiveness in different countries and contexts to help the Office better understand constituents' needs.
- 24. The Government member of Tunisia underscored the importance of social dialogue in his country's post-revolutionary landscape. With the support of the ILO and several European governments, tripartite social dialogue led to an agreement signed in the presence of the ILO Director-General. The revolution brought freedom to Tunisia but also left some significant social and economic challenges behind, including labour unrest. Approaches to address these challenges were based on five key features, namely: fair and equitable economic development; the employment of graduates; social protection; industrial relations based on a new labour law framework; and the institutionalization of social dialogue through the Social Dialogue Council. Social dialogue had made a major contribution to democratic transition, giving birth to a social democracy that would allow for political democracy.
- 25. The Government member of Canada recalled that social dialogue was one of the four strategic objectives of the ILO. She looked forward in particular to the contributions of the social partners in the discussion since much social dialogue was bipartite in nature. She thanked the Office for the report and welcomed the study by the Evaluation Unit, which, for the first time, provided information for a recurrent item discussion to help assess the effectiveness of ILO interventions in this area, as called for by the ILO Declaration on Social Justice for a Fair Globalization. The ILO had an important role in promoting social dialogue and collective bargaining as mechanisms to address workplace challenges in the context of globalization and the economic and financial crisis. The ILO's influence in responding to these challenges could be strengthened as a result of its tripartite structure as well as efforts to enhance its knowledge base and partnerships with other international organizations. The ILO should focus on helping governments develop appropriate frameworks for social dialogue, strengthening labour administration and building social partners' capacity to participate in social dialogue. She encouraged members to adopt conclusions that would provide guidance to the Office on priorities for future work that responded to the needs of constituents.
- **26.** The Government member of Australia stated that the ILO's tripartite structures had survived the test of time and ensured that social dialogue went hand-in-hand with the creation of decent work. However, there remained challenges to realizing the strategic objective of social dialogue due to the rapidly changing world of work. This recurrent discussion was an opportunity to reinforce the importance of social dialogue and identify concrete priorities for ILO action. In developing these priorities, he noted three criteria that should be met, namely: they should be justified and determined by comprehensive analysis; they should be important and respond to clear and significant needs; and they should be realistically achievable in a timely and cost-effective manner.
- 27. The Government member of Senegal described how, faced with an economic crisis, it took measures to strengthen social dialogue, including the National Social Dialogue Committee established in 2002. He described several other legal and institutional measures that enshrined tripartite and bipartite social dialogue and which had led to notable results such as the 2012 DWCP. In Senegal, social dialogue was a primary means for ensuring social

and economic stability in the context of globalization. He called on the ILO to examine strategic ways to support social dialogue initiatives along with programmes for capacity building, awareness raising and research on collective bargaining. The Ministry of Labour had prioritized the establishment of sectoral social dialogue committees and had already done so in the education and health sectors. It was further working to disseminate international labour standards, for which the ILO could provide assistance. He highlighted that enterprises had diverse means to promote social dialogue which may prevent conflicts by virtue of their proximity to the workplace, and cited several government initiatives to integrate vulnerable groups in the development of social policies. He suggested promoting partnerships to articulate better the ILO's strategic objectives in relation to the needs of member States, building consensus on national policies, and taking into account the pillars of the Decent Work Agenda in free trade agreements and economic integration policies. He further suggested that recommendations be made to include clauses promoting social dialogue in future economic cooperation agreements and to reinforce subregional instruments like the Labour and Social Dialogue Council of the Western African Economic and Monetary Union and the Social Dialogue Forum of the Economic Community of West African States (ECOWAS).

- 28. The Government member of China thanked the Office for an excellent report and noted that the ILO had been making successful efforts to promote social dialogue internationally with greater recognition by constituents of the value of social dialogue. In China, social dialogue had progressed. At the municipal, cantonal and national levels, some 70,000 organizations had been set up to promote social dialogue. Both social dialogue and collective consultations had spread at the national level and collective bargaining agreements covered over 15 million employees across the country. China continued to work on improving labour legislation including in the areas of employment promotion and OSH. He acknowledged the beneficial support China had received from the Office to reform legislation on employment promotion and assist in vocational training. If social dialogue could not assist a member State to overcome the crisis, it would have a negative effect on that country. He stressed the need for support and further discussion on conflict resolution in the workplace through social dialogue. Social dialogue was flexible and not costly, which made it a useful tool to address workplace conflicts. In fact, a special committee had been established to deal with labour conflicts based on social dialogue and he was of the view that more departments and social partners should be involved, especially in the agricultural sector, and in the area of small and medium-sized enterprises (SMEs). China also favoured cross-border social dialogue between countries, although not many trade unions or enterprises practiced cross-border social dialogue, which could be an area for greater ILO assistance.
- 29. The Government member of Indonesia felt that social dialogue was a crucial practice that needed strong commitment from both governments and social partners. The Government of Indonesia prioritized social dialogue as an important mechanism to address labour issues at all levels and, in particular, encouraged bipartite cooperation to address workplace challenges. Social dialogue played a significant role in harmonious industrial relations and her Government remained committed to this approach.
- **30.** The Government member of Egypt stated that there was commitment to continued contact with all stakeholders and constituents to promote decent work. Egypt had ratified the ILO's fundamental Conventions and amended its labour laws accordingly. The new legislation contributed to the well-being of workers and improved social security coverage. Efforts were also being made to improve the working conditions in the informal sector.
- **31.** The Government member of Morocco considered that social dialogue was the most appropriate means to achieve the strategic objectives of the ILO. It was essential to rise to the challenges facing the labour market. Social dialogue was even more necessary in the

context of the crisis in that it provided the mechanism to develop appropriate responses to challenges that came with the transformation of the labour market and the economic crisis. Morocco made a strategic choice turning social dialogue into a means to strengthen social democracy. He reiterated that social dialogue and collective bargaining were enshrined in the country's laws and Constitution. The reforms achieved in Morocco would not have taken place without social dialogue and he expected that this mechanism would be beneficial for future reforms as well, such as in their efforts to combat precarious work. He acknowledged that within the institutional framework, Morocco had not been able to involve all actors, but that together with the employers and workers, results were achieved in the area of social dialogue, including bipartite dialogue and cooperation. He reaffirmed the important role of the ILO in promoting social dialogue, citing in particular the cooperation with Belgium to finance a project in North Africa. The challenges facing social dialogue were difficult, especially in the context of the economic crisis. Nonetheless, social dialogue was a necessary tool to face these problems but could only be effective with commitment from the highest political levels.

## Point No. 1: Social dialogue in the context of crisis and transitions

- **32.** The Worker Vice-Chairperson noted that while the challenges facing social dialogue were different around the world, the impact of the economic crisis in Europe on collective bargaining was worthy of close consideration. She explained that the reason for focusing on Europe was that it showed stark examples of where the institutions of social dialogue and collective bargaining were under attack. Initially social dialogue played an important role in response to the crisis, leading to stimulus packages that helped many workers keep their jobs. These initiatives were abandoned when governments went into debt in order to bail out financial institutions. As a result, the European Commission (EC), European Central Bank (ECB) and the International Monetary Fund (IMF) pressured governments into austerity and to change labour market institutions. This led to cuts in government budgets, including public sector salaries and pensions even in violation of collective bargaining agreements. Minimum wages were also reduced, including where these wages were established through tripartite or bipartite agreements. There were reductions in employment protection legislation and a move towards enterprise-level bargaining. These measures resulted in depressed economic growth and made the road to recovery even longer. These reforms were in some cases imposed on governments unilaterally with no social dialogue with the clearly stated intention to reduce the wage-setting power of the trade unions.
- 33. She provided examples of reforms in different countries that had common themes. Pay freezes or cuts were implemented in the public sector in many countries without regard to collective bargaining. Some countries introduced restrictive criteria for collective bargaining agreements and new laws adopted to derogate sectoral agreements which resulted in a decline in collective bargaining and reduced trade union membership. In some countries, collective bargaining was decentralized in favour of enterprise bargaining. Such measures wiped out collective bargaining altogether in some cases and created a dramatic decline in trade union membership. The changes in Greece led to massive unemployment, particularly among young workers, and a drop in exports. The reform process in Greece went against the ILO fundamental Conventions, violated collective agreements and were carried out without consultation. She cited an IMF study showing that unemployment in Spain would be lower if the country had moved away from a decentralized to a more highly coordinated collective bargaining system. There was no evidence for the economic advantages of decentralized collective bargaining and weakened trade unions. In fact, countries with strong trade unions, high collective bargaining coverage and synchronized collective bargaining have distinct advantages such as better performance in terms of

- unemployment, a wage distribution that is more compatible with social cohesion, less inequality, political stability and stable economic growth.
- **34.** However, the Workers' group considered that the evidence suggested that the reforms were being pushed on the basis of an ideological, highly decentralized model favoured in such countries as the United States. She pointed, however, to the negative consequences for workers of such a model including, in the United States, the delinking of productivity gains from wages, high inequality, a low level of collective bargaining coverage, reduced overall benefits and reduced social mobility. Such a model was inconsistent with ILO values and should not be promoted. The Office should focus more on the promotion of collective bargaining through a large technical programme that works on promoting the ratification and implementation of the Conventions and Recommendations related to collective bargaining including in the public sector; new research and dissemination of existing research on the economic benefits of collective bargaining including coordinated bargaining and mechanisms for the extension of collective agreements; increased technical assistance; and capacity building to ILO constituents. The Office should publish a regular flagship report on global trends and challenges in collective bargaining to establish its authority in this area. It should also play a more prominent advisory role in countries under pressure to pursue austerity measures or undertaking major reforms in their labour laws and institutions. Such advice should firstly promote social dialogue and discuss policy responses to the crisis and, secondly, promote a reform agenda seeking the widest collective bargaining coverage; sectoral social dialogue; the extension of mechanisms to vulnerable categories of workers; and stronger legal protection of trade union activities. It was not acceptable that the IMF, with no mandate or expertise on these matters, pushed through labour market reforms while the ILO remained silent. The ILO should defend its mandate, which included the promotion of collective bargaining.
- **35.** She added that collective bargaining was also under attack outside of Europe as part of a broader move to impose a model of enterprise bargaining with proven harmful social consequences and unproven economic advantages. In addition, a number of countries are developing their systems of social dialogue and collective bargaining, particularly in Africa and Asia. To that end, she urged the Office to provide a promotional package taking into account the specific needs of these countries.
- **36.** The Workers' group noted that developments in Europe had also seen the decline of other forms of social dialogue. She called on governments to establish social dialogue as the basis for discussions, even in times of crisis, with regard to both labour market and economic issues. She urged the Office to be proactive in assisting such discussions and to promote the relevant ILO Conventions and Recommendations. The Office also needed to reinforce its research in this area to provide evidence-based research on the role of social dialogue in response to the crisis. The Declaration of Philadelphia provides guidance in this regard. Such research would enable the ILO to provide constituents with advice on alternative policies and to develop mechanisms for prompt response to economic and social crises based on active engagement with governments, employers and workers.
- 37. The Employer Vice-Chairperson noted that there was no uniform picture of the impact of the crisis on social dialogue. In many countries, social dialogue had helped to mitigate the effects of the crisis, while in others the crisis put social dialogue under pressure. Likewise, in some countries social dialogue had undergone centralization, while in others it had been decentralized, leading to an increase in collective agreements at the company level. These variations reflected different national circumstances as well as the changing needs of the social partners. Social dialogue was not an end in itself and its structures were not carved in stone, but it must serve their purpose. Therefore, the ILO needed to start by examining the needs of its constituents, not seeking to simply preserve existing structures, but rather to support them with expertise and advice. In some countries the social dialogue structures

were not suitable to produce the best outcomes and the crisis should be seen as an opportunity for the ILO to help its constituents to modernize its structures. To that end, constituents should be encouraged to learn about social dialogue, not only through capacity building and the training courses of the ILO's International Training Centre, Turin, but also through experience-sharing activities such as twinning projects between relevant countries which have been particularly successful. It was crucial to increase the involvement of social partner organizations in other ILO initiatives, especially regarding youth employment and social protection schemes. Increased involvement in such projects would strengthen the social partners and promote exchange on broader subjects.

- **38.** He believed that governments also had a role to play in collective bargaining although this role had to find a delicate balance between interference and assistance. Even so, it was difficult to see how social dialogue mechanisms, where they did not exist, could be developed without government involvement. The extent of that involvement was not clear cut and different governments would take on different roles. Regarding Point No. 1, the 2012 Committee on the Recurrent Discussion of the Strategic Objective of Fundamental Principles and Rights at Work already dealt with this question extensively and the discussion should take care not to duplicate the work or risk creating confusion.
- **39.** The Government member of Ireland, speaking on behalf of the EU and the Governments of its Member States attending the Conference, 4 as well as Albania, Armenia, Bosnia and Herzegovina, Croatia, Georgia, Iceland, Montenegro, Serbia, The former Yugoslav Republic of Macedonia and Ukraine, noted that social dialogue was essential in addressing the global financial crisis and ongoing economic transitions and it should also be part of the approach to achieve a green, low-carbon and resource-efficient economy and in dealing with demographic and technological change. To that end, the role of employers' and workers' organizations and of social dialogue needed to be fully recognized as enshrined by the FPRW. Social dialogue had a role to mitigate the impact of the crisis and the ILO should promote strong and responsible social partnerships to promote social dialogue at all levels, contributing to equitable distribution, social progress and stability based on productivity-oriented wage policies, as established in the ILO's Oslo Declaration. Ongoing European efforts had taken note of the need for inclusive processes to achieve interlinked and coherent policies for sustainable and inclusive growth, employment, social cohesion and the involvement of the social partners. There was no doubt that countries where social dialogue was already established were better placed to deal with the consequences of the crisis. He encouraged the ILO to continue its action to promote social dialogue and praised the relevance of the ILO's work in strengthening social dialogue, and strengthening the institutional capacities of social partners, labour administrations and social security institutions to design and implement adequate decent work policies in times of economic difficulty. He further supported the ILO's work towards a standard concerning information and consultation of workers to complement existing instruments and which would be based on an assessment of practice, and stressed the importance of taking account of diversity in any such work. On a global level, he encouraged the ILO to continue its work to bring about policy coherence through its contributions to the G20 and to improve cooperation with the IMF.
- **40.** The Government member of Denmark, speaking also on behalf of Finland, Iceland, Norway and Sweden, supported the EU statement. Collective agreements concluded between the social partners were the foundation of the Nordic labour market model. A flexible labour market had led to balanced income distribution, low unemployment rates and an adaptable economy. The foundations of that model dated back to the nineteenth

<sup>&</sup>lt;sup>4</sup> See footnote 3.

century and had come as a result of major disputes. It was, therefore, valuable to recognize the opportunities presented by a crisis. In the context of austerity measures it was essential that all parties had a commitment to tripartism based on trust. The ILO's Oslo Declaration was a valuable contribution to the current discussion and he encouraged the Office to promote that Declaration. He also called on the ILO to build the capacity of governments and the social partners to take up their responsibility to reinforce their contributions through enhanced social dialogue. The ILO should continue to safeguard and promote social dialogue, freedom of association and the right to organize and bargain collectively. Both the Decent Work Agenda and the Global Jobs Pact were effective instruments to that end. He emphasized the importance of the ILO's support and expressed the Nordic countries' commitment to its supervisory system and to its promotion of social dialogue with a view to its extension to all levels.

- 41. The Government member of Mexico noted that his country's current labour policies had launched several initiatives aimed at improving working conditions. One aspect of those policies was to promote peaceful labour relations, establish tripartite dialogue and promote workers' rights. This would contribute to good governance, which in turn would attract investment and generate jobs. That process was based on continuous dialogue and a review of general working conditions. Authorities needed to ensure the autonomy of trade union activities. Through social dialogue it was possible to reach mutual agreements and thereby establish a virtuous circle leading to enhanced productivity, which was the key to improving workers' lives.
- 42. The Government member of Switzerland observed that social dialogue was central to developing consensus-based policies in times of crisis and beyond. Although the Swiss market was affected by the crisis, it was able to recover rapidly. The intensive use of social dialogue was a key part of that recovery and her country had been identified as among the leading countries to have adopted national tripartite agreements or major sectoral agreements in their crisis response. The tradition of social dialogue in Switzerland enabled it to adjust rapidly and effectively to global economic changes. One important collective agreement reached in her country related to working time arrangements, which had been important in limiting job loss during the crisis. The autonomy of the social partners and freedom of association were fundamental for these positive outcomes and she said that Switzerland was prepared to share its experiences with others.
- **43.** The Government member of the United States noted that constructive labour–management relationships and collective bargaining could provide workers and employers with enduring tools for achieving productivity, innovation and competitiveness which are central ingredients of equitable, stable and growing economies. The appropriate mechanisms for social dialogue varied widely in different countries. The ILO should promote the use of social dialogue institutions, freedom of association and the right to organize and bargain collectively. It should also ensure the effective and efficient functioning of its supervisory system. The Office should continue its capacity-building efforts with governments, and employers' and workers' organizations, by providing policy advice and technical assistance in the development of labour laws and regulations, aimed at ensuring freedom of association and the right to organize and bargain collectively. Labour laws and regulations should be implemented and effectively enforced by robust labour administrations and inspectorates. Therefore, supporting these institutions should also be a priority for the ILO. The ILO could also play an important role in capacity building on the actual processes and skills that led to effective negotiations and joint decision-making. Neutral, objective conflict-resolution professionals could help worker and employer representatives to learn the skills needed to create relationships based on trust and transparency. The Office could facilitate training by neutral third-parties on collective dispute resolution to promote social dialogue, to prevent labour disputes, and to promote employment security and economic growth. The United States Federal Mediation

and Conciliation Service was useful to parties engaged in collective bargaining to resolve obstacles to bargaining impasses. She welcomed the document, *Labour dispute systems: Guidelines for improved performance*, published jointly by the Office and its International Training Centre in early 2013. Additionally, the Office should carry out sound, objective, evidence-based research in order to better understand the changes taking place in social dialogue and develop and disseminate information about appropriate policy responses.

- 44. The Government member of Barbados, speaking also on behalf of Trinidad and Tobago, acknowledged the ILO's role as a centre of excellence on labour law and administration. During the past decade there had been increased demand for support from the Office to promote and safeguard social dialogue. The ILO had shown significant progress in inserting the Decent Work Agenda on international and national agendas. He recommended that the Office intensify its efforts at an international-level summit similar to the Rio +20 initiative. The ILO should also continue its efforts to work on the post-2015 development agenda. As a means to encourage shared experiences, the Office should facilitate South—South and South—North cooperation. Some countries in the South had more experience than countries in the North in utilizing social dialogue to overcome economic challenges effectively. For example, Barbados benefited from strong social partnerships to minimize the impact of the financial and economic crisis. The Office should continue to support the strengthening of labour administration systems and of the ILO's supervisory mechanism, notably on Conventions Nos 87 and 98.
- **45.** The Government member of Japan pointed to the ILO's work on safeguarding freedom of association and collective bargaining through international labour standards and its supervisory mechanism. The recurrent item discussion also played a role in this respect, by monitoring progress on social dialogue as one of the strategic objectives, analysing good practices and trends, particularly in the context of the crisis, and creating a shared understanding of social dialogue. The Office also supported the development and implementation of labour legislation and labour policies, and gave technical advice to the social partners. In Japan, the Labour Policy Council had representation from ministries, employers, workers and civil society and advised the Government on various social and economic issues, including employment, skills development and safety and health.
- **46.** The Government member of Cameroon, speaking on behalf of the Governments of member States of the Africa group <sup>5</sup> attending the Conference, commented that social dialogue was sometimes perceived as slowing down decision-making processes. The Africa group took the opposite view, seeing social dialogue as a good investment that created broad social and political support for the adoption of measures. Talking together increased understanding and made it easier to find solutions. A climate of trust and confidence was essential to this cooperation: there had to be mutual respect, and the social partners should be strong and united. Despite the proven success of social dialogue, there was a tendency during the financial and economic crisis to impose austerity measures without dialogue with the social partners. The ILO should encourage its Members to create institutions that included the social partners, enabling greater transparency in national decision-making and avoiding discord in the implementation of measures. Encouraging employers and workers to participate in social dialogue at the national level would help resolve problems, promote stability and encourage industrial growth.

<sup>&</sup>lt;sup>5</sup> Algeria, Angola, Benin, Botswana, Burkina Faso, Burundi, Cameroon, Cape Verde, Chad, Comoros, Congo, Côte d'Ivoire, Democratic Republic of the Congo, Djibouti, Egypt, Eritrea, Ethiopia, Gabon, Gambia, Ghana, Guinea, Kenya, Lesotho, Liberia, Libya, Madagascar, Malawi, Mali, Mauritania, Mauritius, Morocco, Mozambique, Namibia, Niger, Nigeria, Senegal, Seychelles, Sierra Leone, Somalia, South Africa, South Sudan, Sudan, Swaziland, the United Republic of Tanzania, Togo, Tunisia, Uganda, Zambia and Zimbabwe.

- 47. The Government member of Cuba endorsed GRULAC's earlier statement and considered the report was an excellent starting point for discussion. With regard to Point No. 1 of the report, he questioned whether the Committee should be debating social dialogue's role in working through the current crisis rather than trying to combat the issues that led to the crisis. The roots of the crisis were in poverty, hunger, inequality and lack of development. The ILO could not address these alone; it should call on its Members to show the political will to protect workers at the highest possible levels. There was no magic formula to resolve these problems. There was huge diversity among countries and each had the sovereign right to decide how to act. In Cuba, creative solutions had been found and the Government put social dialogue and collective bargaining at the centre of these, so that public policies were developed through consensus.
- **48.** The Government member of Canada stressed the importance of the Office conducting and widely disseminating evidence-based research on social dialogue, which should seek to demonstrate the value and positive social and economic impact of social dialogue, particularly in the context of austerity and anti-crisis measures. The ILO should interact with other international organizations to highlight the economic and social dimensions of global issues, and could also be influential at the national level by sharing successful examples of how social dialogue mitigated the impact of the crisis. Through its DWCPs and targeted technical assistance, it could strengthen social dialogue mechanisms and build capacity among the social partners. Governments could support social dialogue through labour legislation frameworks, mediation and conciliation services, and the publication of statistical and other information on collective bargaining issues, trends and agreements. She observed that the social partners knew and understood the problems within their own enterprises; they were best placed to come up with practical, flexible solutions, often through collective bargaining, which had proved to be an effective mechanism to address change and transitions.
- 49. The Government member of Spain supported the EU statement. Collective bargaining in Spain was governed by a framework convention that had been developed with the social partners. Collective agreements were legally binding and framework agreements had been in place since 2002. From 2012, special frameworks had been agreed annually that included analysis of the current circumstances and specific measures for job creation. In order to avoid lay-offs during the financial and economic crisis, the social partners had agreed on wage moderation and internal flexibility rather than job losses, and favoured enterprise-level bargaining around issues such as working time and wages. The Government was pleased with the results of this social dialogue and had opted to deepen its principles by adopting the Royal Decree of 10 February 2012, in relation to which five meetings were held between the Government and the most representative trade union organizations, before being submitted to Parliament for its approval as law.
- 50. The Government member of Algeria congratulated the Office for the quality of the report. There was no uniform approach to social dialogue, which was an appropriate form of governance for sustainable development. The need for it was stronger in times of crisis. Company-level social dialogue enabled the survival of enterprises, workers and wealth creation. He cited national experience of a restructuring programme and tripartite meetings that led to social and economic measures to ensure mutually beneficial outcomes.
- 51. The Government member of the Philippines recognized the two-pronged purpose of social dialogue: economic progress and workplace peace. The Philippine Labor and Employment Program embodied its commitment to strengthen social dialogue and resulted from tripartite consultations. A robust national economy needed to provide jobs and economic justice. Tripartite councils at several levels enabled social dialogue and better industrial relations. Several national laws and regulations instituted social dialogue and dispute resolution. The Department of Labor and Employment allowed each office to receive any

complaint regardless of its specific purpose, and had provided training so that they could provide assistance and conciliation services. Many codes of practice had been drafted at the enterprise level to facilitate dialogue. He recognized the role of social dialogue in confronting natural disasters and economic crises, and wished to learn more from the experience of other member States.

- **52.** The Employer Vice-Chairperson appreciated the interventions made by the Worker Vice-Chairperson and Government members, and would take them into account. However, he observed that the consequences of the economic crisis had been severe and they strongly affected companies as well, and they had to take measures to survive; this was not a one-sided issue.
- **53.** The Worker Vice-Chairperson welcomed the comments from the Employer Vice-Chairperson and from Government members. She agreed with the Employers' group about the impact of the crisis on all social partners, and on the social partners' need for autonomy to decide the level of bargaining, while governments provided frameworks to carry it out. She endorsed the request by the Employers' group that the design of the Office's promotional programmes should involve the social partners, and their appreciation that collective bargaining should be measured by its outcomes. The best outcomes were the result of coordinated bargaining. Her group appreciated the Government members' almost unanimous support for social dialogue and collective bargaining, albeit with some difficulties in implementation. She expressed interest in exploring further the employers' twinning programmes between countries to share experiences.

## Point No. 2: Strengthening social dialogue and dispute prevention and resolution mechanisms

**54.** The Employer Vice-Chairperson acknowledged that social dialogue greatly contributed to conflict avoidance and resolution and had an important role for social peace. Dispute prevention was best when the social partners settled differences among themselves rather than a top-down approach by governments. Through social dialogue, differences of opinion were revealed in early stages and could be resolved calmly. This built trust between employers and workers. Social dialogue also facilitated transitions and economic, technological, business, financial and demographic changes, as it enabled common interests to be identified and win-win solutions sought. Such changes would only accelerate in the future. Enterprises had to adjust and restructure in order to remain viable in the market. Information, consultation and involvement in social dialogue were also important elements when discussing restructuring. Restructuring was a pain-sharing process, but also necessary. Social dialogue was the proper way to move forward, avoid confrontation and keep government interference to a minimum. It promoted good governance, because agreements negotiated by the social partners were more appropriate to tackling huge social challenges and were better implemented. This self-regulation also reduced the burden on central executive or legislative bodies without reducing their authority. The parties involved felt bound by their agreement, which created greater ownership for compliance and thus gave the economic system greater legitimacy. Effective social dialogue was essential for resolving social and industrial conflict. Governments had already stressed the challenges faced in their countries and put special emphasis on promoting social dialogue. However, the Employers' group believed that new labour standards would not promote social dialogue; more work was needed on ratification and full implementation of current international labour standards. The following five measures were required to promote social dialogue: (a) capacity-building for social partners; (b) strengthening social partner organizations by including them in project initiatives on other strategic objectives of the ILO; (c) facilitating exchange of experience; (d) providing technical assistance to government administrations; and (e) providing suitable policy

advice to create environments for social dialogue. New standards would distract from social dialogue and the five core measures stated above. Governments should play an important role in promoting social dialogue. He cited Convention No. 87: "Workers and employers, without distinction whatsoever, shall have the right to establish and [...] to join organisations of their own choosing without previous authorisation." They "shall have the right to draw up their constitutions and rules, to elect their representatives in full freedom, to organise their administration and activities and to formulate their programmes.", and "The public authorities shall refrain from any interference which would restrict this right or impede the lawful exercise thereof." In addition to these guaranteeing rights, governments should take positive measures to implement and promote social dialogue. Article 4 of Convention No. 98 stated that: "Measures [...] shall be taken [...] to encourage and promote the full development and utilisation of machinery for voluntary negotiation between employers or employers' organisations and workers' organisations, with a view to the regulation of terms and conditions of employment by means of collective agreements." Conventions Nos 87 and 98 were core labour standards that had to be implemented by ILO member States even if they had not ratified them. As stated in the ILO Declaration on Fundamental Principles and Rights at Work (1998): "All Members, even if they have not ratified the Conventions in question, have an obligation arising from the very fact of membership in the Organization to respect, to promote and to realize, in good faith and in accordance with the Constitution, the principles concerning the fundamental rights which are the subject of those Conventions." The Employers' group endorsed these commitments, believed that the Committee's conclusions should give clear guidance to the Office to focus on the five core measures, and asked governments to increase efforts to implement responsibilities arising from Conventions Nos 87 and 98.

- 55. The Worker Vice-Chairperson agreed with most of the Employers' group statement, in particular about the obligation for governments to promote social dialogue, including collective bargaining and the importance of Conventions Nos 87 and 98. Her group only disagreed on the issue of further standard setting, although that need was perhaps not in the area of collective bargaining and social dialogue per se. The ILO should not just promote the core Conventions, but also the Labour Relations (Public Service) Convention, 1978 (No. 151), and the Collective Bargaining Convention, 1981 (No. 154), as well as lesserknown Recommendations on collective bargaining, for example, the Labour Relations (Public Service) Recommendation, 1978 (No. 159), and the Collective Agreements Recommendation, 1951 (No. 91). In the area of tripartism, she supported the promotion of the Tripartite Consultation (International Labour Standards) Convention, 1976 (No. 144), but also considered that the Consultation (Industrial and National Levels) Recommendation, 1960 (No. 113) should be promoted, as it called for broader dialogue and tripartite consultation on all laws and regulations affecting the social partners. She acknowledged that many countries went beyond the standards set by Convention No. 144 and encouraged other countries to follow such examples. There was a need for standard setting to establish specialized labour courts dealing with individual complaints regarding labour rights, as opposed to collective labour disputes. The ILO had an important role in setting basic criteria to guide countries in that area, such as the importance of labour court independence, the impartiality of judges, adequate staffing with specialized personnel and free access to such forums.
- **56.** The Government member of Ireland, speaking on behalf of the EU and the Governments of its Member States attending the Conference, <sup>6</sup> as well as Albania, Armenia, Bosnia and Herzegovina, Croatia, Georgia, Iceland, Montenegro, Serbia, The former Yugoslav Republic of Macedonia, Turkey and Ukraine noted that changes in the world of work had

<sup>&</sup>lt;sup>6</sup> See footnote 3.

ushered in new challenges for social dialogue, dispute prevention and resolution mechanisms and the promotion of peaceful and productive industrial relations. Effective social dialogue could not take place without the effective implementation of fundamental principles and rights at work. In 2012, his group had welcomed the special emphasis on freedom of association and the effective recognition of the right to collective bargaining as enabling rights. Such rights formed the foundation of democracy. He stressed the universality of FPRW, and called on all member States to ratify and effectively implement the core Conventions, which included Conventions Nos 87 and 98. The EU was engaged in the promotion, universal ratification and implementation of those standards as part of the EU Action Plan on Human Rights and Democracy, adopted in 2012. He welcomed the importance given in the report to workplace and company-level social dialogue. The EU recognized workers' rights to information and consultation. Social dialogue at company level helped to reconcile economic and social aims, in particular through the key part it played in the anticipation and responsible management of change. The Workers' Representatives Convention, 1971 (No. 135) was not widely ratified worldwide – except by EU Member States – and the ILO should pay particular attention to the promotion of that Convention which, together with the Workers' Representatives Recommendation, 1971 (No. 143), formed a good basis for social dialogue. He welcomed the work of the Office to develop an ILO instrument for the information and consultation of workers, which would be based on an assessment of practice and which should take into account existing diversity on that topic. Studies in the EU had shown that conciliation and mediation were preferred to arbitration in the field of labour disputes, especially when they were collective. He noted that after examination by the Cartier Working Party, ILO member States had been requested to provide information on the possible need to replace the Voluntary Conciliation and Arbitration Recommendation, 1951 (No. 92). The results of this request were needed before considering further instruments or updates on dispute prevention and resolution. There was considerable diversity among member States on national labour law enforcement mechanisms. He therefore called on the Office to give that area particular consideration for knowledge development, especially regarding labour disputes of a transnational nature.

- 57. The Government member of Mexico considered that the successful exchange of information could improve social dialogue and contribute to the modernization of dispute prevention and resolution mechanisms. In Mexico, the Federal Labour Law had been revised with the aim of improving legal certainty in the productive sector by making the labour justice system more efficient, professional and reliable. The reforms also sought to promote the transparency and accountability of unions towards their affiliates, while respecting their autonomy, and to provide the authorities with supervisory and law enforcement tools. The labour law reform included various qualification criteria for court staff to ensure the professionalization of the system and avoid irregular practices in handling cases. The Federal Labour Law included provisions aimed at strengthening conciliation and arbitration courts, for example by ensuring adequate staffing and fair appointments and by modifying regulations on quorums to facilitate the opening of sessions. Court staff were forbidden from acting as a party to labour disputes, so as to prevent irregular practices.
- 58. The Government member of Denmark, speaking also on behalf of Iceland, Norway and Sweden, supported the EU statement. Changes in the world of work had also created new challenges in the Nordic countries. Sustaining competitiveness while maintaining high standards of labour and social protection was a challenge for all the Nordic countries. The Nordic labour model sought fair and sound solutions through collective agreements between the social partners or through tripartite cooperation with the authorities. The social partners were best placed to find solutions and adapt to challenges. Successful self-regulation required a flexible labour market model, as well as strong, responsible and representative social partner organizations. Peaceful labour markets and dispute prevention

also required mechanisms that were able to prevent social and industrial conflicts, and every country was responsible for developing the necessary framework in cooperation with the social partners. Social dialogue mechanisms in Nordic countries were well established but variations existed, indicating that every country should find its own way, on the basis of the shared principle of social dialogue. The commitment of each party in the tripartite system was important in such national processes. Dispute prevention mechanisms and labour courts should focus on the effective implementation of existing instruments, and any new instruments developed should be based on specific needs. He supported the Office's efforts to promote decent work for all and provide guidance and policy advice, especially in fostering sustainable competitiveness based on decent work conditions. It should continue to strengthen and expand its knowledge base in that area, and any standard-setting work should be done on a more informed basis, ensuring flexibility. The Office should draw on the various mechanisms involved in FPRW and thereby strengthen the role of social dialogue. He finally highlighted the importance of further guidance from the ILO to support social partners in the area of promoting and increasing equal opportunities through social dialogue.

- **59.** The Government member of Cameroon, speaking on behalf of Governments of member States of the Africa group <sup>7</sup> attending the Conference, indicated that African governments had addressed the challenges of development, poverty and inequality through social dialogue. At the national level, social dialogue provided a framework for cooperation between the social partners to achieve developmental goals, including effective collective bargaining and dispute resolution in large-scale development projects. Compulsory mediation, conciliation and arbitration could coexist with voluntary dispute resolution. The ILO should support capacity building of government institutions and the social partners to prevent or resolve disputes.
- **60.** The Government member of Japan focused on the need to minimize problems caused by industrial disputes and strikes. Worker and employer representatives should be informed about industrial relations laws, while discussions between them should be based on mutual trust. It would be preferable for industrial disputes to be resolved independently, but in some cases the Government of Japan utilized impartial third parties to facilitate dispute resolution in a tripartite setting. Disputes could also be referred to conciliation, mediation or arbitration. He called on the ILO to develop non-binding guidance on establishing institutions or systems for labour dispute resolution and mediation, taking into account the diversity of national conditions.
- 61. The Government member of Brazil outlined his country's extensive experience in social dialogue. He urged the ILO to broaden its support for the implementation of ratified labour standards and further develop the capacity of the social partners so they could participate as equals. Social dialogue should be approached in good faith, with transparency and equal access to information. The institutionalization of these preconditions could help parties to resolve conflicts. Effective social dialogue could improve the democratization of labour relations and should include mechanisms for dispute prevention and resolution. He considered that Convention No. 144 was insufficient without meaningful participation of the social partners. In addition, ministries of labour should ensure a legal framework for negotiation and mediation, and should facilitate mutual trust and equal access to information.

<sup>&</sup>lt;sup>7</sup> See footnote 5.

- 62. The Government member of Australia, speaking on behalf of Canada, Japan, the Republic of Korea, New Zealand and the United States, remarked that social dialogue was embedded in nearly all ILO Conventions and Recommendations, as well as the Decent Work Agenda. New international labour standards should only be considered where there were real and identified needs. Without such information it was premature for the Committee to consider new standards, as suggested in the report. Rather, the Committee should urge that the Office establish a standards review mechanism as proposed in the Director-General's Report as a means to enhance the relevance of international labour standards, which would improve the ILO's understanding of the gaps in existing social dialogue instruments and the potential need for new standards in this area.
- 63. The Government member of the United States endorsed the comments of the Government member of Australia, adding that all parties benefited when workers and employers voluntarily engaged in anticipating and managing change, or preventing and resolving disputes. The Office should gather and disseminate information on various countries' systems for collective bargaining and dispute resolution and analyse what mechanisms worked best in different contexts and why. It could further provide technical assistance and facilitate South–South or Triangular Cooperation, as well as analyse the effectiveness of bipartite mechanisms for improving information sharing among parties during negotiations and for enforcing collective bargaining agreements.
- **64.** The Government member of Egypt hoped that countries around the world would be able to work together on establishing standards that would help to overcome the crisis before the economic situation worsened.
- **65.** The Government member of India detailed the enabling conditions for dispute prevention and resolution in Indian law and practice, including joint management councils and schemes for specific industrial sectors. He further explained the different forms of social dialogue prevailing in his country and how they were applied to address different issues, including labour disputes and sexual harassment. He added that India had established statutory and non-statutory tripartite committees or boards to address a range of labour issues in specific contexts.
- **66.** The Chairperson welcomed the following Officers of the Conference, who were visiting the Committee: the President of the Conference (Mr Nidal Katamine, Jordan); the Employer Vice-President (Mr Kamran T. Rahman, Bangladesh); and the Worker Vice-President (Ms Eulogia Familia, Dominican Republic). He invited the President of the Conference to address the Committee.
- 67. The President of the Conference noted that the Committee's work addressed questions of immediate importance. Social dialogue was part of the ILO's lifeblood. It was not only a means to achieve social and economic progress, but an end in itself, giving people a voice and a stake in their societies and workplaces. Moreover, it was an indispensable tool to achieve social justice, the supreme objective of the ILO. In the context of ILO reforms, social dialogue should not only be maintained but reinforced. The President recalled that the Secretary-General to the Conference had quoted former ILO Director-General, David Morse, that the ILO could "only be as effective an instrument for progress as its member States and its other constituents [allowed] it to be". The Committee's task was thus to give the ILO guidance on how it might become even more relevant and effective.
- **68.** The Government member of Saudi Arabia noted that social dialogue represented a fundamental principle for resolving problems in her country and that a strategy had recently been implemented to involve the social partners in conferences and workshops to address topics such as working time and minimum wages, with technical assistance from

- the ILO. Her Government was committed to this process and to strengthening social dialogue.
- **69.** The Government member of China called on the Office to give greater guidance on social dialogue at the sectoral and regional levels, noting that this would probably have particular usefulness in countries with a shorter history of social dialogue. The Office should also expand its work on social dialogue to cover non-standard workers. In China, there had been an increase of 20 million agency workers who were not covered by collective agreements. Part-time workers were also not covered. His country was striving to improve social dialogue in these growing areas of employment and hoped that the ILO could provide assistance.
- 70. The Government member of Argentina noted that his country had seen significant progress in social dialogue and the social partners were playing an increasingly important role. The Government's focus on the need to address inequalities to enable growth had given renewed momentum to social dialogue. Social dialogue was not a neutral tool. It had a significant impact on distribution mechanisms including wages in the formal and informal economies and on minimum wages. Argentina had emerged rapidly from the crisis and these mechanisms helped support incomes, which drove consumption and growth. Extended and sector-wide collective bargaining, the minimum wage council, and social dialogue mechanisms also strengthened weak trade unions. The Government had an important role to play in safeguarding social dialogue, including supporting freedom of association and establishing an effective labour inspection system.
- 71. The Government member of Tunisia considered that no new tools for dispute resolution mechanisms were necessary; they would not be compatible with his national context. Strategies were needed to prevent labour conflicts by intervening at an early stage, including through effective management at the enterprise level and the use of social dialogue before work stoppages or strikes arose. The most important elements of a national prevention strategy were an independent labour inspection system and monitoring the application of labour standards and labour laws.
- 72. The Government member of Indonesia underlined the importance of social dialogue to address challenges in the world of work. In Indonesia, social dialogue processes existed at the national, provincial and enterprise levels, and were supported by capacity building for the social partners. Tripartite consultations were held to discuss and review all labour issues in order to prevent or resolve social and industrial conflicts and to inform labour policy. At the enterprise level, bipartite negotiation and dispute resolution were mandatory. The speaker highlighted new areas for social dialogue in her country, namely for the protection of migrant and domestic workers.
- 73. The Government member of Colombia explained that her country's policies on labour and wages were developed through social dialogue and that regional and sectoral committees had been established with ILO support, leading to several collective agreements including a substantial collective agreement in the public sector. The Government had also established a special committee for conflict resolution. Her Government was grateful for the assistance from the Office and other member States in achieving these results, which had been recognized by the ILO Committee of Experts on the Application of Conventions and Recommendations, and the Committee on Freedom of Association.
- 74. The Worker Vice-Chairperson alluded to frequent references in the discussion on the virtues of social dialogue and consensus building and underscored the use of social dialogue and dispute resolution to promote workers' rights and social progress. She was pleased that the Employers' group and several governments agreed on the need for a robust campaign on promotion of standards. She also agreed with the five practical areas of action

- proposed by the Employers' group, but reiterated her group's support for a new standard on labour law enforcement institutions and adjudication, including labour courts. She welcomed the governments' support for FPRW and hoped for a renewed political engagement to ratify the Conventions on social dialogue and collective bargaining.
- **75.** The Employer Vice-Chairperson noted that some governments were sceptical about adopting new standards. There was a wide variety of dispute prevention and resolution approaches among member States and governments seemed content with the systems in place. This made the adoption of any new instrument in this area a challenge.

## Point No. 3: Including more sectors, enterprises and workers in social dialogue mechanisms

- **76.** The Worker Vice-Chairperson expressed concern regarding the growing number of workers outside the scope of collective bargaining and labour law protection. Extending protection through social dialogue to vulnerable categories including workers in the informal economy and workers in non-standard forms of employment was a key priority. She summarized a number of findings of the report in this regard and argued that social dialogue including collective bargaining could only take place when workers could freely organize themselves in independent and democratic trade unions. She encouraged governments to strengthen their commitment to social dialogue to create a culture where social dialogue and collective bargaining could flourish and the social partners could advocate for their different interests.
- 77. She reiterated the call for the Office to promote the ratification and implementation of several key Conventions on social dialogue, adding that too many workers were excluded from collective bargaining and social dialogue mechanisms. The ILO had adopted instruments to address the labour protection gaps of several distinct categories of workers, yet workers in export processing zones (EPZs), in the informal economy, in SMEs and in non-standard forms of employment were largely out of collective bargaining mechanisms. The evidence suggested that more coordinated collective bargaining systems and higher trade union density were associated with lower inequality and reductions in vulnerable and precarious work. The Office should carry out more research and technical assistance with regard to gaps in international standards that deprived certain workers of social dialogue and labour law protection, with a view to developing a new standard on non-standard forms of employment. Research should also focus on effective ways to extend bargaining coverage to all workers. The Office should also engage in a promotional campaign on the Employment Relationship Recommendation, 2006 (No. 198). The Office should emphasize the use of social dialogue and collective bargaining in addressing the area of critical importance (ACI) on improving productivity and working conditions in SMEs. Recalling the discussion of the 2011 general discussion, she stressed that sound labour administration and public systems of labour inspection were key for mitigating the employment impact of economic crises and in the progressive extension of coverage to workers who did not currently benefit from labour law protection, but warned against private inspection initiatives as substitute for rigorous and effective public inspection.
- **78.** The Employer Vice-Chairperson pointed out that each category of worker covered in Point No. 3 had different needs and challenges, although FPRW applied to all workers regardless of their category. Transition from the informal to the formal economy was the most important step towards the promotion of social dialogue, an area in which the ILO should be doing more. Second, the rural economy faced in many ways the same challenges as the informal economy, although these two terms were of course not synonymous. The ACI on decent work in the rural economy enabled the ILO to strengthen the use of social dialogue in this area and deliver capacity building for rural economy constituents. Third, he

explained that SMEs were a heterogeneous group in which there seemed to be less need for formal social dialogue structures given the proximity between worker and employer. With respect to non-standard forms of work, he questioned whether the ILO should continue using this classification, since some such arrangements had become a mainstay of the economy and many such workers were in fact covered by collective agreements. Moreover, temporary agency work and part-time work, for example, were legal and highly regulated. Promoting social dialogue for temporary agency workers should in particular cover dialogue between the workers and the employment agency.

- 79. The Government member of Mexico noted that in the context of the globalized world, Mexico faced new challenges that made the world of work more complex. It was necessary to create a new equilibrium for young people and women, ensuring adequate levels of protection and guarantee workers' rights, with access to social benefits and social security. Globalization had shaped the character of social dialogue at the national level, leading to a tripartite pact that strengthened workers' rights and sought to create more competitive and prosperous enterprises. The Mexican President had made the promotion of formal employment a government priority, in which social dialogue was an invaluable means towards social justice and improved national productivity and competitiveness.
- **80.** The Government member of the United States highlighted the need for the Office to expand its knowledge base, including on providing effective labour administration and inspection services to workers in the informal economy, and improved labour inspection statistics. Both efforts were important for a better understanding of the realities and challenges of the informal economy in order to develop appropriate policy and programme responses. She suggested that the Office collaborate with other international institutions and researchers on those issues. It should also provide assistance to governments to identify protection gaps and build the capacity of labour inspectorates to improve the application and enforcement of labour laws.
- 81. The Government member of Ireland, speaking on behalf of the EU and the Governments of its Member States attending the Conference, 8 agreed that social dialogue was weak or absent in certain economic sectors and did not sufficiently cover vulnerable workers. The extension of social dialogue across economic sectors was a key and shared objective. The social partners faced challenges in their ability to represent certain categories of employers and workers, especially as a result of globalization and in the present economic environment. Workers in the informal economy were excluded from labour law protection and the informal economy merited special attention when identifying future ILO action. In this respect, social dialogue had a key role in developing social protection systems that fostered equity and inclusion. Joint efforts to combat undeclared work would help regularize workers and create a level playing-field and more decent work opportunities. He therefore encouraged all governments to ensure that their administrations were equipped to carry out that task and that their policies were effective. He acknowledged the challenges facing the public sector, but considered that private sector enterprises, particularly SMEs, required special attention by the Office to improve sustainability and working conditions through social dialogue. ILO efforts in these areas should strive to include more sectors, enterprises and workers in social dialogue mechanisms.
- **82.** The Government member of Turkey recognized that in many countries, social dialogue took place at the national level, but less so at the enterprise or workplace level. National mechanisms, however, were often unable to resolve disputes effectively. In order to include more sectors, enterprises and workers, social dialogue had to be promoted and

<sup>&</sup>lt;sup>8</sup> See footnote 3.

- supported. Legislative change was not enough. In this regard, she stressed the importance of raising awareness and exchanging experiences between countries. The Office should provide continued technical assistance to the social partners, aimed at expanding the reach of social dialogue to more sectors, enterprises and workers.
- **83.** The Government member of the Republic of Korea reiterated that member States needed ILO support to include more sectors, enterprises and workers in social dialogue mechanisms, since this was the basis of more inclusive participation on labour and social issues. In this spirit, his country itself is planning to expand representation in its economic and social development commission, while also promoting social dialogue at the regional level. The Office should assist countries, in particular through the development of instructions and guidelines on how to promote social dialogue.
- **84.** The Government member of Trinidad and Tobago, speaking also on behalf of Barbados, acknowledged the importance of inclusive social dialogue for the benefit of all constituents. She recognized that civil society could play a role, but that the approach to including civil society organizations (CSOs) in social dialogue processes depended on the country. Trinidad and Tobago was establishing a "tripartite plus" process, whereas Barbados had a more traditional tripartite mechanism that occasionally included civil society actors. Capacity building was needed to expand social dialogue to other beneficiaries. Moreover, labour administrations had to be adequately resourced to offer adequate protection to all workers.
- 85. The Government member of Canada called on the Office to undertake research on different forms of informal work, as well as approaches to extending labour and social protection and to formalizing work. This should be complemented by assistance in designing policies that would facilitate social dialogue and address the diverse needs of different groups. The ILO also needed to engage with CSOs in the informal economy when social partners were absent, including in the development and delivery of DWCPs addressing the informal economy. This also meant that the ILO should build the capacity of workers and employers to better represent the interests of those beyond their core membership. Addressing the needs of informal economy employment required well-resourced and professional labour administration and inspection systems. In this respect, the roles and responsibilities of constituents had to be clearly defined and backed up by appropriate sanctions for non-compliance. Consideration should be given to the impact of labour reforms on vulnerable workers and how they too could benefit from legal protections. Incentives for formalization should also be considered, such as reducing the administrative and other business costs.
- **86.** The Government member of Australia supported a comprehensive technical cooperation programme on social dialogue and urged the Office to take into account the Committee's conclusions even in relation to activities under the ILO's other strategic objectives. In-country programmes were essential and the Office should consider ways to give its technical assistance greater reach. He suggested an online portal with tools and good practices on social dialogue and an interactive forum to allow constituents to benefit from the Office's extensive research and experience in the field.
- **87.** The Government member of Brazil stated that policies at different levels were necessary to protect vulnerable groups. Crucially, this included national legal guarantees on equal rights and the right to organize. Great strides had been made in Brazil to formalize and protect the rights of workers in micro, small and medium-sized enterprises (MSMEs). This had been achieved in part through building an environment supportive of entrepreneurship and by encouraging the formalization of independent workers through lower taxes and reduced red tape. These efforts contributed to a sustained reduction in informal workers and

enterprises. Ultimately, governments had to ensure that policies were in place for building more inclusive economies.

- **88.** The Government member of France observed that the interests of different categories of workers, especially vulnerable workers, must be taken into account. The social partners needed to be truly representative in order to have the legitimacy to achieve consensus through social dialogue. In this respect, France was committed to strengthening its social partners and she asked the Office to provide support for this work.
- 89. The Government member of Niger remarked that social dialogue was particularly important in light of the global economic crisis. In Africa, the informal economy was predominant, requiring all stakeholders to make a strong commitment to enlarging the scope of social dialogue through various means. These included strengthening the political engagement of constituents and building the capacity of social partners, including representatives of SME workers. Workers in the informal economy and the rural economy should also be informed about their rights. As a complement to these efforts, the ILO should help strengthen labour administration and inspection systems, encouraging member States to ensure their sustainability.
- 90. The Government member of Japan noted that the 2011 general discussion had considered ways to strengthen the effectiveness of labour administration and labour inspection systems. The 2011 Office report 9 affirmed that effective labour administration systems, public employment services and labour inspection were vital for good labour governance and for promoting economic and social progress. It called on governments to build their labour administrations and labour inspection systems on the basis of genuine and timely tripartite social dialogue. He welcomed the ILO's availability to support member States' efforts in this regard.
- 91. The Government member of Senegal, speaking on behalf of Governments of member States of the Africa group <sup>10</sup> attending the Conference, noted that the informal economy had an important place in the development of African countries. In general, initiatives had been taken in Africa to structure social dialogue, favouring better governance of the labour market and greater participation of social partners in the definition of national policies and strategies. To be effective, those initiatives needed to be close to the work realities of constituents, especially at the sectoral level. This required support for the establishment of sectoral social dialogue committees. The Office should also support capacity building for the social partners so as to achieve effective action through social dialogue at enterprise level and extend the reach of social dialogue. The intervention of labour inspectors in the informal economy needed to be strengthened through training programmes and technical assistance.
- **92.** The Employer Vice-Chairperson noted that much of the discussion on the previous points could be applied to the informal economy, and many of the same instruments used. Several governments had mentioned the need to strengthen labour inspection systems, increase available data, carry out more research and establish more cooperation. Those areas of action were useful and should be considered. However, the groups of workers referred to in the discussion required separate analysis in order to identify their specific characteristics

<sup>&</sup>lt;sup>9</sup> ILO: Labour administration and labour inspection, Report V, International Labour Conference, 100th Session, Geneva, 2011.

<sup>&</sup>lt;sup>10</sup> See footnote 5.

and challenges. Better knowledge of their distinct needs was important in order to find enlightened solutions and approaches.

93. The Worker Vice-Chairperson considered that – while agreeing with the Employers about the universal applicability of workers' rights – the abstract possession of these rights was meaningless if they could not be exercised. Secondly, her group did not agree that social dialogue between employers and workers in SMEs was not a priority, given that a significant majority of workers worked in SMEs. As such, the Office might consider carrying out research on obstacles to organizing and collective bargaining in SMEs. It was also important for the ILO to consider precarious work. Although the Workers had no objection to part-time work per se, they objected to involuntary part-time work, which affected large numbers of workers throughout the world. Regarding temporary agency work, the Employers had suggested that the private employment agency was the appropriate bargaining agent with which to engage in social dialogue, but that was not in line with the Private Employment Agencies Convention, 1997 (No. 181), which called on governments, in accordance with national law and practice, to determine and allocate the respective responsibilities of agencies and user enterprises as collective bargaining agents, which could often be the user enterprise employer rather than the private employment agency.

## Point No. 4: Social dialogue, globalization and global supply chains

94. The Employer Vice-Chairperson noted that global supply chains were receiving increased attention, not least as a result of the recent tragic disaster in Bangladesh which had raised general awareness of their inherent challenges. However, international organizations had long been engaged in consultations and activities related to supply chains, the ILO-IFC 11 Better Work Programme being one example. The Employers recognized that there were problems related to global supply chains that needed to be resolved, but they also saw such chains as a positive development that created value. Global supply chains were diverse and complex, with tens of thousands of constantly changing suppliers and the roles of customer and supplier often reversing. Nor was the phenomenon restricted to MNEs, because medium-sized and even small enterprises also used global supply chains. The complexity of supply chains meant that the influence of enterprises was limited, and depended on their market position; sometimes the suppliers held a monopoly. Each actor was subject to regulation at various levels. Large contracting companies and individual suppliers were subject to national legislation and national consultative mechanisms. In addition, MNEs were subject to national laws in every country in which they operated. There were also various international instruments that applied, including the UN Guiding Principles on Business and Human Rights (also known as the "Ruggie Principles"), the ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (the MNE Declaration), and the OECD Guidelines for multinational enterprises. Moreover, many companies were themselves very active and sophisticated at promoting their core values and principles beyond their own business. However, it was important to recognize that the vast majority of enterprises were not in global supply chains at all. Most of the garment industry in Bangladesh, for example, was actually producing for the domestic market. It was therefore the role of national political authorities, not enterprises, to legislate for and enforce human rights and fundamental social and environmental standards, as Prof Ruggie proposed in his "Protect, Respect and Remedy" framework. Given this analysis, what role did the ILO have to play? The Employers' group considered

<sup>&</sup>lt;sup>11</sup> International Finance Corporation.

that the ILO already gave guidance through the MNE Declaration, the ILO HelpDesk for businesses, and the Better Work Programme. They requested that promotion of the MNE Declaration be stepped up and a follow-up survey launched (to be discussed at the March 2014 session of the GB so as to improve understanding of the implementation of that Declaration on the ground. Better Work was well advanced, and had evidently facilitated direct involvement with national constituents and governments, as had happened in Bangladesh. The Employers' group took note of the Director-General's intention to cooperate more with MNEs and saw benefit in this. However, they cautioned that the ILO should have a clear policy of engagement and should respect the roles of the International Organisation of Employers (IOE) and the Bureau for Employers' Activities (ACT/EMP), as MNEs were not a fourth constituency of the ILO. The Employers' group believed there was no need for specific action on global supply chains or on export processing zones, or even for discussion of this topic under the recurrent item. A GB discussion on EPZs had found that there were no problems unique to these zones. Social dialogue was important, whether it was in a global supply chain, an EPZ or a domestic enterprise. The ILO should take a holistic approach rather than creating "islands" of social dialogue, and its efforts should be sustainable. Relationships within global supply chains were more like affairs than marriages. It was therefore important to strengthen the social partners generally so that they could bargain on behalf of - or with - MNEs or domestic enterprises, and so achieve sustainable improvements on the ground.

- **95.** The Worker Vice-Chairperson indicated that the April 2013 catastrophe in Bangladesh revealed the conditions in which many workers produced consumer goods and the lack of accountability of their employers. But it had also provoked a major exercise in cross-border social dialogue leading to a binding accord on occupational safety, building on a national tripartite action plan negotiated with ILO assistance. At the request of the parties an ILO official had been designated as a neutral chair of a steering committee to oversee the implementation of the accord, which showed that the ILO could play a role in cross-border social dialogue.
- **96.** The Workers' group believed that the Committee should agree on the importance of an ILC discussion on decent work in global supply chains, as proposed for discussion at a future session of the International Labour Conference (ILC). The Worker Vice-Chairperson emphasized the role of the emerging international framework agreements (IFAs) between global union federations (GUFs) and MNEs in avoiding disasters like Rana Plaza. Many IFAs made specific reference to international labour standards. The ILO should actively promote social dialogue at the global level by facilitating such dialogue, taking into account the ILO's MNE Declaration, its follow-up mechanism established in March 2013, which includes a mechanism for company-union dialogue, and the Director-General's remark in his Report to the 2013 session of the ILC on the subject. Possible roles for the ILO could include assistance with dispute resolution. She proposed that the ILO convene a meeting of experts to discuss the potential contribution of the Office to the promotion of cross-border social dialogue, highlighting the importance of Conventions Nos 87 and 98 in this process and in all other ILO activities in this area. The ILO should develop a specific work programme to address the problems she had identified, and to promote the objectives of the MNE Declaration. Parts of the global supply chains were carried out in EPZs, where attacks on the right to organize and bargain collectively had been documented by the International Trade Union Confederation (ITUC) in 2012. Most of those affected by such problems in EPZs were women, who in many cases also suffered sexual harassment and were denied maternity rights.

- 97. The Government member of Ireland, speaking on behalf of the EU and the Governments of its Member States attending the Conference, <sup>12</sup> as well as Bosnia and Herzegovina, Croatia, Iceland, Montenegro, Serbia, The former Yugoslav Republic of Macedonia, Turkey and Ukraine, saw the MNE Declaration and the 1998 Declaration on Fundamental Principles and Rights at Work, as well as its follow-up, as substantive ILO contributions to improving labour standards across the globe. Further support for social dialogue in global supply chains had come from several internationally recognized instruments on CSR, public procurement policy, voluntary transnational company agreements and IFAs which had increased in number and included clauses to protect labour standards. There was also growth in the number of bodies for transnational information and consultation of employees, including more than 1,000 European Works Councils. He encouraged the Office to seek partnerships with MNEs, global sectoral trade unions and other non-state entities and economic actors. It should adopt an action-based approach in the textile and garment and other sectors. He supported an ILC discussion on decent work in global supply chains. The Office should provide further support to MNEs and social partners.
- 98. The Government member of Zimbabwe, speaking on behalf of the Governments of member States of the Africa group <sup>13</sup> attending the Conference, recognized the potential of voluntary social dialogue mechanisms adopted by a number of MNEs throughout their global chains. However, he regretted that in his group's experience, most MNEs had sought to weaken labour market institutions in Africa by applying different policies in each country, inciting competition between them to diminish worker protections. EPZs were often used as instruments to circumvent labour protection systems, which was unacceptable. He called on the ILO's constituents to make greater efforts to promote social dialogue at the national and enterprise levels, to address such problems in MNEs and EPZs, and conduct research and dissemination of best practices. Governments should strive to ensure coherence and inclusivity when negotiating trade and multilateral agreements, providing ministries of labour a role in drafting them. The 2008 Declaration on Social Justice for a Fair Globalization and the mandate of the ILO allowed it to assist these processes. His group was committed to promoting social dialogue in all its forms and at all levels.
- 99. The Government member of India believed that the representation of MNEs in national, regional and sectoral forums of social dialogue should be ensured, without discriminating against workers from EPZs. Indian labour laws applied to workers in EPZs and MNEs. India recognized the ILO as the only source of labour standards, since they followed a tripartite consultation process. In globalization, governments attempted to facilitate freedom of movement of persons, goods and services. However, they faced large challenges in eradicating poverty and providing employment and basic services. He commended the ILO's role in protecting workers' rights, and the Declaration on Fundamental Principles and Rights at Work as a tool to achieve decent work. India had promoted FPRW through its laws and regulations, as well as by creating enabling conditions for dispute prevention and resolution. He gave several examples demonstrating India's commitment to FPRW and tripartism.
- **100.** The Government member of Norway, speaking also on behalf of Denmark, Finland, Iceland and Sweden, highlighted that the MNE Declaration was an important instrument because it promoted social responsibility in MNEs. She welcomed a focused operational plan for promotional activities and recalled the discussions at the 317th Session of the GB

<sup>&</sup>lt;sup>12</sup> See footnote 3.

<sup>&</sup>lt;sup>13</sup> See footnote 5.

in March 2013. The ILO needed to strengthen its knowledge base in this area in order to provide relevant information and data. The survey of responses from MNEs on the use of the Declaration should be part of the follow-up and she suggested that this could be done by collaborating with universities and research centres, and by direct responses from the MNEs on the use of the Declaration. She stressed the importance of the proper implementation of the MNE Declaration in order to ensure that FPRW were respected in MNEs and global supply chains. The Better Work Programme effectively developed new partnerships and was a good example of how the Office engaged with governments and social partners to comply with Conventions Nos 87 and 98 in national legislation, and to establish, implement or develop labour inspection systems. She made reference to the recent and tragic event in Bangladesh. The Nordic countries supported an ILC agenda item on decent work in global supply chains and EPZs.

- 101. The Government member of China noted that the ILO had taken active measures for cross-border social dialogue and acknowledged that major progress had been made. Obstacles still existed when promoting cross-border social dialogue. Clarification was required on resolution measures proposed when an agreement conflicted with national law. Other issues to be addressed were whether signed IFAs meant that GUFs had replaced local/national unions and if such unions had accepted or recognized the IFAs. The ILO should not be rushed to promote cross-border social dialogue or to design cross-border agreements without resolving those two questions. Instead, the ILO should continue to promote social dialogue on a more basic level.
- 102. The Government member of Switzerland was convinced that there was a strong link between social and economic development. It was a key element and a priority in development cooperation for his country, which in this spirit supported tripartite technical cooperation projects, such as the ILO Sustaining Competitive and Responsible Enterprises (SCORE) training programme and Better Work. Both projects had the objective of achieving FPRW and improving competitiveness, and used social dialogue at MNE level in SCORE and at the global supply chain level in Better Work. The Office should consider using them as models to intensify its technical cooperation in this respect. He encouraged the ILO to pursue new partnerships with non-state actors and MNEs particularly public–private partnerships, in light of the Social Justice Declaration in order to maximize the ILO's potential. Cross-border agreements were not rivals to this aim; rather they produced new synergies for social dialogue at all levels.
- 103. The Government member of Sri Lanka believed that social dialogue was the most useful strategy to improve workplace cooperation, and his country had shown its commitment to dialogue by establishing facilitation centres where employers and trade union leaders could interact, as well as mediation centres in EPZs. In many countries, social dialogue and collective bargaining were available only in the formal economy, which represented a small percentage of the total workforce. Activities undertaken to formalize the informal economy in the past had been unsuccessful, so he proposed that the Office seek more innovative approaches. He cited an example in Sri Lanka where provincial and district level advisory councils were established with a view to expand coverage to the rural economy. More appropriate measures were to strengthen labour inspectorates, to build capacity of the social partners, to shift from enterprise-based to sector-based trade unions and to strengthen the rights of non-standard workers.
- 104. The Government member of the United States noted that the report presented an interesting overview of the changing global production landscape and changes for the social partners. She supported ILO initiatives on researching cross-border social dialogue and its impact on workers and businesses. The results could be used to raise awareness, and develop and apply tools to assist capacity building for global, regional and local actors involved. She felt that the Better Work Programme was a good example of including local and

cross-border social dialogue in efforts to improve labour practices and competitiveness in global supply chains, which also contributed to economic development and employment growth. The Office could look at lessons learned in Better Work and cooperate with tripartite constituents to extend the project to more global supply chains. Her Government supported a general discussion in the ILC on decent work in global supply chains.

- 105. The Government member of Canada stated that CSR and other voluntary measures proliferated where labour rights and effective enforcement were absent. Such measures complemented national legislation, but could not replace national labour administration or legislation that ensured safe workplaces. As a first priority, the Office should assist governments to develop legislation and strengthen labour inspection, its enforcement and social dialogue mechanisms. Social dialogue enhanced the relevance and effectiveness of legislation. A second priority for the Office was to promote business practices that respected FPRW in global supply chains. ILO tools that existed to provide information and guidance to multinational enterprises on the MNE Declaration had proven effective. Canada valued partnership programmes such as Better Work that aimed to improve compliance and compliance monitoring. She encouraged the Office to expand these activities and assist the social partners in cross-border social dialogue. A final suggestion to the Office was to pursue evidence-based research on the impacts of cross-border social dialogue and CSR to evaluate their effectiveness in improving working conditions in global supply chains. Canada supported a general discussion at the ILC on decent work in global supply chains.
- 106. The Government member of Japan remarked that whether they were involved in global supply chains or not basic dialogue between workers and employers needed to be respected. In this recurrent discussion, he noted progress made by many countries in the area of social dialogue. An analysis should be undertaken of good practices for social dialogue and global trends after the crisis, to enhance shared understanding and recognition of effective social dialogue. The MNE Declaration provided useful guidance for multinational enterprises, and discussion on effective implementation was continuing. He requested further information on how to promote the MNE Declaration more effectively and easily.
- 107. The Government member of Morocco indicated that globalization and global production chains created challenges for social dialogue and for all the players involved. He believed that Report VI appropriately underlined those challenges and he questioned how they should be faced. The Office could encourage bilateral and multilateral dialogue for cross-border agreements based on ILO Conventions, but under no circumstance should these agreements become a substitute for social dialogue at the national level. A mechanism for sharing information on cross-border partnerships could also be established. This was important for the social partners and institutions involved in collective bargaining so they had access to best practices. He also recommended that: (a) a monitoring mechanism be put in place to prevent and better manage changes arising from globalization and global supply chains; (b) help be provided to develop partnerships between different social dialogue institutions at the national level; and (c) continued efforts be made to analyse the impact of such changes on the labour market. In Morocco, labour legislation applied to all companies, including MNEs.
- 108. The Government member of Brazil noted that the fragmentation of supply chains lent significant flexibility to the factors involved in production. It allowed companies to acquire knowledge, while helping them to increase their competitiveness and strengthen their production and financial capacities. Governments needed to develop new regulations to ensure that the process provided benefits for all. Most importantly, the human factor should be respected, and the protection of workers and social progress should not be forgotten. Competitiveness should not come at the price of the erosion of rights, so

enterprises and governments should find better solutions. The extension of rights, collective bargaining coverage and protection should be at the heart of policies related to cross-border workers. There was an urgent need for countries to establish integrated policies with that aim, following the example of the countries of the Southern Cone, which had been attempting to implement common policies in the region. The MERCOSUR Free Movement and Residence Agreement, 2002, had marked a great achievement, allowing the residents of all signatory countries to enjoy the same rights.

- 109. The Worker Vice-Chairperson supported the focus of the Employers' group on the importance of ensuring that a decision be taken at the March 2014 session of the GB to conduct surveys of the MNE Declaration every four years. She emphasized the importance of the subject of EPZs. In view of the limited resources available, work by the Office should concentrate on areas where severe violations of workers' rights were identified. That was the case in EPZs and it was of concern that the ILO had not made greater efforts to address problems in those zones. The issue was not that workers in EPZs did not formally have the same rights as other workers, but that those rights were not being enforced. The Social Justice Declaration recalled that violations of FPRW could not be used as a legitimate comparative advantage. She welcomed the broad support from governments for an ILC discussion on supply chains, as well as for the proposal for an experts' meeting on cross-border social dialogue, noting the query raised by China regarding the conflict between cross-border agreements and national laws, which could be addressed in such a meeting. Regarding cross-border social dialogue, a certain level of success had been achieved in cross-border agreements on migration. She noted that the Office was particularly well equipped to support social dialogue in that area. She also supported the EU policy of using government procurement policies to help enforce workers' rights.
- 110. The Employer Vice-Chairperson noted that the Accord on Fire and Building Safety in Bangladesh, signed by 41 companies, had been a fait accompli presented by the global union federation IndustriALL, excluding local constituents and local government, and drafted without the participation of the Office. That was not the right way to deal with problems. Local authorities and constituents, as well as the ILO, should be involved in such negotiation. He reiterated that the focus of the discussion should be on social dialogue rather than on CSR. While CSR could at times relate to social dialogue, the Committee should not digress from the main theme of Point No. 4.

#### Point No. 5: Policy coherence

- 111. The Chairperson welcomed the Secretary-General of the Conference and thanked him for his interest in the Committee's work, following his active participation in the recurrent discussion on FPRW in the 2012 session of the ILC.
- 112. The Worker Vice-Chairperson confirmed the long-standing interest of the Workers' group in policy coherence among international and regional organizations. She welcomed the inclusion of clauses on respect for international labour standards in bilateral, multilateral and regional initiatives, and in trade agreements. Some regional and subregional groups, however, had tripartite bodies whose role was only consultative. Other regional blocs, such as the Association of Southeast Asian Nations (ASEAN), had no tripartite mechanisms despite the existence of regional social partners. The Office should do more to promote social dialogue in these groupings. The ILO field review was an opportunity to give Decent Work Teams the responsibility to support and monitor subregional tripartite mechanisms. The Office should pursue greater cooperation with the World Trade Organization (WTO) and should monitor trade agreements that referred to ILO standards. It could offer assistance where appropriate and organize discussions on experiences in this

area. She noted progress on integrating employment and decent work into UN initiatives, including the Millennium Development Goals (MDGs). There were problems however with the recognition of trade unions in UN processes. The Office should engage with the UN system to promote the role of the social partners and tripartism.

- 113. The Workers' group believed that the most serious lack of policy coherence was in relation to the international financial institutions (IFIs). They were dismayed that the Office was largely silent when the IFIs were pushing crisis reforms that led to weakening of trade unions and dismantling of collective bargaining institutions. The ILO needed to upgrade its technical capacity so it could engage with the IFIs on macroeconomic policy and labour market institutions and be more proactive providing advice on policy alternatives to countries facing crises or considering structural reforms. She favoured the creation of a UN Economic and Social Security Council with a mandate to monitor the social and environmental quality of development and ensure policy coherence in the international system. Policy coherence at the international level could only occur if it was effective at the national level. In this respect, she reaffirmed the conclusions of the FPRW general discussion at the 2012 session of the ILC and encouraged governments to coordinate among their ministries to ensure consistent positions in the ILO and other international forums and to establish mechanisms for consultations with the social partners at national level.
- 114. The Employer Vice-Chairperson agreed on the importance of policy coherence and urged the Office itself to act in a coherent manner with respect to social dialogue and the other strategic objectives. The challenge of policy coherence in the multilateral system was also an opportunity for the ILO to bring its distinct expertise on social dialogue to the table. Other UN agencies and international organizations needed to recognize the importance of involving the social partners when implementing projects and giving policy advice. Real policy coherence could only be achieved through solid partnerships towards common goals that respected the distinctive mandate of each partner. Other international organizations would be more likely to include the ILO in discussions if the Office kept to promoting social dialogue and did not stray into topics such as fiscal consolidation. The ILO had to offer an attractive social dialogue package to the international community. Multilateral coherence also depended on governments, who were in the best position to advocate for the involvement of the social partners in other international organizations. With respect to trade agreements, the ILO had a limited role; trade was much broader than just social dialogue and should be left to more appropriate actors.
- 115. The Government member of Burkina Faso, speaking on behalf of Governments of member States of the Africa group <sup>14</sup> attending the Conference, welcomed the progressive inclusion of tripartism by other international organizations. These initiatives were welcome, but had to conform to ILO standards and values. In this respect, the Africa group supported the possible creation of an ILO standard dealing with policy coherence on social dialogue in the international system. He called on the Office to be more present in international forums discussing questions affecting the world of work. Several African regional communities integrated social dialogue into their structures and work practices. Moreover, research was being carried out with ILO support on the social crisis and the role of social dialogue in preventing or managing conflict. His group asked the Office to implement the conclusions this Committee would adopt and to strengthen its existing technical cooperation efforts

<sup>&</sup>lt;sup>14</sup> See footnote 5.

(e.g. PAMODEC <sup>15</sup> and ADMITRA <sup>16</sup>) including at the subregional level to contribute to the expansion of social dialogue and tripartism.

- 116. The Government member of Ireland, speaking on behalf of the EU and the Governments of its Member States attending the Conference. 17 as well as Albania, Bosnia and Herzegovina, Croatia, Iceland, Montenegro, Serbia, The former Yugoslav Republic of Macedonia and Ukraine, believed that the interaction between social dialogue and the other ILO strategic objectives was a solid basis for policy coherence. The ILO should continue to play a prominent role in the UN system and other international forums, while working closely with its constituents to promote tripartism and social dialogue. The Office was in a unique position to provide guidance on the role played by social dialogue in building partnerships, capacity development and in reaching equitable and sustainable solutions. At the country level, the ILO could have greater involvement with the United Nations Development Assistance Frameworks (UNDAFs) – in particular the UN country teams and resident coordinators – as a way to strengthen policy coherence. Given the ILO's role in strengthening the social dimension of globalization, including through social dialogue, the ILO should continue its contributions to the G20 and the UN Economic and Social Council (ECOSOC), while increasing cooperation with organizations such as the IMF, World Bank, OECD and WTO. In this regard, the joint ILO-World Bank survey of G20 policy responses to the crisis was a good example.
- 117. The Government member of Norway, speaking also on behalf of Denmark, Finland, Iceland and Sweden, emphasized the need for greater policy coherence at both the national and international levels. The joint ILO-IMF conference held in Oslo in 2010 explored the relationship between growth, employment and social cohesion, whose linkages were critical in the persistent economic crisis. Without social dialogue, countries were vulnerable to social and political unrest. Dialogue should thus be a guiding principle for coherent action and not an afterthought. The Nordic countries encouraged increased ILO cooperation with actors such as the EU, OECD, G20, World Bank and IMF. The Office should also engage with national constituents and regional institutions and organizations, especially towards involving the social partners in consultation and policy debate. The ILO had an important role to play in advocating for social dialogue as a basis to ensure trust and cohesion, build consensus, protect vulnerable workers and reduce social unrest.
- 118. The Government member of the United States acknowledged that the Office could not ensure that the actions of non-ILO bodies were consistent with ILO standards. It nonetheless had a role in educating key institutions and stakeholders on freedom of association, collective bargaining and social dialogue mechanisms. She called on the Office to work with other international organizations, including the G20, OECD, other UN agencies and IFIs. The UN Chief Executives Board for Coordination (CEB) remained an important venue for the ILO to promote social dialogue. Joint activities in research and technical cooperation were also recommended. Within the UNDAFs, the ILO needed to advocate for the involvement of employers and workers in the planning process. The Office could provide technical assistance to governments in developing or implementing labour provisions in bilateral or multilateral agreements upon the request of States parties to the agreements.

<sup>&</sup>lt;sup>15</sup> Programme to Support the Implementation of the ILO Declaration on Fundamental Principles and Rights at Work.

<sup>&</sup>lt;sup>16</sup> Project on Labour Administration in Francophone North and West Africa.

<sup>&</sup>lt;sup>17</sup> See footnote 3.

- 119. The Government member of Indonesia highlighted the assistance of the ILO in her country, most notably through Better Work and other institutional capacity-building efforts. Coherent policies on social dialogue at the country level had to involve all stakeholders. Indonesia had benefited from ILO assistance in this regard, but there remained a lack of awareness about the value of social dialogue and her country's decentralized structure was also an obstacle to policy coherence. She appreciated the Office's work to demonstrate the benefits of social dialogue in promoting economic growth as well as efforts to help the social partners engage more effectively in social dialogue.
- 120. The Government member of Canada expressed her Government's commitment to addressing labour issues in the context of free trade agreements. Canada had signed bilateral treaties that included labour cooperation agreements wherein parties agreed to respect FPRW, minimum labour standards and OSH protections, with an important role for social dialogue. These agreements required parties to enforce national legislation and, in the event of non-compliance, included dispute resolution mechanisms, and potential monetary sanctions. Canada had funded ILO technical cooperation projects to build the capacity of its trading partners to meet their obligations under these agreements. This included Office research to build a knowledge base in this area. With respect to policy coherence in the multilateral system, the ILO should continue to offer its expertise on the world of work in policy debates on broad global issues, including support for social dialogue.
- 121. The Government member of Cuba underscored the ILO's role in ensuring policy coherence at the international level. The proper functioning of existing mechanisms was the first key to success. In Latin America, almost all regional integration mechanisms incorporated labour rights protections in their charters. These experiences should be studied to identify good practices and the ILO could use its regional offices to support policy coherence in these various regional bodies. The different social and economic circumstances of each country or regional group needed to be taken into account when considering their alignment with international labour standards. At the national level, there were several examples in Cuba where workers' organizations had contributed to policy coherence through active participation in the design of labour policies.
- **122.** The Government member of India indicated that achieving coherence required a concrete framework for policy action. While the aims of the international organizations were in principle coherent, in practice, the multilateral system had underperformed when it came to the coherence of policies for promoting human and economic development. Solving this problem required defining areas for coordination and elaborating their components and modalities. He insisted that trade should not be linked with international labour standards and that policy coherence should not be used to generate non-tariff barriers.
- 123. The Government member of Trinidad and Tobago, speaking also on behalf of Barbados, recalled the ILO's role in placing employment and decent work at the heart of policy coherence at all levels. In this regard, the Global Jobs Pact and the Social Justice Declaration made important contributions. ILO advocacy was needed to increase understanding about the role and benefits of social dialogue at the national, regional and international levels. The Office could do so by convening high-level meetings on decent work and by continuing to provide capacity building adapted to national realities. The ILO should also play a greater role in promoting policy coherence within the UN system, through engagement in the One UN initiative and by raising awareness among UN officials in various countries on decent work and the role of social dialogue and tripartism.

- **124.** The Government member of Japan indicated that the ILO should be involved when other international organizations attempted to carry out work in the area of labour policy. In this respect, the Office should support policy coordination with these organizations as a basis for synergistic partnership. While the ILO had an important role in promoting the FPRW, it should not be closely involved in the formulation of bilateral or multilateral agreements.
- 125. The Government member of Brazil indicated that ILO Conventions were the paradigm for any negotiations dealing with working conditions, even outside the ILO. The Office should assist countries, especially developing countries, to ensure the ratification of ILO Conventions and their effective application in different negotiation processes, as well as continuing its dialogue with the IFIs. The ILO should further promote social dialogue in the development of integrated and coordinated regional policies. This included capacity building for employers' and workers' organizations, technical assistance to governments for creating space for social dialogue on laws and policies, and encouraging democratization of labour relations through collective bargaining.
- **126.** The representative of the Secretary-General, Ms Sandra Polaski, offered information on ILO activities related to questions raised in the Committee under Points Nos 4 and 5. Concerning global supply chains, the ILO-IFC Better Work Programme always included the participation of the host government, employers' and workers' organizations as a core operating principle. The Programme had generated extensive information on compliance with national labour laws and international labour standards, which was already used by academic researchers and could be more widely disseminated by the Office. While it was not involved in negotiations of the recent Bangladesh factory safety Accord, the Organization agreed to act as a neutral chair of the steering committee at the request of the parties. The Office already carried out research and provided information on IFAs, but could play a larger role in this area if requested. It was also involved in the implementation of the UN Guiding Principles on Business and Human Rights in order to foster consistency with international labour standards. The ILO had not participated in negotiations on trade agreements, in light of the fact that there was no consensus to do so within the ILO's membership. However, where trade agreements that included labour clauses existed, the Office had responded to requests from constituents to provide relevant information in addition to providing technical assistance to help the parties fulfil their commitments. The Office had not carried out extensive work on the impact of such agreements, but could do so if requested. The Office had encouraged counterpart multilateral organizations to involve worker and employer representatives in the post-2015 development agenda as well as in the G20 discussions. Numerous requests had been made by the Committee for greater ILO research on the points for discussion. The representative of the Secretary-General noted that the Office was consolidating its research function and allocating additional resources for this work as part of its restructuring process.
- 127. The Worker Vice-Chairperson disagreed with the suggestion from the Employers' group that the ILO was acting beyond its mandate in engaging with other multilateral agencies in policy discussions on fiscal consolidation. The ILO Constitution charged the Organization to "examine and consider all international economic and financial policies and measures ..." in the light of social justice. Moreover, the Social Justice Declaration stated that it was the "ILO's role to evaluate those employment effects to achieve its aim of placing employment at the heart of economic policies". The support of all constituents was vital for the Office to carry out this mandate. She emphasized that policy coherence began at the national level and that the guidance of the Global Jobs Pact was especially relevant. In reference to Better Work, she stressed the importance of trade unions being fully involved as participants in the work of this programme.

128. The Employer Vice-Chairperson was encouraged by the many calls for greater policy coherence but cautioned that it had to be ambitious and consistent. He disagreed with the Workers' suggestion that no labour law reform should be undertaken without the full involvement of the Office. The ILO could not guarantee such a role for itself, which depended on requests for assistance from governments. As such, the ILO needed to make its contributions to policy coherence attractive to constituents and other actors. The ILO should be at the heart of discussions on labour markets, labour rights and human rights. However, progress on policy coherence was difficult because the Organization was not alone in making decisions on its involvement.

# **Exchange of views with the Officers of the Committee on the Application of Standards**

- 129. The Chairperson welcomed the Officers of the Committee on the Application of Standards who had come to share the outcome of their work with the Committee: the Chairperson (Ms Noemí Rial, Argentina); the Employer Vice-Chairperson (Ms Sonia Regenbogen, Canada); and the Worker Vice-Chairperson (Mr Marc Leemans, Belgium).
- 130. The Chairperson of the Committee on the Application of Standards referred to the two documents provided to the Committee: C.App./D.9 Outcome of the discussion on the General Survey on collective bargaining in the public service; and C.App./D.10 Brief summary of the discussion by the Committee on the Application of Standards on the General Survey. The discussion on the General Survey had highlighted the importance in many countries of public service collective bargaining as evidenced by the numerous ratifications of Conventions Nos 151 and 154. She highlighted the role of collective bargaining during economic crises, the need to strengthen social dialogue, and the participation of workers and employers in seeking equitable and just solutions. She stated that Conventions Nos 151 and 154 were compatible with the diverse systems of collective bargaining in the world. She referred to the conclusions of the Committee on the Application of Standards that collective bargaining, democracy, civil liberties and social peace were interconnected and concluded that principles of free, voluntary and good faith negotiations were fundamental to decent work, and efficient institutions and businesses.
- 131. The Employer Vice-Chairperson of the Committee on the Application of Standards appreciated the comprehensive information in the General Survey reviewing the law and practice of member States on labour relations and collective bargaining in the public service. The General Survey itself was a key part of the ILO supervisory system, as it considered compliance with Conventions Nos 151 and 154 in countries that had ratified these instruments. However, her group considered that the Committee of Experts had gone beyond its mandate in some instances, offering interpretations with no basis in the Conventions. Moreover, the legal analysis and interpretations in the General Survey were not always helpful, and observations about freedom of association in specific countries should not be generalized. The issues of the General Survey were even relevant to private employers, who had an interest in competent and cost-efficient public services, for which constructive labour relations were an important precondition. The General Survey did not sufficiently consider how existing systems and approaches to collective bargaining had been adapted to the crisis. She recalled that the procedures set out in Article 7 of Convention No. 151 included both collective bargaining and such other methods as would allow representatives of public employees to participate in the determination of terms and conditions of employment. The Convention therefore allowed for flexibility in its application, and a range of methods of participation as determined by the parties. The Employers' group rejected the suggestion in the General Survey that compulsory arbitration was only compatible with the principles of free collective bargaining if it was requested by a workers' organization for the conclusion of a first collective agreement.

They believed that the Committee of Experts, in considering that obligatory collective bargaining was compatible with the two Conventions, was promoting an understanding that was in contradiction with its voluntary nature. The measures listed by the Committee of Experts on protections against anti-union discrimination went well beyond the requirements of Convention No. 151.

- **132.** The Worker Vice-Chairperson of the Committee on the Application of Standards considered that his Committee confirmed the importance of collective bargaining in the public sector and the private sector, including in times of crisis. Both the General Survey and the work of the Committee on Social Dialogue were based on the principles of the Social Justice Declaration, which underlined commitment to the ILO's four strategic objectives, including promotion of social dialogue. Failure to achieve this objective would be fatal to the ILO and to industrial relations. It was therefore of great importance that the Committee on the Application of Standards had been able to reach conclusions. However, different opinions remained on the role of the Committee of Experts. The Workers' position was based on the view expressed during the 1928 Conference Committee on the Application of Standards, where it was stated that the Committee considered: "... that any study of the problem should not be confined to examining whether the provisions of the Conventions and national legislations are in harmony, but should also go into the question of the effective application of Conventions ...". <sup>18</sup> The work of the Committee of Experts was conducted scientifically, independently and objectively, and was the basis for the work of the Committee on the Application of Standards. It was crucial to preserve this mechanism. It provided workers with the certainty that their rights were respected and the expectation that future application was possible. Since 2012, there had been much discussion about the mandate of the Committee of Experts. He hoped such discussions would continue in the appropriate forums towards a sustainable solution that would enhance the work of the Committee on the Application of Standards. Among such solutions, nothing excluded the question of the mandate of the experts being considered through recourse to the International Court of Justice.
- **133.** The Employer Vice-Chairperson thanked the Officers of the Committee on the Application of Standards for sharing the discussion of their conclusions with the Committee.
- **134.** The Worker Vice-Chairperson believed the General Survey was an extremely useful document on the application of social dialogue and collective bargaining around the world and hoped it would have a positive impact on collective bargaining in the public service. She shared the report's concerns regarding the deterioration of working conditions in the public service owing to the economic crisis and consequent restrictions on the right to collective bargaining. The crisis was widely used as a pretext to attack workers' rights and abandon social dialogue in the public sector and the private sector, often at the insistence of organizations with no mandate or expertise in the area of labour relations. There was a need for policy coherence to ensure that all organizations respected the ILO's mandate. Her group welcomed paragraph 5 of the Outcome of the discussion on the General Survey, which stated that collective bargaining in the public service could maximize the impact of the responses to the needs of the real economy and be of particular importance in times of crisis. There had been strong consensus among the Workers that social dialogue was not a luxury that could be abandoned in difficult times, but was an especially important tool for engaging the social partners in developing appropriate responses and ensuring respect for, and the use of, social dialogue. Collective bargaining was the most vital form of social

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<sup>&</sup>lt;sup>18</sup> ILO: *Record of Proceedings*, "Report of the Committee appointed to examine the summary of reports submitted under Article 408 [of the Treaty of Versailles]", Part 3, Appendix IV: Vol. I, International Labour Conference, 11th Session, Geneva, 1928, p. 618.

dialogue. Consequently, she welcomed paragraph 6 of the same document, which affirmed that collective bargaining contributed to just and equitable working conditions, harmonious relations at the workplace and social peace. With regard to paragraph 8, the Workers' group reiterated its request that the Office undertake a major and well-resourced work programme on collective bargaining. Such a programme should include research on comparative collective bargaining experiences in the public sector and the private sector, to support policy advice and capacity building for constituents. The Office should also increase its focus on promoting ILO Conventions and Recommendations related to collective bargaining, including in the public service.

#### Discussion of the draft conclusions

**135.** The Chairperson introduced the proposed amendments and thanked the Committee members of the Drafting Group for their work in preparing the draft conclusions.

#### Paragraphs 1 to 3

**136.** No amendments were submitted to paragraphs 1 to 3 and they were adopted unchanged.

#### Paragraph 4

- **137.** The Government member of Burkina Faso introduced an amendment on behalf of the Governments of member States of the Africa group attending the Conference, <sup>19</sup> to replace "prolonged" by "persisting"; delete "and" after "poverty" and replace "the continued distress of enterprises" with "enterprise distress".
- **138.** The Employer Vice-Chairperson noted that the amendment contained two different proposals. He agreed with replacing "prolonged" with "persisting" as well as deleting "and", but proposed a subamendment to replace "distress of enterprises" with "pressure on enterprises".
- **139.** The Government member of Burkina Faso and the Worker Vice-Chairperson accepted the Employer subamendment.
- **140.** The Government member of South Africa introduced a subamendment to replace "persisting" with "persistent", which was accepted by both the Employer and the Worker Vice-Chairpersons.
- **141.** The amendment was adopted as subamended.
- **142.** The Government member of Argentina introduced two amendments on behalf of the Governments of member States of several GRULAC countries attending the Conference, <sup>20</sup> to delete the two sentences starting from "In the public service" and ending with "as in other times", and to introduce them as a new paragraph after paragraph 4. These sentences introduced a specific point that should be separated from the rest of the original paragraph.

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<sup>&</sup>lt;sup>19</sup> See footnote 5. Hereinafter referred to as the "Africa group".

<sup>&</sup>lt;sup>20</sup> Argentina, Brazil, Colombia, Cuba, Ecuador, Uruguay and Bolivarian Republic of Venezuela. Hereinafter referred to as "GRULAC countries".

- **143.** The Employer Vice-Chairperson supported the amendment.
- **144.** The Worker Vice-Chairperson agreed that the point made in the first sentence should be separated from the rest of the paragraph, but considered that the second sentence was still relevant to the original paragraph. She therefore proposed a subamendment to move only the first sentence to a new paragraph.
- **145.** The Government member of Argentina and the Employer Vice-Chairperson supported the subamendment and the two amendments were adopted, as subamended.
- **146.** The Government member of Argentina, speaking on behalf of several GRULAC countries, <sup>21</sup> proposed an amendment to the 11th line, after "countries" to insert ", in particular through collective bargaining, saving jobs and maintaining pay levels." The purpose of the amendment was to clarify that some countries had used social dialogue and collective bargaining to preserve jobs and pay levels.
- **147.** The Employer Vice-Chairperson opposed the amendment since its veracity was questionable and it was inconsistent with an earlier line in the paragraph.
- 148. The Worker Vice-Chairperson supported the amendment because it stated a fact about the different experiences of countries in the context of the crisis. The Global Jobs Pact and social dialogue did play a role in crisis responses in some countries. She proposed a subamendment to change "in particular" to "including". The Government member of Argentina and the Employer Vice-Chairperson supported the subamendment and the amendment was adopted, as subamended.
- 149. The Government member of Ireland, speaking on behalf of the Governments of Member States of the EU attending the Conference <sup>22</sup> and several Governments of member States of the industrialized market economy countries (IMEC), <sup>23</sup> introduced an amendment to delete the word "regrettably" in the 12th line since the word was pejorative and implied criticisms of countries. The reforms in question were not always policy decisions but rather a consequence of the crisis.
- **150.** The Worker Vice-Chairperson did not support the amendment. The word was not intended to pass judgment on the reasons for or necessity of reforms, but rather was intended to regret the consequences on social dialogue institutions, a sentiment that had been shared by the ILO Committee of Experts.
- **151.** The Employer Vice-Chairperson did not support the amendment and the Government member of Ireland withdrew the amendment.

<sup>&</sup>lt;sup>21</sup> See footnote 20.

<sup>&</sup>lt;sup>22</sup> See footnote 3. Hereinafter referred to as "the Governments of EU Member States".

<sup>&</sup>lt;sup>23</sup> Australia, Canada, Japan, Norway, Switzerland and United States. Hereinafter referred to as "Government members of IMEC".

- 152. The Government member of Ireland, speaking on behalf of the Governments of EU Member States <sup>24</sup> and of several Government members of IMEC, <sup>25</sup> proposed an amendment to insert the word "some" after the word "in" in the 12th line. As written, the text could be seen to mean that social dialogue was limited to collective bargaining and that the autonomy of the social partners had been constrained, which was not the case. The amendment was supported by both the Employers' and Workers' groups and was adopted.
- **153.** Paragraph 4 was adopted, as amended.

- **154.** The Government member of Argentina, speaking on behalf of several GRULAC countries, <sup>26</sup> proposed in the third line, after "many countries", to insert the sentence: "In other countries, collective bargaining coverage has increased, maintaining or improving the purchasing power of wages." The purpose of the amendment was to clarify that countries had different responses to the crisis, with some weakening and others strengthening social dialogue.
- **155.** The Employer Vice-Chairperson opposed the amendment, which was a repetition of the previous amendment and did not fit thematically within the context of the existing paragraph.
- **156.** The Worker Vice-Chairperson understood that the intent of the paragraph was to emphasize where there were problems and, as such, there was no need to point out where there were no problems. She proposed a subamendment to replace "In other countries" with "While in some countries".
- **157.** The Employer Vice-Chairperson accepted the subamendment on the condition that the sentence end after the word "increased", deleting the rest of the proposal, since the second part of the sentence was not necessarily true.
- **158.** The Worker Vice-Chairperson supported the Employer subamendment. It was also accepted by the Government member of Argentina on behalf of the governments proposing the amendment.
- **159.** Paragraph 5 was adopted, as amended.

#### Paragraph 6

**160.** The Government member of India introduced an amendment, seconded by the Government of Sri Lanka and other countries, to add to the end of paragraph 6 the following sentence: "However, keeping in view this complexity, these issues need to be addressed according to national laws." This was in line with ILO policy and standards, specifying that national labour inspection machinery operated in the context of national laws. The recent proliferation of private initiatives did not have the legitimacy of ILO standards and, as

<sup>&</sup>lt;sup>24</sup> See footnote 22.

<sup>&</sup>lt;sup>25</sup> See footnote 23.

<sup>&</sup>lt;sup>26</sup> See footnote 20.

- such, it was important to safeguard the interests of workers through national laws in line with ILO instruments.
- **161.** The Worker Vice-Chairperson opposed the amendment. Paragraph 6 only set the context of the conclusions, describing a phenomenon that created challenges without entering into how these challenges were addressed.
- **162.** The Employer Vice-Chairperson agreed with the Workers and rejected the amendment. The structure of the document should be respected and this paragraph was not the place for policy statements.
- **163.** The amendment was supported by the Government members of Brazil, of Mexico, of Saudi Arabia and of Burkina Faso, speaking on behalf of the Africa group. <sup>27</sup>
- **164.** The Government member of Senegal proposed a subamendment to replace legislation by laws; he then decided to withdraw his subamendment.
- **165.** The Employer Vice-Chairperson supported the sentiment of the amendment, but reiterated that it did not belong in this paragraph. Labour inspection was addressed in paragraph 8(3), which was a more appropriate place for the proposed text.
- **166.** The Government member of India added that Convention No. 81 was important and that a reference to labour inspection was relevant in the guiding principles and context of the conclusions. The Social Justice Declaration also had such caveats.
- **167.** The Worker Vice-Chairperson agreed with the Employers that paragraph 8(3) already expressed the sentiment of the amendment. The positioning of the proposed amendment raised another difficulty, as it suggested that there was no role for cross-border social dialogue. In any case, national law was relevant in all contexts.
- 168. The Government member of India stressed that cross-border social dialogue and national labour law must be complementary and not work at cross-purposes. This did not mean that there should not be cross-border dialogue, but such mechanisms should feed into national systems. National laws evolved through social dialogue processes in light of international labour standards. When it came to implementation, however, national laws prevailed and there was no contradiction between such laws and social dialogue.
- **169.** The Employer Vice-Chairperson proposed a subamendment adding ", which must respect the primacy of national laws" at the end of the paragraph. This was supported by the Government member of India.
- 170. The Worker Vice-Chairperson said that the Employer subamendment raised problems of interpretation and did not support it. It was difficult to fit the concept of national law together with social dialogue. While social dialogue must take place in the context of national law, the mechanism itself did not fall within its remit. Moreover, not all national laws respected international labour standards in the area of social dialogue. The paragraph should not be drafted in a way that limited social dialogue.

<sup>&</sup>lt;sup>27</sup> See footnote 19.

- 171. The Government member of Ireland, speaking on behalf of the Governments of EU Member States <sup>28</sup> did not believe that the proposed amendment belonged in paragraph 6. He referred to paragraph 11(13), which suggested a meeting of experts be convened on cross-border social dialogue to analyse contemporary experiences, challenges and trends. The concerns raised by the Government member of India could be considered in the meeting of experts and he, therefore, did not support the amendment.
- **172.** The Government member of New Zealand stated that given the paragraph's intent, he opposed the amendment, which added nothing new; the original text was clearer.
- **173.** The Government members of Canada, Norway, Trinidad and Tobago and the United States, and the Worker and Employer Vice-Chairpersons all concurred with the previous speakers.
- **174.** The amendment was withdrawn.
- **175.** Paragraph 6 was adopted unchanged.

- 176. The Government member of Mexico, speaking on behalf of several GRULAC countries, <sup>29</sup> introduced an amendment which referred to a change of wording in Spanish and French. The Spanish word underplayed the importance of the ILO's mandate, while the new wording suggested a level of equality and confirmed the legitimacy of the ILO and of democratic discussion.
- **177.** The Worker Vice-Chairperson supported the amendment.
- **178.** The Employer Vice-Chairperson supported the amendment but did not believe the change contributed to the meaning of the paragraph.
- 179. The Government member of France felt that it was a question of semantics, and the new French translation was more problematic. The purpose of the paragraph was to demonstrate that there could be clashes between the ILO and other organizations which presented opportunities and challenges. She proposed a subamendment to change the translation only in Spanish. The Government member of Brazil accepted this.
- **180.** The Worker and Employer Vice-Chairpersons supported the subamendment.
- **181.** The amendment was adopted, as subamended.
- **182.** The Government member of Brazil, speaking on behalf of several GRULAC countries, <sup>30</sup> presented an amendment and stated that the idea was to stress the importance of the ILO's mandate.

<sup>&</sup>lt;sup>28</sup> See footnote 22.

<sup>&</sup>lt;sup>29</sup> See footnote 20.

<sup>&</sup>lt;sup>30</sup> See footnote 20.

- **183.** The Worker and Employer Vice-Chairpersons supported the amendment, and no objections were raised by governments.
- **184.** The amendment was adopted.
- 185. The Government member of India introduced an amendment, seconded by China, to add the sentence "However, due care should be taken that no kind of trade barriers are created." at the end of the paragraph, because the Social Justice Declaration stated that labour standards should not to be used for protectionist trade purposes. The ILO has adhered to this, but there were times when attempts were made to link labour standards to trade agreements. It was important to promote labour standards, but not use them as trade barriers. This amendment was a safeguard, particularly for poor countries.
- **186.** The Worker Vice-Chairperson opposed the amendment, as it was out of context in a paragraph setting the framework for action to be taken as outlined in following paragraphs. It described what was happening outside the ILO and not what the ILO was doing. The original paragraph simply noted that point and indicated that it created challenges. It was inappropriate to place it in paragraph 7.
- **187.** The Employer Vice-Chairperson and the Government members of Argentina, Canada, Ireland, New Zealand, South Africa and United States, opposed the amendment for the same reasons as stated by the Worker Vice-Chairperson.
- **188.** India withdrew the amendment.
- **189.** Paragraph 7 was adopted, as amended.

- **190.** The Government member of Argentina, speaking on behalf of several GRULAC countries, <sup>31</sup> introduced an amendment to add a paragraph to paragraph 8(2): "Ensure that collective bargaining is carried out in observance of the autonomy of the parties, promoting its continuity and the extension of its scope and agenda." The purpose was to promote collective bargaining between social partners with the support of the ILO.
- **191.** The Employer Vice-Chairperson found that the amendment interfered with the way that social partners conducted social dialogue, which should be up to the partners to decide between themselves. However, he could support the first part of the sentence, "Ensure that collective bargaining is carried out in observance of the autonomy of the parties."
- **192.** The Worker Vice-Chairperson opposed the subamendment proposed by the Employers' group, preferring the full version.
- **193.** The Government member of New Zealand opposed the amendment as it was covered in other elements of the text, particularly paragraph 8(4).
- **194.** The Government member of Trinidad and Tobago opposed the amendment, as collective bargaining was adequately covered in paragraph 8(1). The second part of the sentence about members promoting collective bargaining interfered with the collective bargaining process and went against the point of the paragraph.

<sup>&</sup>lt;sup>31</sup> Argentina, Brazil, Colombia, Cuba, Ecuador and Uruguay.

- 195. The Government member of Canada concurred with Trinidad and Tobago.
- **196.** The Government member of Ireland, speaking on behalf of the Governments of EU Member States, <sup>32</sup> and the Government members of Argentina and the United States, as well as the Worker Vice-Chairperson, could accept the proposed Employer subamendment, and was thus adopted.
- 197. The Government member of Senegal, speaking on behalf of the Africa group, <sup>33</sup> introduced an amendment to replace "social dialogue and" by ", in the context of the promotion of social dialogue." He stressed that the quality of social dialogue depended on respect of fundamental rights, specifically freedom of association and the right to collective bargaining. It was important to work towards the guarantee of the promotion of social dialogue.
- **198.** The Worker and Employer Vice-Chairpersons, and the Government members of Argentina, Brazil, Canada and Mexico, supported the amendment.
- **199.** The Employer Vice-Chairperson introduced an amendment, also supported by the Workers' group, to paragraph 8(5), to replace "public and private sectors" with "the public and the private sector", in order to align the English with the French and Spanish versions.
- **200.** The Government members of South Africa and of Ireland, speaking respectively on behalf of the Africa group and of the Governments of EU Member States, <sup>34</sup> supported the amendment.
- **201.** The amendment was adopted.
- **202.** The Government member of Argentina, speaking on behalf of several GRULAC countries, <sup>35</sup> introduced an amendment to paragraph 8(6) to insert "and the promotion of international cooperation" after "public policies".
- **203.** The Worker and Employer Vice-Chairpersons, and the Government members of Brazil, of Mexico and of Burkina Faso, speaking on behalf of the Africa group, <sup>36</sup> all supported the amendment.
- **204.** The amendment was adopted.
- **205.** Paragraph 8, as amended, was adopted.

<sup>&</sup>lt;sup>32</sup> See footnote 22.

<sup>&</sup>lt;sup>33</sup> See footnote 19.

<sup>&</sup>lt;sup>34</sup> See footnote 22.

<sup>&</sup>lt;sup>35</sup> Argentina, Colombia, Cuba, Ecuador, Uruguay and Bolivarian Republic of Venezuela.

<sup>&</sup>lt;sup>36</sup> See footnote 19.

#### Paragraphs 9 and 10

- **206.** The Worker Vice-Chairperson noted that there were no amendments to paragraph 9, but sought clarification from the Office on the role of workers' organizations as social partners in the context of social dialogue in general, and collective bargaining in particular.
- 207. The representative of the Secretary-General explained that the privileged role of employers' and workers' organizations as social partners had long been recognized by the ILO and was enshrined in its Constitution, which stated that each delegation was composed of two delegates from the Government, and two delegates representing respectively employers and workers – to be chosen in agreement with, where these exist, the most representative employers' and workers' organizations. Existing international labour Conventions and Recommendations, in particular the Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87), and the Right to Organise and Collective Bargaining Convention, 1949 (No. 98), affirmed the right to establish free and independent workers' and employers' organizations. Numerous ILO instruments, including the White Lead (Painting) Convention, 1921 (No. 13) (Article 1(1)), the Night Work (Women) Convention (Revised), 1934 (No. 41) (Article 2(2)), the Plantations Convention, 1958 (No. 110) (Article 20), the Employment Policy Convention, 1964 (No. 122) (Article 3) and, of course, the Consultation (Industrial and National Levels) Recommendation, 1960 (No. 113), provided for consultations with employers' and workers' organizations. The Tripartite Consultation (International Labour Standards) Convention, 1976 (No. 144) called for measures to promote effective consultations at the national level between public authorities and employers' and workers' organizations. As previously mentioned in these draft conclusions, the ILO Social Justice Declaration recognized the central role of employers' and workers' organizations as social partners in the promotion of social dialogue, and their priorities in achieving the strategic objectives of the Organization, including with respect to the promotion of good labour relations (in the Scope and Principles section, I.A(iii) and I.C(i)). With regard to collective bargaining, ILO instruments acknowledged the central role of employers' and workers' organizations. In particular, the Collective Bargaining Convention, 1981 (No. 154) defined collective bargaining as all negotiations between an employer, a group of employers or one or more employers' organizations, on the one hand, and one or more workers' organizations, on the other.
- **208.** Paragraphs 9 and 10 were adopted without amendment.

#### Paragraph 11

- **209.** The Government member of Switzerland, speaking on behalf of several Government members of IMEC, <sup>37</sup> introduced two editorial amendments to paragraph 11(2), to delete the words "the ILO should" in the fourth line as well as the word "should" in the seventh line. The amendments only affected the English version.
- **210.** The Worker and Employer Vice-Chairpersons supported the amendments.
- **211.** The two amendments were adopted.

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<sup>&</sup>lt;sup>37</sup> See footnote 23.

- **212.** The Employer Vice-Chairperson introduced an amendment to paragraph 11(2), to delete "the Workers' Representatives Recommendation, 1971 (No. 143);" as the Drafting Group had intended to remove it prior to the Committee's discussion.
- **213.** The Worker Vice-Chairperson and the Government members of Burkina Faso, Mexico and New Zealand, and Ireland, speaking on behalf of the Governments of EU Member States, <sup>38</sup> supported the amendment.
- **214.** The amendment was adopted.
- **215.** The Government member of Australia, speaking on behalf of several Government members of IMEC, <sup>39</sup> introduced an amendment to paragraph 11(3), to insert the words "or provide" after "carry out". The intention was to broaden the meaning of the paragraph, rather than limiting who could perform research work for the ILO.
- **216.** The Worker Vice-Chairperson supported the intent of the amendment, but proposed a subamendment to insert the words "to provide" before "legislative and policy analysis" instead of inserting "or provide" before "informed and evidence-based research".
- **217.** The Government member of Australia felt that the subamendment did not have the same effect as the amendment.
- **218.** The Worker Vice-Chairperson withdrew the subamendment.
- **219.** The Employer and Worker Vice-Chairpersons, and the Government members of Argentina, Brazil, Burkina Faso, Mexico and New Zealand supported the amendment.
- **220.** The amendment was adopted.
- **221.** The Government member of Brazil, speaking on behalf of several GRULAC countries, <sup>40</sup> introduced an amendment to paragraph 11(3), which only applied to the Spanish and French, to indicate "evidence-based" rather than "empirical" research.
- **222.** The Employer Vice-Chairperson opposed the amendment, considering that it changed the meaning in a way that was not reflected in the French and English versions.
- **223.** The Worker Vice-Chairperson suggested that the three language versions should be checked to ensure parallel translations.
- **224.** The Government member of Brazil withdrew the amendment.
- 225. The Government member of Brazil, speaking on behalf of several GRULAC countries, <sup>41</sup> introduced an amendment to align the Spanish translation of "policy" with the French and English, and to refer to "public" policy, which he felt was more practical, wider and inclusive.

<sup>&</sup>lt;sup>38</sup> See footnote 22.

<sup>&</sup>lt;sup>39</sup> See footnote 23.

<sup>&</sup>lt;sup>40</sup> See footnote 20.

<sup>&</sup>lt;sup>41</sup> See footnote 20.

- **226.** The Employer Vice-Chairperson observed that the insertion in the English limited the scope of the ILO's action to public policy analysis. The conclusions should not specify the scope of such activities.
- **227.** The Worker Vice-Chairperson, and the Government members of New Zealand and of Ireland, speaking on behalf of the Governments of EU Member States, <sup>42</sup> did not support the amendment.
- **228.** The Government member of Brazil suggested a subamendment to remove "public" from the original amendment, which left the English as in the original text.
- **229.** The Worker and Employer Vice-Chairpersons, and the Government member of New Zealand, agreed with the subamendment.
- **230.** The amendment was adopted, as subamended.
- **231.** The Government member of Australia, speaking on behalf of several Government members of IMEC, <sup>43</sup> introduced an amendment to paragraph 11(3) to insert the word "practical" after "analysis on", so as to ensure that the ILO referred to practical means of promoting social dialogue.
- **232.** The Worker Vice-Chairperson was concerned that the amendment would limit the scope of the ILO's work. She was unsure what the word "practical" meant in the context of "legislative and policy analysis".
- **233.** The Employer Vice-Chairperson opposed the amendment, and the Government member of Senegal noted that in French the amendment created a repetition.
- **234.** The Government member of Australia withdrew the amendment.
- **235.** The Government member of Ireland, speaking on behalf of the Governments of the Member States of the EU and several Government members of IMEC, <sup>44</sup> introduced an amendment to paragraph 11(4) to replace the word "meaningful" by "effective", since the latter had a concrete application and was measurable.
- **236.** The Worker Vice-Chairperson supported the amendment and observed that it reflected the wording of Convention No. 144. The amendment was also supported by the Employer Vice-Chairperson and the Government members of Argentina, of Brazil and of Burkina Faso on behalf of the Africa group. <sup>45</sup>
- **237.** The amendment was adopted.

<sup>&</sup>lt;sup>42</sup> See footnote 22.

<sup>&</sup>lt;sup>43</sup> See footnote 23.

<sup>&</sup>lt;sup>44</sup> See footnote 23.

<sup>&</sup>lt;sup>45</sup> See footnote 19.

- **238.** The Government member of Argentina, speaking on behalf of several GRULAC countries, <sup>46</sup> proposed to insert a reference to "protecting acquired rights." This amendment was opposed by the Employers' group and several governments, including some IMEC countries. The Worker Vice-Chairperson proposed a subamendment to change "acquired rights" to "workers' rights", which was accepted by the proposer.
- **239.** The Employer Vice-Chairperson and several governments opposed the subamendment. The Government member of Saudi Arabia opposed any amendment to the paragraph that restricted the focus of the section to the rights of only one of the tripartite groups. This argument was supported by several countries in their opposition to the subamendment.
- **240.** The Government member of Argentina proposed a subamendment to include "consistent with ILO labour standards". The Government member of Mexico supported the subamendment and suggested that including the word "pertinent" (or "relevant") would help to specify which labour standards were being considered.
- **241.** Several Government members opposed the subamendment. The Government member of Australia emphasized that the paragraph focused on the process of social dialogue and not its content or outcome. Therefore, it would be inappropriate to single out labour rights in this particular paragraph. Several IMEC countries agreed.
- **242.** Despite their strong interest in preserving a reference to labour rights in the paragraph, the Government member of Argentina withdrew the amendment.
- **243.** The Government member of Ireland introduced an amendment on behalf of the Governments of the Member States of the EU and several Government members of IMEC <sup>47</sup> to insert the word "activities", in order to clarify the kind of capacity building referred to. The amendment was adopted with the support of the Workers, Employers and the Africa group. <sup>48</sup>
- **244.** The Government member of Ireland introduced an amendment on behalf of the Governments of the Member States of the EU and several Government members of IMEC <sup>49</sup> to replace "and" with "and/or", offering the ILO a choice of either tripartism or policy mechanisms. The Employer and Worker Vice-Chairpersons supported the amendment, which was adopted.
- **245.** An amendment was withdrawn by Brazil, given that the language proposed was identical to the wording earlier proposed which was finally not adopted in paragraph 11(3).
- **246.** The Government member of Ireland introduced an amendment on behalf of the Governments of the Member States of the EU and several Government members of IMEC <sup>50</sup> to add the words "both bipartite and" before the words "tripartite social dialogue" as bipartism also played a role in crisis and transitions.

<sup>&</sup>lt;sup>46</sup> See footnote 20.

<sup>&</sup>lt;sup>47</sup> See footnote 23.

<sup>&</sup>lt;sup>48</sup> See footnote 19.

<sup>&</sup>lt;sup>49</sup> See footnote 23.

<sup>&</sup>lt;sup>50</sup> See footnote 23.

- **247.** While both the Employer and Worker Vice-Chairpersons supported bipartism, neither group supported the amendment for reasons of presentation and focus. The paragraph was on different aspects of tripartism; to add bipartism to it would be a distraction and the topic was dealt with in the next paragraphs. The amendment was withdrawn.
- **248.** The Government member of South Africa introduced an amendment, on behalf of the Africa group, <sup>51</sup> to delete the last sentence of the paragraph, which began "Promote gender equality ...". The amendment was to be considered in conjunction with a second amendment, which reinstated the sentence in a later paragraph. The amendments were aimed at giving more emphasis to the issue of gender equality, which the group considered would be better included in paragraph 11(9) on building institutions.
- **249.** The Worker Vice-Chairperson asked that two related amendments from several GRULAC countries be considered with respect to the proposed changes.
- **250.** The Africa group agreed and withdrew both their amendments on that basis.
- **251.** The Government member of Brazil introduced two amendments on behalf of several GRULAC countries. <sup>52</sup> The amendments also aimed at emphasizing gender equality, but additionally proposed strengthened language and the creation of a separate paragraph for the text. The proposal was supported by the Employer and Worker Vice-Chairpersons, as well as the Government members of Canada, New Zealand, Trinidad and Tobago, and Ireland on behalf of the Governments of EU Member States, <sup>53</sup> who all thanked the Africa group for withdrawing their amendments and the GRULAC countries for the strengthened language.
- **252.** The Government member of Saudi Arabia supported the amendment but suggested it be subamended to link gender equality with other vulnerable workers and ethnic minorities. That subamendment was not supported.
- **253.** The two amendments were adopted, thereby creating a new paragraph 11(8): "Promote gender equality, and increase and strengthen women's participation and engagement in social dialogue mechanisms."
- **254.** The Government member of South Africa introduced an amendment on behalf of the Africa group, <sup>54</sup> to delete the words "social dialogue" in the last line of paragraph 11(8). The aim of the amendment was to sharpen the focus of the paragraph, which dealt specifically with research on the outcomes of collective bargaining.
- **255.** The amendment was supported by the Employer and Worker Vice-Chairpersons, and was thus adopted.
- **256.** An amendment to paragraph 11(9) was withdrawn by Brazil, since it aimed to make the same adjustments discussed previously under paragraph 11(3).

<sup>&</sup>lt;sup>51</sup> See footnote 19.

<sup>&</sup>lt;sup>52</sup> See footnote 20.

<sup>&</sup>lt;sup>53</sup> See footnote 22.

<sup>&</sup>lt;sup>54</sup> See footnote 19.

- **257.** The Government member of South Africa introduced an amendment on behalf of the Africa group <sup>55</sup> to add the word "institutions" after "collective bargaining". The Employer and Worker Vice-Chairpersons understood the intent of the amendment, but thought it created confusion; the paragraph already talked of social dialogue institutions.
- **258.** The amendment was withdrawn.
- **259.** The Government member of Argentina withdrew an amendment that aimed to address a grammatical matter which was no longer relevant.
- **260.** The Government member of Canada introduced an amendment on behalf of several Government members of IMEC <sup>56</sup> to delete reference to the Co-operation at the Level of the Undertaking Recommendation, 1952 (No. 94), as it was not on the ILO's published list of up-to-date instruments.
- **261.** The Worker Vice-Chairperson asked the Office to advise on the status of the Recommendation.
- **262.** A representative of the secretariat explained that the Director of the Standards Department had confirmed that the Recommendation remained applicable and could be referred to in the conclusions. However, the Recommendation had been classified by the GB as an instrument requiring consultation on its status, which was why it did not figure in the list of up-to-date instruments.
- **263.** The Employers and Workers opposed the amendment. The Worker Vice-Chairperson considered that the wording of the Co-operation at the Level of the Undertaking Recommendation, 1952 (No. 94) was fully consistent with the promotion of social dialogue it was helpful, and although it was under consultation on its status by the GB it was not out-of-date. Citing the text of some of its paragraphs, she indicated that it encouraged labour cooperation and was fully consistent with the intent of the language of the conclusions proposed.
- **264.** The Government member of Canada reaffirmed the IMEC group's preference to delete the reference, but as the Employers and Workers opposed the amendment, she withdrew it.
- **265.** The Government member of Ireland, speaking on behalf of the Governments of EU Member States <sup>57</sup> and the other signatories of two amendments, indicated that they made the paragraph clearer, referring to developing "a comprehensive policy and strategy for ILO direct engagement with enterprises. In this respect, improve coordination throughout the ILO and appropriate involvement of worker and employer representatives."
- **266.** The Employer Vice-Chairperson supported the amendments, but suggested a subamendment to delete the word "direct" from it.
- **267.** The Worker Vice-Chairperson agreed with the Employer Vice-Chairperson that the word "direct" was too limiting.

<sup>&</sup>lt;sup>55</sup> See footnote 19.

<sup>&</sup>lt;sup>56</sup> See footnote 23.

<sup>&</sup>lt;sup>57</sup> See footnote 22.

- **268.** The Government members who had proposed the amendments accepted the subamendment, so they were adopted, as amended.
- **269.** The Government member of Brazil proposed an amendment indicating that its intent was to stress the urgency of ensuring that global supply chains be discussed before 2016 in the ILC.
- **270.** The Employer Vice-Chairperson objected that it would undermine the prerogatives of the GB; nothing prevented the GB from acting as suggested in the paragraph, but it was not for this Committee to make a decision for the GB. In addition, ILC reform was still pending, and the Committee's sense of urgency should not complicate that reform.
- **271.** The Worker Vice-Chairperson supported the amendment, because the resulting paragraph would encourage the GB's final decision.
- **272.** The Government members of Australia, Canada and the United States supported the amendment, as did the Government member of Burkina Faso, who asked whether such deadlines as proposed in the amendment were common in conclusions.
- **273.** The representative of the Secretary-General indicated that the proposal was not inappropriate, but could be phrased "as soon as possible" or in another way if the Committee preferred.
- **274.** In view of the support expressed by Government members and the Worker Vice-Chairperson, the amendment was adopted.
- **275.** Paragraph 11, as amended, was adopted.

- **276.** The Government member of Brazil, speaking on behalf of several GRULAC countries, <sup>58</sup> proposed an amendment to align the English to the Spanish text in paragraph 12(1) by replacing the word "build" by "strengthen", in order to deliver a stronger message.
- **277.** The Worker Vice-Chairperson proposed a subamendment, to use both words "build and strengthen" in all three languages. The Employer Vice-Chairperson supported the subamendment.
- **278.** The amendment, as subamended, was adopted.
- **279.** The Government member of Cuba, speaking on behalf of several GRULAC countries, <sup>59</sup> proposed an amendment to adjust the wording of paragraph 12(1) in all three languages, to read "Build and strengthen the capacity of constituents including national labour administrations to promote, facilitate and engage in social dialogue and collective bargaining, taking into consideration the diversity of systems and national circumstances.", but noted that there were inconsistencies in the translations.

<sup>&</sup>lt;sup>58</sup> See footnote 20.

<sup>&</sup>lt;sup>59</sup> See footnote 20.

- **280.** The Worker Vice-Chairperson asked the proponent to explain the impact of the amendment, regarding whether the language of the proposed conclusions limited the governments' capacity to engage in social dialogue.
- **281.** The Employer Vice-Chairperson indicated that the English text of the amendment deleted the words "and engage" from the proposed paragraph, and would also change its last part, which was, in his opinion, why the Workers' group had objected to it.
- **282.** The Worker Vice-Chairperson believed it had not been the intent of the amendment to delete the words "and engage" from the English version, but the translation to English may have been inaccurate. She proposed a subamendment to the English version, adding the words "and engage in" between the words "facilitate" and "social dialogue", and affirmed that the resulting language would be acceptable.
- **283.** The Worker and Employer Vice-Chairpersons, and the Government members of Burkina Faso and Cuba agreed with the improved text in all three languages, and the amendment was adopted as amended.
- **284.** The Government member of Ireland, speaking on behalf of the Governments of EU Member States <sup>60</sup> and of several Government members of IMEC, <sup>61</sup> introduced an amendment to paragraph 12(3) to replace the words "in the form of" with "through". This improved the drafting and allowed for other forms of social dialogue.
- **285.** The Employer and Worker Vice-Chairpersons and the Government member of Burkina Faso, speaking on behalf of the Africa group, <sup>62</sup> supported the amendment, which was adopted.
- **286.** The Government member of Brazil, speaking on behalf of several GRULAC countries, <sup>63</sup> introduced an amendment to paragraph 12(3) to replace "policy dialogue, targeted training and twinning programmes" with "public policy dialogue, targeted training and cooperation programmes". The amendment made the Spanish version more precise since the idea of "twinning" in Spanish was not clear.
- **287.** The Employer Vice-Chairperson proposed a subamendment to delete the word "public". He was prepared to accept "cooperation programmes" instead of "twinning" but observed that "twinning" was more precise in English.
- **288.** The Worker Vice-Chairperson supported the Employer subamendment but wanted to retain the concept of "twinning programmes" since specific examples had been mentioned during the Committee's discussion. As such, she suggested the phrase "cooperation programmes, including twinning programmes".
- **289.** The Government member of Ecuador stated that the original wording in English was not problematic, but that the literal translation of the word "twinning" into Spanish was not suitable. The word "twinning" could thus be kept in English while modifying the Spanish text accordingly to use the term "cooperation programmes".

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<sup>&</sup>lt;sup>60</sup> See footnote 22.

<sup>&</sup>lt;sup>61</sup> See footnote 23.

<sup>&</sup>lt;sup>62</sup> See footnote 19.

<sup>&</sup>lt;sup>63</sup> See footnote 20.

- **290.** The Government member of Brazil accepted the Employer subamendment to remove the word "public", and supported the suggestion of the Government member of Ecuador. The Employer and the Worker Vice-Chairpersons and the Government member of the United States accepted the amendment as subamended.
- **291.** Paragraph 12 was adopted, as amended.

- 292. The Government member of Brazil, speaking on behalf of several GRULAC countries, <sup>64</sup> proposed in the fourth line of paragraph 13(1) to replace "organizations" by "integration organizations and mechanisms." The proposal improved the Spanish language version of the text and allowed for a broader scope of regional integration mechanisms that also had an impact on workers and employers. The Employer and Worker Vice-Chairpersons supported the amendment, although the Employer Vice-Chairperson indicated that the meaning of "integration organizations" was unclear.
- 293. The Government member of Canada was sympathetic to the idea of including a reference to other organizations, but found that the term "integration organizations" was unclear. Other potential formulations of the term in English were considered and the Government member of Austria added that it would be important to maintain consistency with the language of ILO standards such as the Maritime Labour Convention, 2006, which used the term "regional economic integration organizations". The Government member of Brazil did not support the suggestion to include the word "economic" as this concept was too constricting. He emphasized the need to keep the language broad enough to include different types of organizations including those with social objectives.
- 294. The representative of the Secretary-General offered clarifications on behalf of the Office in response to questions asking for examples of regional organizations and mechanisms for regional integration. In the first case she referred to regional development banks as regional organizations whose mandate was not primarily to promote regional integration. She further cited the Southern African Development Community (SADC) and the Common Market of the South (MERCOSUR) as examples of regional organizations for economic integration. Both types of institutions were important to the ILO for policy coherence.
- 295. The Government member of the United States noted that "regional economic integration mechanisms" could be interpreted as including trade agreements, which was not the intention of the paragraph nor specifically set out as part of the ILO's mandate. She suggested subamending the English text to read "regional organizations and mechanisms". The Government member of Austria did not insist on the word "economic", as long as the language was accurate and clear.
- **296.** The Government member of Brazil appreciated efforts to build consensus but emphasized that the concept of "integration" was important as it captured the multidisciplinary nature of regional organizations and mechanisms. As such, he could not support the subamendment of the Government member of the United States and emphasized the need for coherence between the three languages.

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<sup>&</sup>lt;sup>64</sup> See footnote 20.

- **297.** The Office suggested a revised English text that read "regional organizations and mechanisms of regional integration", leaving the French and Spanish amendments unchanged. This was supported by the Employer and Worker Vice-Chairpersons as well as the Government member of Trinidad and Tobago. The amendment was adopted, as subamended
- 298. The Government member of India presented an amendment, seconded by China and Sri Lanka, to add at the end of paragraph 13(1) the sentence: "However, such efforts should not be directed towards promoting protectionism of any kind." He referred to the Social Justice Declaration, which called for labour standards not to be used for protectionist purposes. Multilateral agencies should not encroach on the ILO's mandate and their use of labour standards should be promotional rather than protectionist.
- **299.** The Employer and Worker Vice-Chairpersons, as well as the Government members of Canada, New Zealand and the United States, and Ireland on behalf of the Governments of EU Member States, <sup>65</sup> and South Africa on behalf of the Africa group, <sup>66</sup> did not support the amendment, as it was unnecessary and did not relate to the purpose of the paragraph.
- **300.** The amendment was withdrawn.
- **301.** The Government member of Argentina, speaking on behalf of several GRULAC countries, <sup>67</sup> withdrew an amendment as it had been previously discussed under paragraph 12(3).
- **302.** Paragraph 13 was adopted, as amended.

- **303.** The Government member of Australia introduced an amendment to paragraph 14(2) on behalf of several Governments of EU Member States <sup>68</sup> and several Government members of IMEC <sup>69</sup> to move the words "In line with the needs of constituents affected" from the end to the beginning of the sentence. This clarified that the sentence did not only apply to technical cooperation agreements and was consistent with the wording of the Office report to the Committee.
- **304.** The Government member of Burkina Faso pointed out that most of the paragraphs of the conclusions started with active verbs and that the proposed amendment changed this practice. He suggested that the original wording be kept for the sake of consistency.
- **305.** The Government member of the United States supported the need for consistency and suggested a subamendment that, instead of moving the text as suggested by the amendment, would simply insert a comma after the word "activities", thus keeping the original structure while still adding clarity. This change did not concern the French or

<sup>&</sup>lt;sup>65</sup> See footnote 22.

<sup>&</sup>lt;sup>66</sup> See footnote 19.

<sup>&</sup>lt;sup>67</sup> See footnote 20.

<sup>&</sup>lt;sup>68</sup> See footnote 22.

<sup>&</sup>lt;sup>69</sup> See footnote 23.

Spanish texts. This subamendment was supported by the Employer and Worker Vice-Chairpersons and was adopted.

- **306.** Paragraph 14 was adopted, as amended.
- **307.** The draft conclusions were adopted, as amended.

#### Consideration of the draft resolution

- **308.** The Chairperson recalled that the draft resolution had been presented and distributed on behalf of the Officers the previous day for consideration. He invited the Committee to discuss potential amendments and then adopt it.
- **309.** The Government member of Argentina, speaking on behalf of several GRULAC countries, <sup>70</sup> proposed an amendment to paragraph 3(b) of the resolution to replace the word "prepare" by "propose".
- **310.** The Government member of Cuba supported the amendment and added that while he recognized that the Officers wished to act in a timely manner, the draft resolution dealt with substantive issues; Committee members should have been given more time to consider it.
- **311.** The Worker Vice-Chairperson did not think the proposed change was significant since the framework for action that was foreseen in that paragraph would in any case be subject to the GB's consideration. This already implied that it was a proposal and she opposed the amendment. The Employer Vice-Chairperson did not support the amendment for the same reasons.
- **312.** The Government member of Senegal confirmed that the original text met the intention of the amendment, given the requirement to submit the framework for action to the GB. The Government member of New Zealand agreed, noting that the resolution was a standard text for recurrent discussions and that the existing formulation met the concerns expressed by several GRULAC countries.
- **313.** The Government member of Argentina, speaking on behalf of several GRULAC countries, <sup>71</sup> was satisfied with the explanations, given that submitting the framework for action to the GB constituted a proposal. She withdrew the amendment.
- **314.** The draft resolution was adopted.

### Consideration of the draft report

- **315.** The Committee considered its draft report at its tenth sitting.
- **316.** The Reporter of the Committee, Mr L. Espinosa Salas (Government member, Ecuador) introduced the report and acknowledged the Committee's achievement in reaching conclusions on social dialogue that showed a way forward for governments, the social

<sup>&</sup>lt;sup>70</sup> See footnote 20.

<sup>&</sup>lt;sup>71</sup> See footnote 20.

partners and the Office. The work of the Committee was a real-world example of effective social dialogue and consensus building in action. The rich and concise report would be an important reference for the ILO and its constituents, providing ideas on how to promote social dialogue, strengthen its institutions and processes, enhance policy coherence and improve participation. The report captured the experiences and debate of delegates from over 120 countries towards developing a framework for action that would guide the efforts of the ILO in the coming years. The conclusions reached were clear, specific and action-oriented, as requested by the Committee. He thanked the Committee members for their constructiveness, efficiency and unity of purpose and, in particular, the Chairperson and Vice-Chairpersons for their excellent contributions and stewardship, along with the secretariat for its hard work.

**317.** The Chairperson thanked the Reporter for his valuable summary of the Committee's work and invited the Committee to adopt the report.

### Adoption of the report

**318.** The Committee unanimously adopted the report with minor corrections submitted by Committee members to their own statements. Subsequently, it adopted the resolution and the conclusions.

### **Closing remarks**

- 319. The Government member of South Africa, speaking on behalf of the Africa group, congratulated the Chairperson for his excellent work presiding over the Committee and thanked the Employer and Worker Vice-Chairpersons for the cooperative manner in which they had contributed to the Committee's deliberations. He thanked his fellow Government delegates for their constructive role and friendly working relations. The Committee's conclusions provided a useful framework for social dialogue and set out clear areas for ILO support. In particular, they identified the importance of a campaign for the ratification and implementation of relevant ILO standards to strengthen social dialogue in member States. Together with the report, these outputs would make a meaningful contribution to the ILO's programme in the area of social dialogue.
- 320. The Government member of Ireland, speaking on behalf of the EU and the Governments of its Member States attending the Conference, in addition to Albania, Croatia, Georgia, Iceland, Montenegro, Serbia, The former Yugoslav Republic of Macedonia and Ukraine complimented the Office for Report VI, which provided a sound basis for the Committee's work. Social dialogue was a means for achieving social and economic progress and could serve as a foundation for constituents to work together towards a better economic paradigm, not only in times of crisis. Work to extend the rights related to social dialogue, freedom of association and collective bargaining to all should be never ending. The Committee's work was particularly relevant in the context of ILC reform. It delivered an output that focused on the ILO's mandate; identified priorities; reflected best practices; outlined conclusions and future action of the Office and constituents; and identified follow-up mechanisms. He acknowledged the efficient and focused work of the Chairperson and Vice-Chairpersons which had led to the successful outcomes of the Committee, and pledged to work with the Office and constituents to improve social dialogue to make it a reality for all.

- **321.** The Government member of Cuba, speaking on behalf of several GRULAC countries, joined previous speakers in congratulating the teamwork that had prevailed throughout the Committee's work. GRULAC was committed to support the results of the Committee towards improving social dialogue outcomes among member States.
- **322.** The Government member of Denmark, speaking also on behalf of Finland, Iceland, Norway and Sweden, supported the statement of the Government member of Ireland, speaking on behalf of the EU and the Governments of its Member States attending the Conference, in addition to Albania, Croatia, Georgia, Iceland, Montenegro, Serbia, The former Yugoslav Republic of Macedonia and Ukraine, and was grateful to the Office for producing the useful Report VI for the Committee's discussion. While most governments had good intentions to support social dialogue, more than half of the world's population lived in countries that had not ratified Conventions Nos 87 and 98. The Committee's work would contribute to promoting social dialogue in all countries and strengthening the ILO's work in this field. In this regard, he highlighted some of the noteworthy conclusions, including the call for a general discussion on decent work in global supply chains; the joint commitment to promote the MNE Declaration; the call for direct and indirect ILO engagement with enterprises; and the promotion of gender equality in social dialogue. The ILO should continue to safeguard and promote social dialogue, freedom of association and the right to organize and bargain collectively based on these conclusions, since no country could afford to ignore these principles.
- **323.** The Employer Vice-Chairperson associated himself with the gratitude expressed by the previous speakers, and added his group's appreciation to the Office for Report VI. The leadership of the Chairperson along with the contributions of the Government members had helped the social partners focus on the essentials elements of the Committee's work. He thanked the Worker Vice-Chairperson for her valuable role in facilitating responsible social dialogue. This recurrent discussion was an important moment for influencing the future direction of the ILO, but the aspirations in the conclusions needed to become a reality through the partnership of all constituents.
- **324.** The Worker Vice-Chairperson thanked the Chairperson for ably guiding the Committee and joined other speakers in praising Report VI, which would serve as essential reading on social dialogue in the future. The Committee's conclusions set out a useful framework of action for the Office and ILO constituents towards achieving the ILO strategic objective on social dialogue based on mutual commitment.
- 325. The representative of the Secretary-General offered her thanks to the Committee members and secretariat staff. The Committee's conclusions were the first formal reflection at the ILC on social dialogue since 2002 and confirmed the enduring value of social dialogue and its processes, while updating the ILO's thinking on the continued challenges and how to address them. The conclusions recognized the reorganization of work across borders and this presented new opportunities for social dialogue. They provided strategic direction for strengthening and promoting social dialogue and gave action-oriented guidance on the support expected from the Office. They were also the shortest conclusions of any recurrent discussion so far, setting a benchmark for succinctness, clarity and concreteness, and contributing to discussions on ILC reform. The work of the Committee showed social dialogue at its best and she acknowledged the hard work of the many people who had helped make it such a success.
- **326.** The Chairperson was grateful for the work carried out by the Committee. The Worker and Employer Vice-Chairpersons had succeeded in finding common ground and he thanked the Government members for their constructive approach. The resulting Committee report was a substantial document that faced up to the challenges, suggested possible solutions and offered a path for the future. The conclusions sought to promote the practice of social

dialogue and collective bargaining, which were not embedded in all member States. He highlighted the various commitments of the conclusions as they applied to the Office, governments and the social partners, and noted that while the conclusions may not have met every expectation of the different groups of the Committee, their power derived from the consensus around a shared vision for action. The challenge now was to turn these commitments into reality.

Geneva, 17 June 2013

(Signed) P.-P. Maeter Chairperson

L. Espinosa Salas Reporter

## **Appendix**

#### Fate of amendments to draft conclusions

- 1. The following amendments were adopted: D.37, D.24, D.51, D.27, D.17, D.36, D.35, D.26, D.34, D.32, D.31, D.49, D.18, D.19, D.40, D.7, D.44.
- 2. The following amendments were adopted, as subamended: D.50, D.25, D.20, D.23, D.21, D.22, D.13, D.10, D.46, D.45, D.4, D.6, D.5, D.12, D.43.
- 3. The following amendments were withdrawn: D.38, D.29, D.28, D.9, D.33, D.16, D.8, D.48, D.39, D.42, D.14, D.41, D.15, D.47, D.30, D.11.

# Resolution concerning the recurrent discussion on social dialogue

The General Conference of the International Labour Organization, meeting at its 102nd Session, 2013,

Having undertaken a recurrent discussion on social dialogue in accordance with the ILO Declaration on Social Justice for a Fair Globalization, to consider how the Organization may respond more effectively to the realities and needs of its Members through coordinated use of all its means of action,

- 1. Adopts the following conclusions;
- 2. Invites the Governing Body of the International Labour Office to give due consideration to the conclusions and to guide the International Labour Office in giving effect to them; and
  - 3. Requests the Director-General to:
- (a) communicate the conclusions to relevant global and regional international organizations for their attention;
- (b) prepare a plan of action to give effect to the conclusions, for consideration of the Governing Body;
- (c) take into account the conclusions when preparing future programme and budget proposals and facilitating extra-budgetary activities; and
- (d) keep the Governing Body informed of implementation.

# Conclusions concerning the recurrent discussion on social dialogue

#### I. Guiding principles and context

- 1. Social dialogue and tripartism constitute the ILO's governance paradigm for promoting social justice, fair and peaceful workplace relations and decent work. Social dialogue is a means to achieve social and economic progress. The process of social dialogue in itself embodies the basic democratic principle that people affected by decisions should have a voice in the decision-making process. Social dialogue has many forms and collective bargaining is at its heart. Consultations, exchanges of information and other forms of dialogue between social partners and with governments are also important.
- 2. Social dialogue is based on respect for freedom of association and the effective recognition of the right to collective bargaining. These founding principles of the ILO, as stated in the ILO Constitution and its Declaration of Philadelphia are applicable to all Members, as set out in the ILO Declaration on Fundamental Principles and Rights at Work. These rights cover all workers in all sectors, with all types of employment relationships, including in the public sector, the informal economy, the rural economy, export processing zones, micro, small and medium-sized enterprises (MSMEs), and domestic and migrant workers.
- **3.** Social dialogue and tripartism are key methods for implementing the ILO's strategic objectives. They also play a key role in facilitating consensus on economic and social policies, advancing sustainable development, and making labour law and institutions effective as set out in the ILO Resolution concerning tripartism and social dialogue (2002), and the ILO Declaration on Social Justice for a Fair Globalization (2008).
- 4. In light of the prospect of persistent unemployment, poverty, inequality, and the pressure on enterprises, the International Labour Conference, at its 98th Session in 2009, adopted the Global Jobs Pact, which recognized the crucial role of social dialogue in designing policies to address national priorities. It also highlighted the role of effective social dialogue including collective bargaining on measures to avoid job losses, protect wages, facilitate the adaptability of enterprises and ensure sustainable recovery. The social partners are the primary actors in the real economy and their engagement in bipartite and tripartite processes is as important in times of crisis as in other times. The economic and financial crises since 2008 were addressed through social dialogue in some countries, including through collective bargaining, saving jobs and maintaining pay levels. Regrettably in some others, reforms affecting both the public and private sectors limited the scope for social dialogue, weakened collective-bargaining mechanisms and restricted the autonomy of social partners.
- **5.** In the public service, collective bargaining in some countries played a role in retaining jobs and ensuring the continued provision of public services, notwithstanding the crisis.
- **6.** Restrictions on freedom of association and the right to collective bargaining remain a challenge around the world. While in some countries, collective bargaining coverage has increased, coverage of workers by collective bargaining has declined in many countries. Social partners in a number of countries are not fully equipped to tackle the various challenges they face including the drop in the labour share of national income.
- **7.** The organization of production along increasingly complex global supply chains and the dynamic nature of regional economic integration have created new challenges and spaces for cross-border social dialogue.

**8.** References to ILO standards, principles and rights at work are to be found in a growing number of multilateral, regional and bilateral agreements. Equally, the actions and spheres of influence of other multilateral institutions intersect with the mandate of the ILO, which should constitute the main point of reference in this area. This provides both opportunities and challenges.

#### II. Measures to promote social dialogue

- **9.** Members with the support of the Organization should:
  - (1) Renew their commitment to social dialogue and tripartism, based on full respect for freedom of association and the right to collective bargaining, consistent with the ILO Declaration on Fundamental Principles and Rights at Work and should consider ratification and effective implementation of the Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87), the Right to Organise and Collective Bargaining Convention, 1949 (No. 98), and the Tripartite Consultation (International Labour Standards) Convention, 1976 (No. 144).
  - (2) Respect the independence and autonomy of workers' and employers' organizations and refrain from interfering in their establishment, functioning and administration.
  - (3) Ensure that collective bargaining is carried out in observance of the autonomy of the parties.
  - (4) Ensure respect for the rule of law including through effective labour inspection and enforcement and the strengthening of dispute prevention and resolution mechanisms, recognizing that these are the responsibilities of governments.
  - (5) Ensure that, in the context of the promotion of social dialogue, the rights to freedom of association and collective bargaining are inclusive and accessible to all workers and employers and their representative organizations.
  - (6) Strengthen and facilitate social dialogue at all levels in the public sector and the private sector.
  - (7) Enhance, through appropriate public policies and the promotion of international cooperation, the role of social dialogue in facilitating balanced, inclusive and sustainable social and economic development.
- 10. The governments of ILO member States are encouraged to take steps to ensure coordination and consistency in their positions in the ILO and in other forums in respect of fundamental principles and rights at work. These efforts could include, where appropriate, mechanisms for effective consultation among concerned ministries and with social partners.

#### III. Framework for action

**11.** Based on this recurrent discussion and the established and expressed needs of the Members, the ILO is called upon to:

# A. Strengthen institutions and processes of social dialogue

#### **12.** To that effect, the ILO should:

- (1) Support the preconditions for effective social dialogue, as called for by the conclusions concerning the recurrent discussion on fundamental principles and rights at work (2012); and support the constituents' efforts to give effect to the measures to promote social dialogue mentioned above.
- Recalling the campaign for the ratification and effective implementation of the Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87), and the Right to Organise and Collective Bargaining Convention, 1949 (No. 98), undertake a campaign on the Tripartite Consultation (International Labour Standards) Convention, 1976 (No. 144); the Labour Relations (Public Service) Convention, 1978 (No. 151); the Collective Bargaining Convention, 1981 (No. 154); and promote the Collective Agreements Recommendation, 1951 (No. 91); the Consultation (Industrial and National Levels) Recommendation, 1960 (No. 113); the Tripartite Consultation (Activities of the International Labour Organisation) Recommendation, 1976 (No. 152); the Collective Bargaining Recommendation, 1981 (No. 163); and the Employment Relationship Recommendation, 2006 (No. 198).
- (3) Increase its capacity to carry out or provide informed and evidence-based research as well as legislative and policy analysis on means of promoting and effecting social dialogue.
- (4) Support the effective participation of social partners in labour law development through tripartite consultations with targeted technical assistance and capacity building activities.
- (5) Assist labour administrations to improve the governance and efficiency of their core functions, including labour law enforcement, labour inspection, and provision of services and information to the public in view of the conclusions of the general discussion on labour administration and labour inspection (2011). Support efforts of labour administrations to organize consultations with social partners and to improve data collection, analysis and dissemination.
- (6) Expand its assistance to strengthen and improve the performance of labour dispute prevention and resolution systems and mechanisms, including for the effective handling of individual labour complaints, through research, expert advice, capacity building and exchange of experiences.
- (7) Promote tripartite social dialogue institutions and/or policy-making mechanisms through evidence-based policy advice, exchange of experiences and technical cooperation. Reinforce research on the role of tripartite social dialogue in response to crises as well as economic and political transitions.
- (8) Promote gender equality, and increase and strengthen women's participation and engagement in social dialogue mechanisms.
- (9) Scale up research on the socio-economic outcomes of different collective bargaining systems and the role of coordination and provision of information in shaping these outcomes. Research should identify factors that contribute to the effectiveness of collective bargaining in different contexts. The ILO should also widely and regularly disseminate information through the most appropriate means on global trends and challenges for the constituents in collective bargaining.

- (10) Reinforce technical assistance and evidence-based policy advice to build institutions for social dialogue between the social partners including collective bargaining in some countries and improve their effectiveness in others.
- (11) Develop knowledge on the application of collective agreements and means to enhance their inclusiveness in the context of Recommendation No. 91, in particular with respect to the protection of workers in MSMEs, vulnerable workers and those in non-standard forms of employment.
- (12) Provide advice consistent with the Co-operation at the Level of the Undertaking Recommendation, 1952 (No. 94) on the strengthening of workplace cooperation as a tool for anticipating and facilitating change in a manner that addresses the needs of employers and workers.
- (13) Promote social dialogue and the role of social partners in the design, governance and implementation of economic, employment and social protection policies, at both national and international levels.
- (14) Convene a meeting of experts on cross-border social dialogue to analyse contemporary experiences, challenges and trends, as well as the role and value added of the ILO.
- (15) Promote the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (MNE Declaration) and develop a comprehensive policy and strategy for ILO engagement with enterprises. In this respect, improve coordination throughout the ILO with appropriate involvement of worker and employer representatives.
- (16) Consider including, through its Governing Body, an item for discussion on decent work in global supply chains at an International Labour Conference, not later than 2016, in light of support expressed during this recurrent discussion.

## B. Provide support to the tripartite actors of social dialogue at all levels

#### **13.** To that effect, the ILO should:

- (1) Build and strengthen the capacity of constituents including national labour administrations to promote, facilitate and engage in social dialogue and collective bargaining, taking into consideration the diversity of systems and national circumstances.
- (2) Provide assistance upon request to relevant governments, workers' and employers' organizations to establish or improve mechanisms for social dialogue within the framework of regional and subregional integration.
- (3) Facilitate exchange of experiences for labour administrations as well as for workers' and employers' organizations at all levels, including through policy dialogue, targeted training and twinning programmes and the use of innovative strategies and platforms for sharing knowledge and expertise.

#### C. Enhance policy-coherence

#### **14.** To that effect, the ILO should:

- (1) Exercise its mandate to engage in a proactive manner with international organizations and institutions, such as the International Monetary Fund, World Bank, World Trade Organization, G20, and the Organisation for Economic Co-operation and Development, and with regional organizations and mechanisms of regional integration to promote the Decent Work Agenda and ILO standards and principles; and promote the active involvement of social partners across the UN system and in other global forums.
- (2) Further strengthen its capacities to support constituents through integrated and coherent policy advice, encompassing rights at work, employment, social protection and social dialogue.
- (3) Highlight the value of effective social dialogue in implementing its strategy for the adoption of full and productive employment and decent work as an explicit goal of the global development agenda beyond 2015.

## D. Actively promote social dialogue and participation of social partners in its activities

#### **15.** To that effect, the ILO should:

- (1) Strengthen the engagement of social partners in the design and implementation of Decent Work Country Programmes (DWCPs), technical cooperation agreements and public–private partnerships across all four strategic objectives of the ILO.
- (2) Make social dialogue, including collective bargaining, a central element of DWCPs and technical cooperation activities, in line with the needs of constituents affected.

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