



16th Asia and the Pacific Regional Meeting

Bali, Indonesia, 6–9 December 2016

APRM.16/D.4(Rev.)

Report of the 16th Asia and the Pacific Regional Meeting

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Elections and appointments

1. The 16th Asia and the Pacific Regional Meeting (APRM) of the ILO was held in Bali, Indonesia, from 6 to 9 December 2016.
2. On behalf of the Government group, a Government representative of the Islamic Republic of Iran [M] put forward a candidate for the position of Chairperson of the Regional Meeting, and the Meeting unanimously elected Mr Hanif Dhakiri, Minister of Manpower, Indonesia, to this post. The Meeting unanimously elected Mr Jameel Humaidan, Minister of Labour and Social Development, Bahrain, as Government Vice-Chairperson, Mr Hariyandi Sukamdani, Employers' Association of Indonesia (DPN APINDO), as Employer Vice-Chairperson and Mr Naoto Ohmi, General Secretary of the Japanese Trade Union Confederation, as Worker Vice-Chairperson.
3. In accordance with the *Rules for Regional Meetings, 2008 (the Rules)*, the Meeting appointed the members of its Credentials Committee as follows: Mr Ramin Behzad (Government, Islamic Republic of Iran), Mr Dick Grozier (Employer, Australia), and Ms Mary Kiah Eng Liew (Worker, Singapore).
4. The Meeting established a drafting committee to prepare the conclusions of the Meeting, composed of five Government representatives, five Employer representatives and five Worker representatives, with the following members:

Government representatives: Mr Jody Anderson (Australia), Mr Bin Hao (China), Mr Maruli Apul Hasoloan (Indonesia), Mr Tomoaki Katsuda (Japan), Mr Mahmood Al-Saddiqi (Qatar).

Employer representatives: Mr Shamsuddin Bardan (Malaysia); Mr Philip O'Reily (New Zealand); Mr Dong-Eung Lee (Republic of Korea); Ms Lama Abdulaziz Al-sulaiman (Saudi Arabia); Mr Mudiyansele Kanishka L Weerasinghe (Sri Lanka).

Worker representatives: Mr Hasan Alhalwachi (Bahrain), Mr Felix Anthony (Fiji); Ms Sandagran Solomon Joseph Pitchay (Malaysia), Mr Richard Wagstaff (New Zealand); Ms Mary Kiah Eng Liew (Singapore).

5. The Meeting suspended the application of certain provisions of the *Rules*, in accordance with article 8.¹

(The Regional Meeting observed a minute of silence to pay tribute to the memory of His Majesty, late King Bhumibol Adulyadej of Thailand, who had died on 13 October 2016.)

Opening addresses

6. *The Chairperson* welcomed the Vice President of the Republic of Indonesia and thanked him for honouring the Meeting with his presence. Five years previously, the 15th APRM

¹ Article 11 of the *Rules* was suspended with regard to the functioning of the Drafting Committee on the conclusions of the Meeting, in order to allow it to fulfil its function efficiently and decide on its own modalities, and article 10 on the right to speak was suspended with regard to the organization of the High-Level Dialogue on Inclusive Growth for Social Justice, the special plenary debates and the special session on the Promotion and application of the ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (MNE Declaration) in Asia and the Pacific, to allow greater flexibility in the organization of their work.

(Kyoto, Japan, 2011) had made recommendations aimed at fostering balanced and sustainable development and growth. New and complex global challenges, including climate change, had arisen, and there was a need to discuss a global strategy collectively. The conclusions of the 16th APRM should be in line with the sustainable development goals (SDGs), especially SDG 8 on decent work and economic growth. He invited the Meeting to focus on inclusive growth.

7. He noted that the topics included on the programme were all relevant, pointing particularly to inclusive growth with social justice, fair migration, the future of decent work in Asia and the Pacific, skills for the future, multinational enterprises and social policies and social dialogue. He hoped that the beautiful setting of Bali would give energy to the Meeting, and enable it to hold productive discussions and adopt relevant conclusions. He counted on the support of the three groups to work together in the spirit that characterizes the ILO – that of consensus.
8. *The Director-General* of the ILO welcomed the delegations to the Meeting. By launching the Asia-Pacific Decent Work Decade at the 14th APRM (Busan, Republic of Korea, 2006), the constituents had committed themselves to a concerted and sustained effort to realize decent work for all. Ten years on, it was time to review progress and map the next steps at a national and regional level. But the world was increasingly marked by doubt in the ability of policy makers to deliver credible answers to key problems. The United Nations 2030 Agenda for Sustainable Development (2030 Agenda) aimed to eliminate poverty and reduce inequality by 2030. Decent work was woven into the fabric of the 17 SDGs included in the Agenda, and in particular into SDG 8, specifically focused on the ILO's mission. The ILO had launched the Future of Work Initiative with the ambition to better equip itself, as it passed its centenary, to continue promoting its mandate of social justice for stability and peace. This initiative took account of the changes underway in the world of work, at the heart of which was technology. Societies were becoming increasingly unequal and perceived as moving away from the ideals enshrined in the ILO's mandate, with millions feeling excluded from the benefits of globalization.
9. *The Director-General* pointed out that the Asia and the Pacific region potentially stood to profit hugely from globalization, but the sustainability of globalization depended upon it becoming more inclusive. This was particularly true in the region, where much remained to be done for social progress to match recent economic success. The report before the Meeting invited constituents to further strengthen their commitment to decent work for all by putting forward a programme of action that would pave the way to strong, inclusive, balanced and sustained growth for the people of the region. The Meeting should therefore begin with an honest assessment of past achievements and the obstacles yet to overcome, while paying particular attention to vulnerable groups. The region's economic dynamism had not been fully translated into social progress. Despite each country's individual priorities, constituents needed to focus on certain common trends and challenges: how to maintain the engine of global economic growth; enterprise sustainability; an ageing population; youth unemployment; the construction of systems for fair migration; extreme weather events and climate change; among others. Likewise, the rate of ratification of the eight ILO core Conventions remained very low in the region, with only 14 out of 47 member States having ratified all eight. That was no doubt connected with the weakness of social dialogue and limitations on collective bargaining that persisted in many countries. The 2030 Agenda committed the international community to "leave no one behind". The ILO's goal of "Decent Work for All" embodied that very principle. As constituents mapped priorities for making decent work a reality for women and men at the 16th APRM, the ILO would be standing ready to provide them with the support they needed.
10. *The Employer Vice-Chairperson* stressed that the Meeting offered a critical opportunity to shape the region's world of work priorities. The Asia-Pacific and Arab states had made considerable economic progress despite the global slowdown. The region had immense

potential deriving in part from its diversity, differing levels of development, the size of its economy, multitude of sectors, populations and demographic structures, as well as its geographic location, its cultures and traditional values. Among key issues, he highlighted enterprise development, skills for the future, fair migration and harmonious industrial relations. These were of great importance in an increasingly connected and competitive global environment. The Employers felt the Meeting was taking place at an important time, when geo-politics and disruptive technologies added layers of uncertainty to enterprise and the workplace. However, the 2030 Agenda provided an important opportunity for the private sector to contribute to economic growth and development.

- 11.** He asserted that concrete policies and actions should be established to provide a constructive and enabling environment for business, so the regions' emerging economies could overcome the middle-income trap and developing economies could invest in promising, value added and competitive sectors that offer sustained growth. Policies should focus on greater support to growing small and medium-sized enterprises (SMEs); better governance and improved property rights and respect for the rule of law; more efficient and effective labour market policies; and innovative social protection systems. Employers' organizations needed to be able to respond effectively to the rapidly changing nature of work with clear policy priorities to allow the private sector to retain its influence in key matters. The conclusions of the Meeting should be concise and action-oriented. The Employers' group pledged its continued collaboration with the ILO and other international partners.
- 12.** *The Worker spokesperson* called on the Regional Offices to focus their action in priority areas. Promoting respect for labour rights was paramount. The region had long placed too much emphasis on economic growth and productivity, overlooking the human and trade union rights situation. India was making arbitrary and draconian changes to its labour laws. Indonesia had seen a dramatic rise in violations of fundamental rights, where protests against changes to the minimum wage fixing system were countered with tear gas and water cannons, arrests and detentions. Likewise in South Korea, where criminal proceedings had been brought against trade union leaders of the Korean Confederation of Trade Unions (KCTU), and its President sentenced to five years' jail. Weakened employment conditions led to increased informality, already widespread in the region. Subcontracting was creating further informality in developed and developing countries and contributing to the rise of temporary and agency work and precarious self-employment. An International Trade Union Confederation (ITUC) 2016 survey listed seven of the ten countries with the worst labour abuse records as being in Asia and the Pacific. Priority should also be given to ratification of ILO Conventions, 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). The conclusions of the Meeting should call on more countries to ratify these core Conventions before the next APRM. Industrial relations mechanisms must improve, especially collective bargaining, which was being eroded. Workers must have the right to form and join trade unions. Most countries in the region seriously restricted these rights, which were under attack by both governments and employers. Business-friendly economic policies designed to attract investment by promoting export processing zones (EPZs) placed restrictions on collective bargaining and on strike action. The group wanted more countries, including Bangladesh, to uphold trade union rights in the garment sector. The ILO should abandon corporate social responsibility (CSR) programmes, which could not replace unions.
- 13.** He pointed out that forced and child labour were both distressingly widespread in the region: they must be eradicated. Improving the rights of migrant workers was equally a priority. They were exploited, excluded and politically invisible. The conclusions of the Meeting should urge more countries to ratify the two ILO Conventions on migration. Countries should outlaw recruitment fees. Tackling inequality was a further priority. Income inequality remained high and in some countries was worsening. Productivity had increased, but wages had not. Another priority was women in leadership in business and in trade unions.

Legislation and appropriate machinery should be established to encourage women's economic participation. The conclusions should include a goal for at least some countries to ratify, implement and respect the Maternity Protection Convention, 2000 (No. 183). Thus far, no country in the region had done so.

14. He believed ILO action was rendered less effective by being too thinly spread over too wide a range of projects. Many IPEC projects had run in India, but the country had ratified neither the Minimum Age Convention, 1973 (No. 138), nor the Worst Forms of Child Labour Convention, 1999 (No. 182). Many projects had been launched in Bangladesh since the Rana Plaza accident, but union rights were still absent. Moreover, there was a lack of coordination between ILO units which must cease. The constituents were lost in a maze of competing projects and human and financial resources were divided, diminishing impact. Promotion of ratification should be an Office-wide initiative, not left only to the Bureau for Workers' Activities (ACTRAV). Occasionally projects did not fit logically with the ILO mandate.
15. He noted that report contained no information saying what steps had been taken to implement the conclusions of the 15th APRM (Kyoto, 2011), which had called for a drive to ratify the core Conventions. It appeared that none had been taken. A "score card" should be established to show what had been done to implement the conclusions. Finally, ugly trends were becoming more common in the region: government corruption, racial discrimination, intolerance based on religion, race or ethnicity, military rule had increased over the past decade. The ILO constituents should unite to stop these trends. Trade unions and collective bargaining were fundamental to building an inclusive future with decent work in Asia and the Pacific.

Special address by His Excellency, Mr Muhammad Jusuf Kalla, Vice President of the Republic of Indonesia

16. *Vice President Muhammad Jusuf Kalla of the Republic of Indonesia* recognized the efforts made by the ILO to promote workers' welfare through tripartite consensus and harmony between the three groups. The ILO's values echoed those of the Republic of Indonesia, which sought to provide prosperity and social justice for its populations.
17. At the 2015 Asia-Pacific Economic Cooperation (APEC) Forum, pessimism had been tempered with hope and optimism for the global economy. Difficult issues could be solved collectively: Workers and Employers had common interests, which they should work together to expand. Dialogue was the answer.
18. Indonesia welcomed the Regional Meeting, which was taking place at a moment when the global economic slowdown had affected all countries, including China, America and European countries. Asia and the Pacific was no exception and the increase in unemployment was predictable. Indonesia had fared better than other countries, but it needed greater growth to create sufficient jobs. The common goal was to raise living standards for all through decent and productive work, increased income and greater attention to the environment.
19. Over the past years, Indonesia had applied a minimum wage linked to inflation and gross domestic product (GDP). This formula was fair, as it did not reduce workers' purchasing power. It would be evaluated every five years. Enterprise required certainty to thrive. Where this did not exist, no jobs would be created. The aim in Asian countries was to combine competitiveness, productivity and decent work.
20. The issue of increasing migration was critical in the region. There was a need for decent work for migrants, to prevent a lowering of working and employment conditions. To prevent competition for cheap labour arising from flows of migrants seeking employment, regional

and supra-regional cooperation should be engaged in order to install a possible regional minimum wage, and thus avoid a race to the bottom effect.

21. There was a need to unite efforts under the common goal of decent work, with respect for each country's specific situation. The challenge posed by technology needed to be faced by raising skill levels, through vocational training and education. If this did not happen, countries would be left behind. Tripartite dialogue was a powerful tool in mapping the way forward. Finally the Vice President hoped that the results and outcomes of the APRM would help regional economies to grow well. He wished all delegates an interesting and fruitful meeting that would enhance the cause of social justice and boost an economy that benefited all.

High-level Dialogue: Inclusive Growth for Social Justice

22. The Regional Meeting held a high-level dialogue on the theme of Inclusive Growth for Social Justice. The dialogue was led by a tripartite panel, chaired by the Chairperson of the Meeting, and moderated by Ms Sharanjit Leyl, producer and presenter for BBC World News. The panel was composed as follows:
- Mr Guy Ryder, ILO Director-General;
 - H.E. Sheikh Abdullah bin Nasser Al-Bakri, Minister of Manpower, Oman;
 - Ms Linda Kromjong, Secretary General, International Organisation of Employers (IOE);
 - Mr Felix Anthony, President, International Trade Union Confederation-Asia-Pacific (ITUC-AP);
 - Mr Vivek Puthucode, General Manager, Public Sector, Microsoft Asia-Pacific.
23. *The Director-General* recalled that, on this subject, the ILO was an actor and not just an observer. Its role was not to preach its principles but rather translate the Organization's objectives into action. It was the joint responsibility of the ILO together with governments, employers and workers organizations to determine what could be done together to bring about inclusive growth for decent work. The contributions of each constituent towards achieving this goal need not be a zero sum game. Rather, there was an opportunity for win-win-win solutions despite obstacles ahead. It was the ILO's role to help constituents navigate these obstacles.
24. *Mr Al-Bakri* referred to the vast challenges ahead for employment and productive opportunities in his country but insisted that efforts would reap dividends. Anyone seeking a job in Oman today could receive technical and vocational training and assistance to ensure the proper functioning of the labour market. He hoped that the dialogue and conclusions of the APRM would further serve these efforts.
25. *Ms Kromjong* stated that sustainable enterprises were the answer to inclusive growth. There was a strong connection in this regard to SDG 8, which was about sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all. Without sustainable businesses creating employment, the other SDGs would not be achievable. The IOE's 2015 Bahrain Declaration committed its support for the SDGs, its engagement with trade unions and other stakeholders in dialogue and negotiations, and to implement the UN Guiding Principles on Business and Human Rights and the ILO MNE Declaration for the achievement of social justice.

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26. *Mr Anthony* called upon all member States to pursue social justice on the basis of the 2008 Declaration whose four objectives of employment, social protection, social dialogue and rights at work were inseparable, interrelated and mutually supportive. Promoting inclusive growth ensured that all segments of society got a fair share of economic growth and that no one was left behind. Social dialogue and tripartism were critical in this effort. In particular, only through freedom of association and the right to collective bargaining could genuinely inclusive growth be achieved.
27. *Mr Puthucode* suggested that data was the new currency of the age. It had the power to transform how we interact, do business and develop sustainable societies. The question was how to unite our collective resources towards the achievement of the SDGs. Using technology, there were opportunities both for large enterprises and SMEs along with workers to contribute to realizing these goals. Technology did not determine our future, but could help us choose the right future.
28. *Mr Al-Bakri*, in response to the Moderator's question as to why, despite Oman's solid economic growth, inequality persisted, said his Government was committed to putting in place appropriate regulations to reflect the interests of all parties. In the context of economic growth, the Government adopted laws to address the relationship between employers and workers, strengthen leave entitlements including maternity leave, regulate working hours and generally improve working conditions. Comprehensive efforts had been made to stabilize Oman's labour market while attracting foreign investment. This was the basis for the next phase of development which would enable the country to take advantage of future opportunities in the world of work.
29. *Ms Kromjong* agreed that a stable, reliable and predictable regulatory framework was necessary. Businesses also needed a stable political environment and sound labour market institutions. In this regard, the low ratification rate and weak implementation of ILO fundamental Conventions in the region was a concern for both global and domestic businesses. SMEs were the engine of economic growth, yet global supply chains received much of the attention though they employed only around 20 per cent of the region's workers. Eighty per cent of workers were in the domestic market, and many of these in the informal economy. There was therefore a need for policies to reflect and address this reality and to help small enterprises understand their business environment and legal obligations. To do so, SMEs needed tools to grow in a region with an evidently high spirit of creativity and entrepreneurship.
30. *Mr Anthony* added that businesses needed stable industrial relations, which contributed to productivity. Social dialogue, the right to collective bargaining and freedom of association were essential in this regard. He shared the concern for the low ratification rates and weak implementation of ILO Conventions in the region. The ILO supervisory mechanisms remained crucial to ensure Governments respected their international obligations. However, violations of forced labour and child labour persisted in the region and the situation in some countries had deteriorated. International poverty thresholds no longer appeared a meaningful measure when many workers above the threshold struggled to make ends meet while working long hours in precarious jobs. In real terms, many workers were in fact worse off.
31. *The Director-General* clarified that the World Bank threshold of US\$1.90 a day referred to extreme poverty and noted that 1 in 10 working people remained unable to move beyond the threshold. There was a need to reorient thinking about the aims of the Decent Work Agenda. The concept of a living wage had appeared in the ILO's 1919 Constitution but was being debated anew in many countries. The idea was that all working people should earn enough to support themselves and their families; this could be facilitated through wage and social protection policies.

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32. *Mr Puthucode*, when asked who was responsible for providing skills development for workers, said it was a shared responsibility between government and business. Governments needed to make these opportunities more accessible to workers and businesses needed to identify knowledge and skills in demand. The key was understanding the skills required by workers in the future and how skills development policies and programmes could address that need.
33. *Mr Al-Bakri* viewed labour market stability as a magnet for attracting investment and jobs. He detailed innovations from his country such as the Scientific Council and Technology Oasis that encouraged youth skills development and self-employment, particularly in science and technology. These initiatives had contributed to an increase in SMEs from 78,000 to 168,000. At the same time, the Government extended social insurance protection to the informal economy together with business start-up incentives to help workers transition to the formal economy. He noted the important role of the social partners in developing these policies and programs.
34. *The Director-General* noted the debate about the impact of the fourth industrial revolution on the world of work and whether the resulting net job creation and destruction would be positive or negative. While there was significant difference of opinion, technology alone would not determine our destiny. This depended on the policies adopted to manage technology for the greatest social benefit. Would the platform economy prove anecdotal or was it a precursor of the world of work to come, transforming the employment relationship into episodic commercial relationships with consequences for social protection and income distribution? Current political developments called into question the current model of globalization, which had greatly benefited the Asia and Pacific region. If this was a new historical rupture, countries in the region would need to look more to domestic markets and the role of social protection, minimum wages, and labour market institutions to ensure continued dynamism.
35. *Mr Puthucode* agreed that technology alone was not the answer. However, the need to create millions of jobs in the region, the increasing cost of living, urbanization, ageing societies and changing career expectations of young people were all affected by technology. Governments and employers' and workers' organizations needed to understand where technology was headed and how it could be part of the solution to these challenges. Microsoft's Micro Youth Works platform connected aspiring youth with training needs and entrepreneurial opportunities. The use of data and ease of mobile communication could also help understand the actual living wage needs of workers. Technology further opened opportunities for the participation of women in the workforce and was a powerful tool for combating trafficking in persons and the worst forms of child labour.
36. *Ms Kromjong* suggested that rather than viewing technology as disruptive, it should be embraced and made to work for us. The future of work was now. The difference with the current transformation was the speed of change in the world of work. This also meant a transformation in the need for certain skills particularly in the fields of science, technology, engineering and mathematics – reflecting a general trend from lower to higher skills. Technology also gave new opportunities to women, the disabled and elderly, especially through e-learning. There remained a need to encourage lifelong learning and adaptation, particularly among young people, to remain employable. Apprenticeships were another useful approach to ensure that people learned marketable skills. Moreover, flexible migration policies were needed so businesses had access to talented workers, wherever they might be.
37. *Mr Anthony* agreed with the importance of skills development and apprenticeships. Singapore's initiative on lifelong learning was a successful strategy to help workers adjust to the changing world of work – particularly with the increase in informal work located outside of traditional workplaces.

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38. *Mr Puthucode* commended the Singapore initiative on adult education. Despite technological innovations, there was still a need for language, creativity and computational skills. However, many countries lacked a blueprint for building these skills. There was nonetheless a changing mindset towards fostering a learning culture as part of a broader social transformation. Inclusive growth also meant inclusiveness for the estimated 250 million people with physical or mental disabilities, and technology had a proven track record in helping these individuals live fulfilling lives.
 39. *Mr Anthony* drew attention to the working conditions of those who manufactured the technology used today. Workers who moved from rural to urban areas faced sometimes acute social challenges, leading to incidences of suicide in the electronics industry. Action should be taken to improve working conditions in the sector.
 40. *The Moderator* raised the issue of women as an untapped resource and highlighted the underrepresentation of women in wage and salaried jobs across the region compared with men.
 41. *Mr Al-Bakri* referred to the 2008 ILO Declaration on Social Justice for a Fair Globalization and the simultaneous evolution of information technology and need for skills development. Women and men had the same employment rights in the Arab States. This was particularly evident in the public sector where, in Oman, women represented 50 per cent of the workforce. In the private sector however, women only represented 22 per cent of workers. A 2040 Action Plan in partnership with the private sector in Oman aimed to further increase the presence of women in private enterprise. This included through information technology, which provided opportunities for remote work, improving access to the labour market for women and disabled workers.
 42. *Ms Kromjong* stressed that there were no excuses for limiting equality of opportunity for women in the labour market since women constituted 50 per cent of the productive population. This could be promoted even through small actions such as not participating in panels or management teams that only comprised men. The culture of gender equality needed to be set at the top.
 43. *Mr Anthony* aligned himself with the IOE statement and noted that improvements in gender equality could be made even within the APRM itself where the participation rate of women at the meeting was only 22 per cent.
 44. *Mr Puthucode* added the need for positive affirmation of women in the technology sector, especially if data was today's currency. Policy makers together with the private sector needed to consider meaningful ways to increase female enrolment in educational programs that taught skills for the technological age.
 45. *Mr Al-Bakri* pointed out that the participation of women was not only a matter of quantity, but also a matter of quality, and that emphasis should be placed on quality.
 46. *The Director-General* responded that the ILO had a target of 30 per cent participation for women in all its meetings. It was the responsibility of ILO member States to ensure a balance between men and women in their delegations. More significantly, the record in the region on women's participation in the labour market and pay equity was poor. Certain societal views limited the opportunities of women to obtain decent work. Meanwhile, the fundamental Conventions on gender equality and non-discrimination were among the most widely ratified ILO instruments. Despite this, the average gender pay gap in the region remained between 18 and 20 per cent. There was a need to address the structural inequalities and barriers that women faced over the course of their lives. Innovations were needed, including the use of new technology.

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47. *A representative of the Hong Kong Confederation of Trade Unions*, upheld calls to focus on fundamental rights in the region, particularly freedom of association and the right to collective bargaining. The rhetoric often differed from the reality on the ground, where inequality and precarious employment were on the rise. The tendency in Hong Kong was for employers to make decisions about conditions of work without consulting workers. This was due to the absence of a legislative framework for collective bargaining. He asked if the focus on inclusive growth had displaced problems related to freedom of association and collective bargaining and if the ILO was prioritizing other areas where it was easier to make progress.
48. *The Director-General* responded that attention to fundamental rights had not been forgotten and the Organization was not moving on to other things. The ILO supervisory machinery was one of the most effective in the UN system and the Committee on Freedom of Association had heard over 3000 cases. Freedom of association and collective bargaining remained both fundamental and enabling rights for inclusive growth. These rights defined the quality of the working lives of women and men and the ILO saw the promotion and protection of these rights as a core mandate.
49. *Mr Anthony* recalled that ILO member States were obliged to respect, promote and realize the principles of the 1998 ILO Declaration. This was not being done in the region, which had also witnessed increases in trade union repression. There was a need for greater focus to promote and respect the core ILO Conventions, including through social dialogue.
50. *A representative of the Confederation of Indonesian Trade Unions (KSPI)*, noted that governments in the region pursued economic development as a basis for measuring success yet inequality continued to worsen. Multinational corporations profited but there was limited redistribution to the workers. Despite earlier critiques of international thresholds for extreme poverty, the threshold in Indonesia was even lower at US\$1 per day. He asked what the ILO could do to address persistent income inequality in line with the 2030 SDGs.
51. *The Director-General* noted these poverty thresholds were useful but not ideal. Many people lived just above the threshold and were vulnerable to falling back. Elsewhere, poverty was sometimes defined in relative terms, as a percentage of median income. The SDG to reduce inequality called for a focus on the poorest 40 per cent. The best way to address income inequality was through well-developed labour market institutions, including mechanisms for collective bargaining. Where collective bargaining was weak, much depended on minimum wage mechanisms. In this respect, he recalled the suggestion of the Indonesian Vice President for a regional minimum wage and its merit.
52. *A Government delegate of Hong Kong, China* noted her Government's commitment to applying the principles of ILO Conventions Nos 87 and 98. The Government had striven to promote voluntary collective bargaining. Measures appropriate to local conditions had been taken to encourage and promote voluntary negotiation between employers and workers or their respective organizations. The Hong Kong SAR Government was fully supportive of social dialogue as was evidenced by the presence of its tripartite delegation, with employers' and workers' representatives of the Labour Advisory Board participating at the Regional Meeting and at the International Labour Conference.
53. *Mr Anthony* noted that there was no enabling law requiring employers and unions to collectively bargain in Hong Kong, China. These laws needed to be in place because voluntary collective bargaining did not work.
54. *The Minister of Labour of the Palestinian Authority*, noted that the Israeli occupation was destroying employment opportunities for the Palestinian people. Attempts had been made to adopt laws on labour rights and other issues, including social protection, but the Israeli occupation remained the main obstacle to progress. The Minister expressed his gratitude to the ILO for its assistance on many issues and called for further support.

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55. *The Director-General* welcomed the remarks of the Minister and reaffirmed the ILO's support to the Palestinian territories as shown by its annual fact finding mission to better understand the realities and needs of Palestinian people on the ground. He called on member States to join the ILO's effort in providing assistance.
 56. *The Moderator* asked the panelists in closing to share their overall perspective on inclusive growth looking to the future.
 57. *Mr Puthucode* said that seeing a visually impaired women receive an award for entrepreneurship was an optimistic sign of future trends.
 58. *Mr Anthony* noted that now was not the time for slogans but for achieving results in line with fundamental principles and rights at work since there remained huge decent work deficits in the region despite the achievements during the last Asia-Pacific Decent Work Decade.
 59. *Ms Kromjong* said that challenges remained but she was optimistic they could be overcome through creativity and entrepreneurship. What was needed was mature social dialogue between all the partners. The issue was not a lack of regulation but rather a lack of enforcement.
 60. *Mr Al-Bakri* noted his optimism and the need for continued social dialogue, skills development and vocational training to drive inclusive growth.
 61. *The Director-General* concluded that much depended on whether there would be action on the issues. There were already many examples of progress in past and difficult situations. He was reminded of the Bhopal tragedy 32 years previously, after which the ILO adopted the Prevention of Major Industrial Accidents Convention, 1993 (No. 174). Following the Rana Plaza collapse in Bangladesh in 2013, the ILO decided to act together with its partners to help the country develop measures to prevent future incidents through strengthened labour governance institutions. Now better policies and monitoring mechanisms were in place.

Information session

62. A summary of the information session on *Fair Migration with a Focus on Recruitment* session is given in Appendix I.

General discussion on the report of the Director-General: *Building an inclusive future with decent work: Towards sustainable development in Asia and the Pacific*

(The Regional Meeting observed a minute of silence to pay tribute to the memory of the victims of the earthquake in the Northern Aceh Province of Indonesia.)

Presentation of the report

63. *The ILO Regional Director for Asia and the Pacific* introduced the Director-General's report, *Building an Inclusive future with decent work: Towards sustainable development in Asia and the Pacific*. The report took stock of the region's experiences during the Asia-Pacific Decent Work Decade, analysing the megatrends affecting the world of work, and inviting the region to renew its commitment to an inclusive, prosperous and sustainable development paradigm of decent and productive work for all women and men. She pointed to the centrality of decent work in the 2030 Sustainable Development Agenda.

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64. *The ILO Regional Director for the Arab States* reviewed key gains the region had achieved during the Asia-Pacific Decent Work Decade. These included 5.3 per cent productivity growth, 4.2 per cent real wage growth, 180 million people lifted out of poverty, 60 million workers out of vulnerable employment, and 50 per cent of workers attaining middle class status. However, challenges remained. 192 million workers remained in extreme poverty, 1 billion in vulnerable employment, only 43 per cent of women in the labour force compared to 79 per cent of men, 90 million unemployed, 78 million child labourers and 11 million workers in forced labour. The low ratification rate of ILO core Conventions was disappointing. Countries in the region spent less on social protection compared to the global average. Simply maintaining the status quo was not an option for the region. That would mean that 94 million workers would be out of work by 2030, while 249 million more jobs would be needed by then. If the gender gap were not addressed, the region could lose up to 4.7 per cent of additional economic output.
65. *The ILO Regional Director for Asia and the Pacific* said the report showed that Decent Work Country Programmes (DWCPs) had been increasingly been used as the vehicle for the delivery of ILO support to member States. DWCPs were nationally owned programmes that focused on a limited number of country specific priorities that were developed and implemented with active participation of ILO's tripartite constituents, and supported by the expertise of our Decent Work Specialist Team. Progress towards attainment of the SDGs depended on how the world of work responded to current regional megatrends and external drivers: demographic shifts, increasing labour migration, rapid technological innovation, regional integration and just transition to a 'green' society. The report called for action to build an inclusive future with decent work in the region, based on ILO's founding principles and values. The key regional priorities included focusing on job-rich economic growth, improved labour market governance, robust and relevant labour market institutions, fair migration, a culture of effective social dialogue; and improved labour market information in order to monitor the progress and challenges of the 2030 Agenda.

Discussion of the report

66. *The Employer spokesperson* recognized the remarkable economic success of the region, including significant poverty reduction. However, he emphasized the key remaining challenges, taking into consideration the continuous change driven by globalization, new technology and demands from society. New industries and occupations had emerged, yielding opportunities and benefits, while old ones declined, negatively impacting employment. Proliferation of flexible and diverse forms of work was a part of this new development, in response to the need for new production models and also for greater adaptability to customers' needs. It was therefore necessary to seek ways to promote growth of those forms of work, taking due account of both employers' and workers' needs.
67. He said that the group was concerned that the report focused too much on risks rather than benefits of new technologies. The analysis should have gone further into ways to take advantage of new technologies and the preparation of the workforce for the jobs of tomorrow, without losing sight of national diversity and specific characteristics. There was great potential for economic growth and job creation, as regional integration increased: the young population was well-placed to ride the digital revolution.
68. With reference to SDGs 8 and 9, the Employer spokesperson stressed that businesses could contribute to the enabling environment by being responsive to labour markets, by accessing women's potential through the promotion of flexible forms of work, and contributing to skill development by highlighting labour market needs, participating in the elaboration of labour market policies and regulations through national employers' organizations. It was also important to eliminate institutional corruption and to reduce bureaucratic red tape, as called

for under SDG 16. Clear and consistent measures should be taken to address informality and migration. Without these, it would remain difficult for enterprises to hire or transfer skilled workers into their countries in a predictable and cost-effective way. The ILO should support its constituents on specific challenges, identified through evidence-based research, and such support should be up-to-date and reflect the differing realities within countries; the Organization should work to build the social partners' capacity, promoting synergy and policy coherence both internally and in collaboration with other agencies, such as the Asian Development Bank and World Bank. A less protectionist approach was required. The speaker welcomed the setting in motion of the Standards Review Mechanism and the updating of standards as foreseen in the 2008 Social Justice Declaration.

69. *The Worker spokesperson* said the report should better analyse the growing obstacles facing unions in their activities, especially with regard to industrial relations practices and the lack of tripartite dialogue on labour issues. It failed to provide information on specific action taken by the ILO to implement the conclusions of the 15th APRM. This must not be repeated for the 16th APRM. Analysis was also insufficient as regards growing wage inequalities - wage growth had not kept pace with labour productivity. Inadequate opportunity for collective bargaining had resulted in the declining labour share of income.
70. He noted that wage increases had been mostly in the export industries, as in Cambodia, Indonesia and Viet Nam, where wages had risen following industrial action. In Bangladesh, the international focus on the garment industry following the Rana Plaza disaster and other tragedies, had lifted wages. In many Asia-Pacific countries, wage increases depended solely on the installation of minimum wages. Workers should be paid a living wage – an income that would provide a decent living and dignity for the workers and their families. The United Nations calculation of the poverty threshold set at US\$1.90 was unrealistic.
71. He felt that the report paid insufficient attention to the lack of strong and independent trade unions. This lack made it impossible to bargain collectively with employers, and very difficult to participate in national policy development debates and influence changes to labour laws and other related matters. Achieving universal ratification of core Conventions by 2015 had been a policy measure adopted by the ILO. But no resources had been set aside for promoting such ratification, all action had been left entirely to ACTRAV. Unless the Office worked in a coordinated manner results would be slight. It was unclear whether any DWCPs set ratification as a priority, how priorities were decided, and whether they reflected the needs of constituents. Many technical cooperation programmes had taken place in Bangladesh but the right to organize was still not recognized.
72. The group observed that the report contained no information on promoting tripartism at national level. In some countries which had ratified the Tripartite Consultation (International Labour Standards) Convention, 1976 (No. 144), tripartite meetings had not been held or had been abolished. In many countries, including India, unions were not involved in the process of law reform or other matters requiring tripartite involvement. This was a growing trend in the region.
73. The group felt that certain good developments where ILO action had proved successful should have been reported. The cases of Myanmar and Fiji could have been highlighted as examples where the ILO machinery had proved effective. These cases could have been used to demonstrate the effectiveness of the ILO supervisory mechanisms and shown the significant role that unions and the ILO could play in safeguarding labour rights in a country.
74. He stated that global supply chains accounted for 60 per cent of jobs in the region, but the working conditions and labour rights in these enterprises caused concern. To attract investment, governments, together with employers, had deliberately kept wages low. In many EPZs and special economic zones the right to form unions and bargain collectively was absent. Their workers were often women from poor rural sectors. Many were basically

informal workers as they lacked proper contracts. CSR initiatives were useful but could not replace the role of the unions. The ILO Better Work Programme which assisted workers and managers at enterprise level on labour management issues should not be engaged where there was no union presence.

75. He noted that the report covered the issue of public private partnerships and the promotion of social dialogue in five paragraphs. The Workers' group required more information on the ILO PPP between H&M and Better Work. Migrant workers in most countries could not join unions and faced severe economic exploitation, social exclusion and political disenfranchisement. None of the migrant receiving countries had ratified the ILO migration instruments. The report pointed to the high number of workers in informality. Formal jobs were being made informal through subcontracting and recourse to other precarious employment conditions. A large number of rural workers worked in the informal sector. The right to organize and collective bargaining should be extended to rural agricultural workers. None of the countries in the region had ratified the Maternity Protection Convention, 2000 (No. 183). The group called for ratification and implementation of ILO social protection instruments. There was a lack of women in leadership positions in the labour management area; the ILO and constituents needed to work together to remedy this. In the section of the report stressing the need for adequate policies on job creation and skills training, it should be made clear that trade unions must be part of the planning process. In respect of labour inspection, the existing number of labour inspectors was inadequate, inspectors lacked training, did not have proper equipment and were poorly paid. In India recently the Government had introduced legislation allowing enterprises up to a certain size to self-inspect. This dangerous trend must be stopped.
76. He said that a number of key ILO agendas had been absorbed into the SDGs. To achieve their aims it was important that the social partners were involved and participating at national level. This could only happen if unions were able to organize. The group appreciated the Director-General's future of work initiative. This would provide an excellent opportunity for member States, working together with unions and employers, to discuss the future of work and consider solutions that would assist national development and provide decent work. The region, and particularly the Pacific island countries, also had great concerns arising from climate change. Action and programmes to tackle climate change and promote green jobs should be taken.
77. *The State Minister of Health, Labour and Welfare of Japan* drew attention to her country's efforts in addressing employment-related issues in post natural disaster situations. The research work undertaken by her Government had contributed significantly to the process of revision of the Employment (Transition from War to Peace) Recommendation, 1944 (No. 71). She confirmed her Government's strong commitment to addressing socio-economic challenges deriving from demographic factors. Japan had taken a number of connected policy measures, including the extension of retirement age, the extension of employment insurance to workers after the age of 65, the establishment of numerical targets for women at enterprise level and the expansion of childcare facilities. The Government also extended support to other member States in the region through an ILO technical cooperation programme focusing on the establishment of national social protection floors and the improvement of occupational safety and health systems in global supply chains.
78. *The Minister of State for Manpower of Singapore* referred to the key messages in the report, which included achieving job-rich economic growth; promoting skills development and harnessing the power of tripartism. In addressing the challenges and opportunities offered by technological innovation the report took account of national context. Various policy initiatives had been launched in Singapore to promote technological transformation, skills forecasting and lifelong learning. In parallel, measures had been introduced to raise retirement age and make workplaces more age-friendly through technological

improvements. Flexible working arrangements were also promoted. These policy innovations had benefited from tripartite consultations.

- 79.** *The Vice Minister of Human Resources and Social Security of China* emphasized that job promotion remained a key priority for China, supported by sound social protection measures. National efforts during the next five years would focus on promoting high quality employment on the basis of a harmonious labour relation system with Chinese characteristics. China had adopted the Declaration on Innovation and Inclusive Growth: Decent Work, Enhanced Employability and Adequate Job Opportunities, which prioritized the promotion of pro-employment strategies and the implementation of an entrepreneurship action plan; the formulation of an employability enhancement strategy; the promotion of wage increase mechanisms; and the introduction of universal social protection systems in keeping with national conditions.
- 80.** *The Minister of Cooperatives, Labour and Social Welfare of the Islamic Republic of Iran* noted the limited success in achieving sustainable social progress across the region. The ILO should promote its mandate and address more vigorously the inherent interaction between peace and work. Iran was a country characterized by fast-growing urbanization and an increasing number of refugees. The Government extended to all refugees a broad range of social services, including health and education, and recognized their contribution to the national economy. Iran had introduced several policy measures aimed at improving education levels which resulted in high-enrolment levels for female university students. Gender distribution of faculty members was also reaching parity levels. Social protection measures also included free universal health insurance coverage and cash subsidies to address the needs of disadvantaged families.
- 81.** *The Employer adviser and substitute delegate from Bahrain* highlighted forced migration, financial instability, introduction of new technologies unknown in parts of the region, such as alternative energy sources, as key challenges affecting industry. The Employers had taken a number of initiatives in Bahrain, including building strengthened research capacity; the introduction of measures aimed at extending health insurance coverage; including to migrant workers, the establishment of wage protection systems; and the creation of youth entrepreneurship initiatives.
- 82.** *The Minister of Employment and Labour of the Republic of Korea* highlighted some of the persisting challenges and opportunities faced by the Asia-Pacific region. Structural reform had been undertaken, which included the introduction of a new wage system based on performance, and a personnel management approach based on competency and performance. These measures were aimed at protecting the most vulnerable workers. Other advances included new online job-placement services, vocational training curricula which better reflected labour market needs and counselling services. Dedicated measures to improve women's labour force participation rates had also been introduced. Extending additional support to entrepreneurship initiatives, in line with G20 decisions, was of great importance.
- 83.** *The Worker delegate of Singapore* noted the impact of changes in the world of work, which affected workers' skills and required better coordinated policies. It was imperative to overcome skills mismatches, identify growth sectors, and organize tripartite consultations. It was necessary to identify industry's needs, seek investors, provide career guidance and relevant skills training. The new challenges of the world of work should be addressed through inclusive tripartite partnership: government should reinforce collaboration with the social partners.
- 84.** *The Minister of Administrative Development, Labour and Social Affairs of Qatar* said that job creation and decent work, along with the improvement of working conditions and social security, were major challenges in his country given the steep fall in oil prices. The Government was trying to overcome the negative impacts of this through time-bound

strategic plans, such as Vision 2030 and the National Strategic Plan 2017-22. Qatar hosted a large number of labour migrants and was making efforts to improve their working conditions. These migrant workers remitted billions of dollars to their respective countries. Qatar was developing legislation aimed at making decent work a reality for migrant as well as for national workers.

- 85.** *The Minister of Labour of Thailand* said that unemployment was one of the key challenges his country faced, as did the rest of the region. Such challenges should be addressed through consultations. Good quality jobs brought income and promoted prosperity. However, labour market institutions needed to undergo reform as a prerequisite to quality jobs. Relevant education policies were required in order for prosperity to be truly inclusive.
- 86.** *A Government delegate of India* said that jobs, wages and social security were his Government's priorities. More jobs were needed across all sectors of the economy. Micro, small- and medium-sized enterprises-creation would be the key engine of growth. The Government had initiated various employment programmes such as the national rural employment guarantee scheme, reducing employers' social security contributions in order to generate employment, as well as the social security initiative for informal workers. The government was in the process of harmonizing and simplifying the labour laws, prohibiting child labour under the age of 14 years and promoting social dialogue.
- 87.** *The Employer delegate of Japan* noted that various strategies were required for Asia and the Pacific to continue on its path of growth with globalization and innovation. For globalization, inter-regional trade through Association of Southeast Asian Nations (ASEAN) Economic Community and Trans-Pacific Partnership (TPP) should be promoted. Strengthening governance would create an enabling business environment. Developing human resources in the relevant fields was important for innovation. It was thus essential that Japanese employers provided various forms of training, including on-the-job training and other in-house training to existing and future workers. The ILO should research global good practices and share these with the employers. Japanese employers were committed to job creation through tripartite consultation.
- 88.** *The Worker delegate of the Republic of Korea* supported the call for action to create jobs and better working conditions. Decent Work was central to achieving the SDGs, especially SDGs 8 and 9. South Korean workers were suffering at the hands of the Government, which did not respect international labour standards and ignored ILO recommendations. Peaceful demonstrations were met with water cannons. One worker had lost his life by being hit by a water cannon. Another union leader had been sentenced to five years' imprisonment.
- 89.** *The Worker delegate of China* stated that the world was facing many uncertainties, arising from complex geographical factors, conflicts, refugee crises, and climate change. If not addressed, these represented potential risks when coupled with profound economic and demographic changes. Worker organizations should advocate for stronger regional governance, a strengthened Asia-Pacific partnership and the implementation of the 2030 Agenda. Tripartism and social dialogue should be reinforced to generate employment and enhance social security for workers. China was developing the infrastructure to establish an Asia-Pacific Free Trade Zone. The Chinese trade unions were providing support to their members in the areas of capacity building, protection of workers' rights, overcoming the negative impact of structural reforms, raising skills levels, targeted poverty alleviation programmes and an online assistance programme.
- 90.** *The Employer delegate of India* stated that his country had to create a minimum of ten million jobs per year to cover existing unemployment and to cater for the new annual labour market entrants. These jobs could not be created in the organized sector alone. The country must therefore aim to create entrepreneurs and small enterprises that would generate this number of jobs. Small enterprises could go on to produce large numbers of jobs. It was

important that young entrepreneurs were provided with the relevant market skills. In India, 1500 training institutes had been selected for upgrading in order to provide these skills. He noted an experience in Germany, where apprenticeships provided an alternative way of ensuring young people obtained the requisite skills. One possible path might be that of a joint apprenticeship programme in partnership with the employers, where government provided a stipend for the trainees.

91. *The State Minister of Labour and Employment of Bangladesh* said that his country had achieved an average annual economic growth rate of 6 per cent during the Decent Work Decade. The country had learned lessons from such tragedies as the Rana Plaza disaster, and had amended the Labour Act, develop labour inspection machinery and improved occupational safety and health (OSH) at the workplace. The Government developed and adopted a national OSH policy and was currently developing a national action plan for its implementation. Various programmes had been launched including a social safety nets programme, group insurance schemes for informal workers and a social dialogue programme launched with ILO technical assistance. Skills development programmes for self- and wage-employment had also been successfully implemented.
92. *A Government representative of the Philippines* said that his country was working to improve employment quality not only through measures which allowed businesses to remain competitive and lower their costs, but by fighting corruption and transforming its public institutions into honest, responsive and accessible services, accessible in particular to those most in need. According to leading global institutions, the country's economic outlook for the next 6 years was very strong. Nevertheless, inclusive growth would only come about through concrete measures aimed at tackling persistent youth unemployment, underemployment and vulnerable employment. The Government had established three priorities to achieve this: (1) curbing illegal forms of contractual work through the enforcement and strengthening of the existing legal framework; (2) promoting full and productive employment for all, including young people, women and low-skilled workers who were unemployed, underemployed or in vulnerable employment; (3) addressing the vulnerabilities of workers involuntarily displaced due to natural disasters, crises and other emergencies. The ILO should support regional cooperation on universal health coverage and social security, covering migrant workers. Lasting peace could only be attained by meeting the fundamental needs of every citizen. The Philippines was committed to achieving inclusive decent work and economic growth.
93. *The Worker delegate of Thailand* recognized that the Government's committed public policy had brought about overall improvements in workplace conditions. Likewise, skills assessment initiatives had improved job satisfaction and the quality of goods produced. The labour administration was taking part in a number of projects, which proved tripartism was being upheld and there was awareness of the importance of sustainability. Stability and prosperity would bring about sustainable development of the domestic labour market, in line with King Bhumibol Adulyadej's philosophy. Thailand would contribute to building a future with decent work and sustainable development in Asia and the Pacific.
94. *The Employer delegate of the Republic of Korea* noted the shift in labour markets in the region towards new technology and new forms of employment. Formal workers earned up to four times more than informal SME workers. Youth unemployment in Korea was at its highest since 1999 and conditions for workers were poor, involving excessive working time. These challenges must be addressed in pursuing inclusive growth. More attention should be paid to work in the services and agricultural sectors where technology had improved working conditions. The priority should be on the quality, not only the quantity of jobs. Labour market conditions should include equal opportunity, fair remuneration and redistribution. The seniority-based compensation system was outdated and detrimental to high-performing young workers. During labour market reform, employers should not seek to reduce labour costs, and trade unions should pursue the interests of all workers, not only their members. It

was essential for employers to view job creation as the ultimate form of CSR. The ILO should make job creation a top priority, especially for young people.

95. *The Minister of Labour and Social Welfare of the Lao People's Democratic Republic (PDR)* said that Lao PDR was pursuing economic growth with a focus on human resource development under its 8th Five-Year National Social-Economic Development Plan. The Ministry was promoting and protecting the rights of workers, promoting employment and strengthening its labour market information system under its own strategic five-year vision to 2030. The recently concluded Decent Work Country Programme (2011-2015) had covered skills development, employment promotion, entrepreneurship, social dialogue, industrial relations and labour market administration. The Government was studying the development of a strategy on social protection through social partnership with workers and employers and had recently signed a new Decent Work Country Programme (2017-2020). The recent Vientiane Declaration on Transition from Informal Employment to Formal Employment towards Decent Work Promotion in ASEAN showed the commitment of Lao PDR to implement the Transition from the Informal to the Formal Economy Recommendation, 2015 (No. 204) and to pursue the SDGs. ILO support to Lao PDR would be welcome in these efforts.
96. *The Worker delegate of Bahrain* noted the need to increase the participation of women in the workforce. In Bahrain, women represented more than 30 per cent of the labour market, but greater efforts were needed to address discrimination in employment including through the ratification and implementation of the relevant ILO fundamental Conventions. Migrant workers accounted for 60 to 90 per cent of the workforce in Gulf Cooperation Council (GCC) countries; a system that guaranteed their rights without discrimination was needed and required a cross-country, cross-sectoral approach. Outsourcing and the shrinking share of permanent jobs resulted in unequal working conditions. He said that Bahrain had signed a DWCP in 2010, but had not taken the necessary measures implement it. The trade unions in Bahrain had called on the Government to accelerate efforts to deliver on its decent work agenda, especially since the country had all the necessary capacities and resources to do so.
97. *The Minister of Human Resources of Malaysia* stated that inclusiveness, always a key principle for Malaysia, would remain so under the Eleventh Malaysia Plan (2016-2020), which concentrated on economic growth and increased distribution of national wealth. The plan aimed at improving labour market efficiency to accelerate growth, with an emphasis on increasing labour productivity and wages. This meant creating more high-skilled jobs by favouring investment in knowledge intensive fields and by reducing wage gaps to improve the wage share of GDP. Measures included regulatory reforms, integrated information systems and targeted programmes for youth and women to increase labour participation. Technical and Vocational Education and Training (TVET) was under review. It was projected that 60 per cent of the 1.5 million jobs created in the country by 2020 would require TVET skills and significant institutional investments were being made to meet this need and to ensure industry-relevant TVET services. Lifelong learning was vital to ensure continuous skills enhancement for those 15 years and above. The pioneer Recognition of Prior Learning programme would help also to ensure the recognition of workers' experience and expertise for certification.
98. *The Minister of Labour and Employment of Nepal* noted the region's potential for achieving inclusive growth, sustainable development and eradicating poverty. This required strengthened partnerships to promote investment, technology transfer and innovation. Low productivity and informal work prevailed in many countries and concerted efforts were needed to create employment opportunities in both rural and urban areas. Transformation of jobs must be accompanied by transformation of skills. In predominantly agrarian Nepal, more jobs were necessary to ensure social justice and peace. Nepal's new Constitution laid the ground for the right to employment and fundamental labour rights. Additional legal and policy reforms had been adopted to help create more productive work, manage labour

migration, protect marginalized workers, and strengthen social dialogue. Many young workers left Nepal for employment and there was a need for orderly, humane and regular migration to ensure continued productive job opportunities. Regional consultative processes such as the Colombo Process and Abu Dhabi Dialogue were important platforms to shape mutual understanding and cooperation. The ILO should enlarge its support to Nepal to help it move faster towards stability and prosperity following the devastating 2015 earthquakes.

- 99.** *A Government delegate of Indonesia* said that decent work was a major driver towards achieving the SDGs. The Asia-Pacific region had a significant role in this regard but faced the challenges of ageing societies, technological change, economic integration and the greening of production. A number of initiatives were being carried out in Indonesia under its DWCP. This included building the capacity of employers and workers to realize harmonious industrial relations. Initiatives were in place to ensure social protection for all, including children, migrant and domestic workers. Job creation for inclusive growth was being pursued through various innovations to develop the skills of workers, especially women and young men, and to facilitate skills matching through an online labour market information system. The Government was working at the bilateral level on protection of migrant workers, issuing a moratorium on the placement of unskilled workers, as well as at the ASEAN level on instruments to protect the rights of migrant workers and their families. Indonesia supported the call for action in the Director-General's report. The ILO should develop its work in response to specific SDGs, taking account of national context.
- 100.** *The Minister of Labour of the Palestinian Authority* recalled the continued suffering of Palestinian workers and their families under Israeli occupation. Despite the Government's best efforts to bring about labour market reforms, unemployment and poverty were rising with 30 per cent of the workforce below the poverty threshold. Negative growth prevented the private sector from generating jobs. National priorities for 2017-2022 focused on various decent work priorities including implementing the Palestinian Fund for Employment and Social Protection to cover 900,000 workers; adopting regulations on trade union activities to ensure freedom of association and the right to organize; and a review of labour legislation to protect workers' rights in the areas of safety and health, cooperatives and minimum wages. The Government was committed to respecting international labour standards in law and practice and sought to strengthen partnerships with regional and international organizations to support these efforts.
- 101.** *The Employer delegate of China* said that his organization, the China Enterprise Confederation (CEC), was promoting innovation to accelerate business transformation and upgrading, including through international cooperation. Chinese companies needed to be leaders in developing SMEs in the supply chain. The CEC also worked to build harmonious industrial relations including through monitoring workplace relations during structural adjustment and advising the Government accordingly. There were 270 million rural migrants working in China's cities. These workers were a tremendous resource for Chinese businesses and their rights, including equal pay, needed to be protected. The CEC worked with its members to identify changes in the business environment and labour market to facilitate skills upgrading and optimize job creation. CSR was actively encouraged to fully respect the rights of workers and move to a green and low-carbon business strategy. The ILO should work further with constituents in the region to build more effective labour governance systems.
- 102.** *The Employer delegate of Thailand* said that businesses in Thailand needed to increase competitiveness through respect for decent work in the context of global trade. Thai companies were aware of the requirements of international buyers as a result of social auditing, including with respect to workers' rights. The Government was strengthening the legal framework to enhance SME competitiveness. The Government was also combating child labour and discrimination. More companies were providing childcare facilities to improve work opportunities for women as well accommodation for disabled workers. The

Government was improving the management of migrant workers to prevent undocumented and precarious work. Labour shortages in the country compelled industries to join together in partnership to enhance quality service and productivity. Companies were also encouraged to develop industry standards for skills development to improve productivity and wages. This was essential to help prepare both companies and workers for the effects of the fourth industrial revolution.

- 103.** *The Worker delegate of the Philippines*, admitting that while Asia and the Pacific was perhaps the factory of the world, it was also a region of glaring decent work deficits, with growing recourse to non-standard forms of work, while the economic benefits of high growth rates were not widely shared. Competitiveness alone was insufficient. Multinational enterprises (MNEs) needed to be held accountable for labour violations in global supply chains. A set of policy imperatives was needed to address these deficits, including in the Philippines. Investment incentives must be linked to quality jobs and trade agreements tied to international labour standards. Labour law compliance should be strengthened and exploitative work arrangements such as contract labour ended. The Labour Relations (Public Service) Convention, 1978 (No. 151) should be ratified and the rights of migrant workers protected. Anti-trade union crimes, including murders and abductions, must not go unpunished.
- 104.** *A Government representative of Jordan* suggested that the aggregate data for the region in the Director-General's report did not help to evaluate the needs of the different countries. The region could have been more helpfully divided for data purposes according to levels of development or implementation of international labour standards. Jordan delivered a number of achievements under its latest DWCP (2012-2017). It had adopted a new law on social protection covering self-employed workers, and was the first Middle East country to provide maternity protection and ratify the Social Security (Minimum Standards) Convention, 1952 (No. 102). It had extended child labour protection. The large number of Syrian refugees in the country, who competed with nationals for already limited job opportunities, posed a serious challenge. Efforts were also being made to improve the participation of, and equal pay for, women workers.
- 105.** *A Worker substitute delegate of India* noted that contract labour and migrant labour posed significant challenges to trade unions. While the Director-General's report spoke of job and wage increases in the region, there was minimal increase in low-skilled job opportunities where wages and working conditions remained poor and informality high. Progress had been made, but the situation for many workers was harsh and the informal sector could not organize. The poor thus became poorer, endangering social stability. Labour migration occurred from rural to urban areas, between States in India and between countries. This led to registration and social security entitlement problems. A separate law was needed to address the decent work deficits of migrant workers. But implementation was key and in this regard, implementation of labour standards with respect to migrant workers had failed in recent years.
- 106.** *The Worker delegate of Japan* noted the progress made during the Asia-Pacific Decent Work Decade, referring to Fiji and Myanmar as examples of democratization progress. However, many challenges remained, including growing inequality, gender inequality, and a low ratification rate of ILO standards, as well as a number of emerging challenges, such as natural disasters, refugee crises and migration-related issues. Constructive industrial relations must be established through social dialogue to unleash the full potential of the region. Sound industrial relations were indispensable for maintaining and expanding quality employment and fair distribution of profit. The growth of MNEs, which made use of supply chains made the promotion of social dialogue more important. The ratification and full implementation of core ILO Conventions would be critical to achieve this.

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- 107.** *A Government delegate of Australia* said that the changes in the world of work brought about opportunities and challenges. Common challenges included the rapid spread of technology and globalization. It was important to prepare for shifts in demand, in order to take advantage of future of work opportunities, promote skills development and decent work, and adapt policy frameworks to help workers transit into new jobs. Australia had established the National Innovation and Science Agenda to help businesses take opportunities arising from technological and scientific progress. Academia and industries should collaborate on youth education and training. Increasing women and youth participation in the labour market was key to growth. The Government had begun implementation of the Youth Jobs PaTH based on a “Prepare, Trial, Hire” scheme to help young job seekers. It was also supporting women’s economic security through paid work, world-class education for women, addressing gender pay gaps, violence against women, promoting women in management and leadership positions. It had prioritized gender in its development programme. Australia had been supporting the ILO Better Work Programme, and this had improved conditions for women workers. She highlighted the importance of the ILO Future of Work Initiative, the SDGs and the important role not only of the Government but also the social partners, private sector and civil society to achieve these global initiatives.
- 108.** *The Minister for Employment, Productivity and Industrial Relations of Fiji* emphasized that Fiji continued to face many challenges in realizing decent work, particularly in providing quality jobs. He agreed with the Report that decent work was a means of ensuring success of many of the SDGs. Full and productive employment and decent work in Fiji were linked to job creation and youth employment. Fiji had made concerted efforts to reform education, with the establishment of Fiji Higher Education Commission, the development of technical colleges and education focused on lifelong learning. Fiji had prepared its first National Employment policy, to be implemented in 2017. It had reviewed its labour law to ensure conformity with ILO Conventions and had ratified eight core Conventions. The national minimum wage was introduced in 2014 and was reviewed in 2015. To generate jobs, Fiji gave priority to micro-, small and medium-sized enterprises and provided financial grants to start-up businesses. Climate change and its impact was of great concern to Fiji. In 2017, Fiji would be Chair of the Presidency of COP 23 on the global climate summit.
- 109.** *The Minister for Labour and Industrial Relations of Papua New Guinea* said that effective labour market institutions were critical to achieving decent work and reducing inequalities. Papua New Guinea was addressing this challenge through its Decent Work Country Programme 2013-2017, focusing on labour reforms in the area of industrial relations employment relations and workers’ compensation, protection and safety. The National Employment Policy was under preparation through tripartite consultations and the national minimum wage was in place to provide a minimum safety net. The ILO should consider looking into a “real living national minimum wage” as a possible guiding principle in wage setting. The country continued to implement its National Action Plan on child labour in collaboration with the social partners, the private sector and civil society. Papua New Guinea had ratified the eight ILO core Conventions.
- 110.** *The Worker delegate of Indonesia* said that trade unions and civil society groups had been at the forefront in promoting freedom of association in Indonesia. ILO Convention No. 144, ratified by the Government, together with the core Conventions were the foundation for social dialogue. Indonesia was implementing a better social protection system, which guaranteed access to health, social insurance, and old age pensions. Indonesian migrant workers were suffering from unfair practices, vulnerable working conditions, exclusion, sexual violence and, in some countries, risked the death penalty. Receiving countries should provide social protection to migrant workers in line with ILO Recommendation No. 202. The Presidential Decree on minimum wage setting in Indonesia bypassed the tripartite mechanism—this was a set-back to the right to collective bargaining in the country. Non-standard forms of employment were on the rise in global supply chains; this undermined job security and the rights of workers to freedom of association.
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- 111.** *The Employer delegate of Indonesia* mentioned the democratic reforms currently taking place in his country, coupled with economic development and growth. These were at the heart of national policies. More attention had been given to human and workers' rights, particularly freedom of association. Social security advances were a national tripartite achievement. There had been improvement in the quality of services and rehabilitation of infrastructures. Employers were hampered by heavy regulatory compliance mechanisms that did not allow for flexibility in hiring and firing. They supported the right to freedom of association but this right needed to be exercised in a peaceful manner. This had not been the case during the most recent demonstrations. The labour law should be brought into harmony with the social security law. For the future it would be necessary to continue work on resource development, including skills development, TVET reform, apprenticeship enhancement and vocational training certifications. Indonesia needed to create three million jobs while the current absorption was for only 1.4 million jobs. Increasing productivity and investments, and promoting collective bargaining were the priorities.
- 112.** *The Vice Minister of Labour, Invalids and Social Affairs of Viet Nam* emphasized that, as the country had become more integrated into the regional and global economy, promoting decent work, active participation in the global supply chain, balancing economic growth, social justice and sustainable development had become important pillars of Viet Nam policies and vision. There had been recent national reforms in the field of Labour Code, Employment Law, Social Insurance Law, Professional Education, Children's Law, and the Occupational Safety Act. All of these legal instruments were revised and promulgated in consultation with tripartite partners. An exhaustive set of measures had been adopted by the Government to ensure the enforcement of law and policies in the fields of employment, OSH, vocational training, gender equality; and the labour inspectorate. Viet Nam was committed to its DWCP 2017-21 and to effectively implementing international economic integration through the new-generation of free trade agreements to be aligned with the goal of decent work for all.
- 113.** *The Deputy Minister for International Labour Affairs, Ministry of Labour and Social Development of Saudi Arabia* welcomed the significant economic development experienced by the region over the past decade. But there were challenges ahead, given the current global instability. As the economy struggled to revive after the 2008 economic downturn, the Asia-Pacific region had proved resilient. He provided an overview of the current efforts deployed by the Kingdom of Saudi Arabia in prioritizing the country's 2030 Vision for the future. This included economic diversification, the creation of decent jobs, especially for women and youth, the investment in competitiveness and in SMEs. SMEs remained the main drivers in the economy contributing 20 per cent of the GDP. In the country's 2030 Vision, SME's contribution was expected to increase to 30 per cent. Numerous initiatives aimed at increasing the participation of Saudi women in the labour market were underway.
- 114.** *The Minister of Commerce, Industry and Labour of Samoa* said that the country his committed to the 2030 Agenda and to decent work. The challenges were isolation, limited natural and financial resources, lack of incubating centres for entrepreneurs and enterprises and Samoa's donor dependency. In recent years, Samoa had made some progress following labour law reform. All constituents were firmly committed to tripartism but Samoa needed more support in capacity building, increased public private partnerships, and equal participation of constituents. Samoa also required technical assistance on reintegration of seasonal workers. The impact of climate change made Samoa's issues unique and, as such, requiring unique solutions. ILO assistance was sought in the following areas: decent work for all; access to employment; transitioning from informal to formal economy; gender mainstreaming and improving employment policies in a better market; improving OSH and the work environment; green jobs; skills development and Labour Market Information Systems.

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115. *The Worker delegate of Nepal* expressed concern at the exploitation, due to unregulated and unfair recruitment processes, of migrant workers. He called for better working conditions of Nepali migrant workers. He supported the SDGs and greater inclusion of women in the workforce. In 2015 the labour legislation of Nepal had been reviewed in this respect, but the result was not satisfactory, although it had the support of 90 per cent of voters, both female and male. Further reform, ensuring inclusion and non-discrimination at all levels should be engaged. Reconstruction following the last earthquake continued. 2016 marked 25 years of historic partnership with the ILO.
116. *The Employer delegate of Bangladesh* said his country required skills development, apprenticeship programmes, market-based skills, inclusive growth with access to jobs for disadvantaged groups such as those with disabilities. Bangladesh had made remarkable socio-economic progress. The manufacturing and service sectors were major drivers of the economy. He congratulated the Global Business and Disability Network and pointed out that mainstreaming women in the labour force would add over 1.2 per cent to GDP by 2030. An ‘employment-led growth strategy’ had been adopted. The country should invest in both hard and soft infrastructure.
117. *A representative of ITUC* said that the Government of India had proceeded to revise and abrogate legislation on trade union rights without recourse to tripartite consultation. Effectively, this eliminated freedom of association and collective bargaining in the country. Moreover, trade unions were excluded from labour legislation revision, and in particular that of the Apprenticeship Act. In recent years, decent and regular work had been shifting into the informal sector. Employers pressurised the Government into changing labour laws to the detriment of workers in the name of national development. This had provoked very widespread strike action. Workers believed the economic growth should have been inclusive and have generated decent jobs. He questioned the Government representative of India’s statement regarding the increase of the national minimum wage from US\$3 to US\$5. The increased amount remained insufficient. Full respect should be given to all UN General Assembly and ILO instruments on freedom of association, collective bargaining and peaceful assembly.
118. *The State Minister of Labour and Trade Union Relations of Sri Lanka* recalled the achievements in the region including higher life expectancy and per-capita income. However, youth unemployment, extreme poverty, informality, a lack of social security, and low participation of women in the workforce remained serious challenges. The nature of work was changing and it was necessary to adjust laws and policies in response to new employment relationships and opportunities, and the effects of globalization. With social partner support, Sri Lanka adopted its first ever National Minimum Wage Act in 2016 and its National Labour Advisory Council helped foster good industrial relations, most recently in the plantation sector. The Asia-Pacific region was diverse and the ILO should examine the various factors contributing to decent work deficits and provide tailored policy guidance.
119. *A Government delegate of Cambodia* said that decent work principles were embedded in Cambodia’s national development policies which sought to achieve inclusive and sustainable growth, expand social protection and strengthen tripartism. A Trade Union Law adopted in 2016 lowered the membership threshold required to obtain most representative trade union status. Moreover, a draft law on dispute resolution and a new mechanism for annual minimum wage reviews in the garment and footwear sector would enhance labour market governance. An anticipated minimum wage law would extend this same negotiation framework to other economic sectors. Cambodia also planned to introduce a pension scheme in 2017, while its National Employment Agency worked to provide improved labour market information services.
120. *A Government delegate of Pakistan* highlighted his country’s focus on human resource development to accelerate growth and development through skills development, especially

for young workers. There was a need to improve the conditions of workers through legal reforms and the development of administrative and social protection systems, in fulfillment of Pakistan's obligations under international labour standards. Under its previous two DWCPs Pakistan revised its labour laws, encouraged trade unions in informal sectors including for domestic workers, developed action plans on OSH and emphasized gender equality and the prevention of sexual harassment. Its newest DWCP was recently launched with four priorities: promoting decent work in the rural economy; promoting jobs for youth and other vulnerable groups; strengthened compliance with International Labour Standards; and extending social protection. Most recently, the Government concluded multi-stakeholder consultations on the future of work across the country.

- 121.** *A Government delegate of Brunei Darussalam* noted that his country had one of the highest rates of high-skilled workers, yet skills mismatches persisted. A national effort was underway to reduce unemployment including through foreign direct investment (FDI)-oriented towards job creation. Moreover, the Darussalam Enterprise (DARE) initiative aimed to foster job growth through local entrepreneurship. Brunei was committed to eliminating forced labour, human trafficking, and child labour. Sustainable and inclusive social protection measures were key to eradicate poverty. To this end, his Government had developed a Supplemental Contributory Pension Scheme, which complemented its Employee Trust Fund.
- 122.** *The Worker delegate of Cambodia* said that the viability of his country's social security schemes was uncertain. The work injury scheme currently covered one million workers; it should be extended to the informal and public sector. The Trade Union Law was adopted in the midst of industrial unrest and imposed restrictions on settling disputes and organizing strikes, requiring unions to share financial information with authorities. These measures violated ILO Convention No. 87 and would make the work of independent unions difficult. Cases on trade union violations had been brought to the ILO, but while the Government agreed to address the issues, little progress had been made and trade union leaders continued to be monitored and subject to criminal prosecution. The planned extension of the minimum wage to all economic sectors was welcomed, so long as the eventual law reflected worker interests and did better than the current minimum wage at meeting basic living needs.
- 123.** *The Employer delegate of the United Arab Emirates* noted that the private sector created millions of jobs for citizens and migrant workers and mirrored the country's socio-economic priorities in line with the principles of decent work. In fact, the non-oil sector accounted for 60 per cent of GDP in 2015, contributing to increased job opportunities and income. The Chamber of Commerce and Industry hoped to further develop the business sector and workforce skills to support the country's sustainable development. The Government was working to establish appropriate social security protections and reinforce social dialogue.
- 124.** *A Government delegate of Hong Kong, China* underscored that her Government accorded great importance to improving and safeguarding employees' rights and benefits. The statutory minimum wage, implemented since 2011, protected low-income workers without negatively impacting on labour market flexibility, economic growth or competitiveness. On social dialogue, the Government adhered firmly to tripartism in the deliberation of labour policies and legislation through the Labour Advisory Board (LAB) along with the active promotion of voluntary and direct negotiations between workers and employers or their respective organizations. For the LAB, the Government followed closely the principle of free choice by appointing employer and employee representatives freely chosen by employer associations and employee unions respectively. LAB worker representatives were freely elected by all worker unions in the Hong Kong SAR and no union was denied the opportunity to vote in the election. Workers' right to trade union membership and their right to take part in trade union activities were adequately protected under the labour laws.

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125. *The Employer delegate of Timor-Leste* emphasized that technical and vocational skills were weak in his country, where 60 per cent of the population were aged under 25 and only 19 per cent of jobs were in the formal economy – mostly in the public sector. The country needed to diversify its economy away from oil and gas through foreign direct investment and integration into global markets through membership in the ASEAN and the World Trade Organization. Building the private sector was also crucial for creating jobs, reducing poverty and tackling high levels of youth unemployment. In this effort, sound laws and good governance were needed to foster business development and fair competition between local and foreign companies. Support for entrepreneurship had to be institutionalized together with strengthening the education system to equip workers with the requisite skills.
126. *A Representative of the International Confederation of Arab Trade Unions* called on the ILO, together with trade unions and employers' organizations, to do more to protect the rights of migrant workers. Despite progress in the region, too many workers remained in extreme poverty and too many young people were still unemployed. The low ratification rates of ILO Conventions only increased worker hardship, widened the gap between rich and poor and threatened social stability. The Director-General's report neglected to consider the role of foreign military intervention and occupation in the plight of workers. Terrorism had destabilized many countries in the region with devastating effects for workers. In addition, national development plans often did not address precarious work and prevalence of informality. Neglecting freedom of association and other worker rights further excluded workers from shared prosperity. This hurt not only workers, but consumption levels and ultimately social stability. The ILO needed to do more to support trade unions so they could fulfil their role of protecting workers.
127. *A Representative of the Institution of Occupational Safety and Health (IOSH)* noted a growing stakeholder demand for transparency and accountability including in corporate reporting requirements. Global developments such as the UN Guiding Principles, the 2030 SDGs and the new ISO 45001 standard on health and safety management systems were welcome contributions in this regard. Many of the health challenges, including ageing societies and extended working lives were long term in nature. As such, health and safety management should be viewed as an investment in the future and not a cost. Resolving the big global challenges required socially responsible employers, governments and skilled workers and IOSH had developed free tools to assist these actors to develop skills to ensure that individuals, businesses and communities benefited from decent, safe, healthy and sustainable work.
128. *A Representative of the International Young Christian Workers* said that investment in national, comprehensive and broadly supported social protection policies was needed to reduce inequality and social exclusion in line with the ILO's Social Protection Floors Recommendation, 2012 (No. 202). The region was particularly susceptible to the effects of climate change, suggesting the need to link social protection and disaster risk reduction with climate change adaptation policies. In particular, realizing the right to health care for all should receive priority attention. There was also a need for stronger more effective regulations for fair migration, including guaranteeing the right of migrant workers to organize and bargain collectively. Improving governance in global supply chains was another priority including the need for a single universal standard on business and human rights with an enforceable grievance mechanism. It was also time to revise existing ILO standards to reflect the need for living wages for workers.

Special plenary debates

129. The Regional Meeting held three special plenary debates on the following topics: Building a Future of Decent Work in Asia and the Pacific – Trends, challenges and policies for jobs creation, rights and equity; Skills for the future; and Strengthening social dialogue for inclusive and sustainable growth.

Building a Future of Decent Work in Asia and the Pacific – Trends, challenges and policies for jobs creation, rights and equity

130. The Government Vice-Chairperson chaired the special plenary debate, which was moderated by Ms Deborah Greenfield, ILO Deputy Director-General for Policy. The panel was composed as follows:

- Mr Manish Gupta, Joint Secretary, Ministry of Labour and Employment, India;
- Ms Lama Al-Sulaiman, member of the Board of Directors, Jeddah Chamber of Commerce and Industry, Saudi Arabia;
- Mr Jianhua An, Director-General of the International Liaison Department, All-China Federation of Trade Unions;
- Ms Maha Ali, Industrial Professor at the School of Management and Logistics at the German Jordan University, Jordan.

131. *The Moderator* introduced key issues related to the topic of the debate. She listed a number of achievements in the region during the last decade, such as remarkable economic growth (average annual growth was 6 per cent in Asia-Pacific and 4.7 per cent in the Arab States), rising living standards, and removing 180 million workers from poverty. However, many challenges remained: 192 million workers were still in poverty, one billion workers remained in vulnerable employment with little or no access to social protection, sixty per cent of all workers in the region were in non-standard forms of employment, informality ranged from 62 to 85 per cent of total employment with larger shares in rural and agriculture areas, and persistent gender gaps such as in labour market participation.

132. *Mr Gupta* responded to a question on the policy mix required to tackle poverty and inequalities by presenting a set of policies that were currently implemented or had been implemented by the Government of India. These included the development of rural employment programmes, formalization of the informal economy and expanding social protection. In India about 68 per cent of employment was rural and 48 per cent in agriculture. The Government had put in place public employment programmes that had lifted millions out of poverty, reduced migration, and reduced exploitation at work. However these programmes posed some challenges: they worked mostly with government subsidy, and it had proven difficult to identify the neediest persons for social assistance programmes. Moreover the viability of a number of micro finance programmes appeared questionable, while public funding to sustain them remained an issue. He gave the example of a policy strategy implemented by the Government of India that focused on increasing the penetration of mobile communication technology in rural areas, which helped in improving skills for farmers. When properly targeted, such policy interventions provided mobile applications and services for skills and productivity improvement, market related information, information and communication technology (ICT) applications, etc., and equally strengthened the existing employment services programmes.

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133. *Ms Al-Sulaiman*, provided insights on what Employers' organizations could do to support competitiveness, productivity and job creation in SMEs. Employers needed evidence-based reports that would help SMEs negotiate with the government. Employers needed a more conducive environment for growth. Having uncertain policies would impede growth. Employers needed to more fully embrace various kinds of transformation. For example, technology was transforming the manufacturing industry from an unskilled mass workforce to a technology-based skilled industry. Economic growth in certain sectors was dependent on migrants and Employers needed to change their attitudes to support more diversity.
134. *The Chairperson* addressed a question on the millions of workers in the informal economy and vulnerable employment, and on how to reduce informality and vulnerability, particularly for migrants, women and short-term workers. Workers' Organizations were deeply concerned with persistent informal employment. But such concerns should be shared by all society, including Governments and Employers. Workers contributed to the creation of wealth and if they were not respected, the future of the region would be dim. Tripartite constituents should explore the root causes and work together to find solutions suiting different national contexts.
135. *Mr An* said the report made an important point in highlighting this issue. Trade unions should enhance their capacity to participate actively in the decision making process. A number of strategies could be useful in reducing poverty and informality. These included minimum wage systems, extension of social protection coverage to all workers, including informal economy workers, and increased funding for social protection, so as to provide minimum social protection everywhere. He opposed the marketization of the labour force, labour brokerage, outsourcing and subcontracting as these increased informality. If labour brokerage could not be eliminated it should be regulated.
136. *Ms Ali* began by stating that the region was diverse both culturally and economically, and economic growth had translated differently in different places in terms of job creation. While East Asia and the Pacific had seen an increase in unemployment, South Asia had experienced some decrease, and in the Arab States unemployment was stable. However, the general trend was that economic growth was not translating into the same levels of job creation, even at times characterized as jobless growth. She then provided some insights into the reasons behind such trends. The youth population, aged 15-24 years, which comprises up to 1.2 billion, posed a challenge. One out of every six persons was young, and it was difficult to find jobs for them for two reasons: the number of jobs being created was insufficient to absorb the new entrants in the labour force, and the quality of the jobs created did not match current youth skills.
137. She also noted that other segments of the population were excluded due to poor education or skills, or due to discrimination, such as women and migrants. For economic growth to be sustainable and inclusive, there was a need for policies that promoted a proper balance between labour and capital, the two important factors of production. It was important to invest more in attracting capital and FDIs, to invest in projects and infrastructures, and to develop financial services that were inclusive, particularly for SMEs. But it was equally important to focus on education in developing new generations equipped with the required knowledge, professional and business skills. This was linked to the debate on how technology would affect current and new jobs. Technology should be viewed not as a threat, but as an opportunity, and policies had to be in place to leverage such opportunities. These would include developing the right skills to use new technologies and address businesses requirements.
138. *Ms Ali* also stressed the importance of entrepreneurship in building both labour and capital resources. In building entrepreneurship, policy makers needed to focus on two aspects: infrastructure and, once again, education. Education would provide concepts and skills for entrepreneurship, and develop business mentality. The infrastructure for entrepreneurship

and sustainable SMEs would consist of policies and provisions that helped SMEs to start and grow into medium and large enterprises for job creation, and sustain their businesses. Among these were: legal infrastructures (such as tax exemptions, support in government procurement, inclusive financial services, interest rates, preferential programmes by the banking system, etc.); support to business organizations (both government institutions responsible for business creation, and employers' organizations); support in marketing activities, etc.

- 139.** *The Moderator* addressed the last question on social protection to all panelists, referring mainly to both the financing and coverage of social protection. She indicated that while many countries in the region had devoted an increasing percentage of GDP to social protection programmes and were now expanding social protection mechanisms to protect the most vulnerable groups better, levels of investment in most countries in the region remained below the global average of 8.6 per cent.
- 140.** *Mr Gupta* indicated that social protection was a key ingredient of inclusive growth with reduced inequalities. Countries were increasing resources for social protection and extending coverage to varying degrees. The Government of India recognized social protection as a basic right which the State was obliged to provide. It had implemented many programmes including on food security, right to education, rural employment guarantee, mid-day meal programme for schools, rural water drinking programmes, and health and sanitation programmes. In the formal sector India had a robust system of a provident fund and state insurance programme which included unemployment benefits for formal workers.
- 141.** He added that social security coverage in the informal sector was a major concern for India, particularly since this sector included 90 to 95 per cent of the workforce. The legislation did not differentiate between formal and informal employees, and the principal employer was responsible for the social security system. India had introduced universal portability of benefits in order to handle issues of changes in employment and migration. This had led to widening the coverage in the formal sector. The Government had also introduced sector-based social security funds, but sustainability and implementation remained an issue. Other government schemes targeted the most vulnerable groups, but had issues of limited funding and proper identification of beneficiaries. The Government had also introduced subsidized voluntary social protection schemes and was now moving from fragmented schemes to a comprehensive social protection system for both formal and informal employees, in line with recommendations on universal social protection system from the recent BRICS meeting on the subject. The comprehensive system would be contributory for people who could afford it and non-contributory for those in poverty.
- 142.** *The Employer delegate of Sri Lanka* referred to Article 3 of the Equal Remuneration Convention, 1951 (No. 100) that promoted performance-based reward systems, and asked how such systems could be improved. The moderator expanded the question to include clarifications on the relationship with minimum wage systems.
- 143.** *Mr An* responded by referring to China, where minimum wages were set at township level following broad consultations. Such consultations could lead to developing, through collective bargaining, minimum wage floors that included, or were based on, a performance reward system.
- 144.** *The Worker delegate of India* commended Mr Gupta for recognizing that the social security system in India had weaknesses arising from governance issues. Only 8 per cent of workers in India were in the organized sector, and therefore covered by social security. The remaining 92 per cent were not covered by the system. Since the Indian constitution included the fundamental right of association, the Worker delegate wondered what was preventing India from ratifying Conventions Nos. 87 and 98.

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145. *Mr Gupta* replied that Government of India civil servants did not have certain rights that were included in the provisions of Conventions Nos 87 and 98. India had asked the ILO for technical assistance to address this issue. But for private sector employees the national laws were all in line with both instruments.
146. *The Worker adviser and substitute delegate of the Republic of Korea* said that enterprise had a responsibility for building the world of tomorrow. Like that of many States, his country's economy was in recession. Yet corporate income had increased. Thus far, this had not resulted in a trickle-down effect. The corporate sector was not reinvesting its profits, using uncertainty as a pretext. He asked the panel how the law could be modified to strengthen CSR for job creation.
147. *Ms Al-Sulaiman* responded by recalling the need for a business conducive environment and policies, and noted that in some countries in the region policies were making the environment more difficult for businesses.
148. *The Worker delegate of Bangladesh* noted that the majority of workers were in the private sector and had no provisions to protect them. The minimum wages mechanisms could be one solution providing protection. Systems of subsidized rations of essential commodities could help workers finance their living costs, and this could act as a mechanism to supplement the minimum wages. Such schemes were however not always available to all workers living in poverty.
149. *Mr Gupta* responded, explaining that in India a tripartite board, after reviewing the prices of commodities and inflation, recommended changes to the minimum wages. Through this procedure the minimum wage had recently been increased by 42 per cent. India was also contemplating sector specific minimum wages for all sectors. The country still had a scheme allowing for subsidized rations of food for persons below the poverty line. Though not universal, it was periodically reviewed and revised.
150. *Ms Ali* added to that response by indicating that minimum wage policies were important to ensure that people were less poor, but also to ensure that benefits for the unemployed were available. It was essential to distinguish between social security benefits and the minimum wage system. Countries should share good practices on minimum wages that were suitable for employers and also responded to the needs of workers.
151. *A Worker adviser from Singapore* said that outsourcing had caused workers to face unfair competition in the region. She said that her organization had embarked on awareness raising campaigns on the issue. She called on the ILO to promote better outsourcing policies.
152. *The Worker delegate of the Philippines* raised the issue of emerging trade and new technology. He asked whether technology could really be used to solve political issues, such as what kind of jobs would be available in the future. He questioned the impact of trade agreements on the job situation, referring to new political developments in United States, United Kingdom, Germany and his own country, and the rise of nationalism.
153. *A Worker adviser from Japan* addressed the phenomenon of "Karoshi" (overwork) and cited a recent tragic example in which a young woman in her twenties had committed suicide due to this regime. Clearly, management had not assumed its responsibilities in this case, and had neglected basic human rights. Unfortunately it was not an isolated case. In this context, she referred to the heavy burden many women bore, a common problem in Asia and the Pacific. Her organization had established a hotline to assist such cases, and was lobbying for reforms in legislation and improved working conditions.
154. *Ms Al-Sulaiman* responded to the question on new technology and stressed again that whether we chose to use it or not, technology was here, our children were using it in our houses. Young people were not afraid of technology and would use it readily.

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- 155.** *Ms Ali* agreed and added that it was up to businesses to use technology in the global business environment. It was hard to avoid the use of technology. Its many advantages included allowing women to do their job at home, which meant that they could avoid commuting, or being present at the workplace. Technology could provide a way to avoid outsourcing, because it made possible more ways of doing work, without physical movement of workers or businesses.
- 156.** *Ms Al-Sulaiman* addressed the issue of women’s overwork in Japan by highlighting the importance of the Women at Work Initiative. She pointed to the difficulty of obtaining the goals related to women in the SDGs, noting that this was a global challenge. She cited the “He for She” pledge, in which the “He” had to move to include the “She”.
- 157.** She also raised the issue of the care economy, which was insufficiently discussed. Women staying at home were working, though this was not recognized as such. The care economy was an issue that the ILO should study more, and assess how it was linked to the informal economy. It was also important to look at how social protection should be extended to cover the care economy.
- 158.** *Mr Gupta*, in concluding, welcomed that the Meeting had addressed the important issues of working poverty and inequality. These should be tackled using a multipronged approach, supported by appropriate economic, fiscal and labour policies, including social protection, formalization, and focus on rural economy.
- 159.** *Mr An* stressed the need for greater engagement by all stakeholders. Action should now replace talk. Dialogue should continue, but it was important to upgrade skills. To find appropriate solutions to the problems faced by workers, research into the root causes was crucial. Workers’ representation should be strengthened if policy making was to improve.
- 160.** *Ms Ali* summarized the following four important prerequisites: education to develop skills needed by young people to adapt to the changing labour market; financial inclusion of SMEs; sound gender equality practices and measures for both enterprises and their employees to increase women’s participation in the economy; and economic integration through trade, important in a region that already had strong trade links.
- 161.** *The Moderator* concluded the session by summing up the following points to serve for developing policy recommendations:
- The importance of the rural economy, highlighting the need for sustained and improved working conditions, better infrastructure, use of information technology, entrepreneurship development and the availability of microfinance.
 - The role of employers’ organizations in promoting decent work. However, they needed more research for evidence-based policy. They should facilitate social dialogue as a means to increase productivity.
 - In terms of entrepreneurship, an enabling environment for decent work for all was important; suitable technology was another factor. Appropriate labour laws and good policies required social dialogue that involved the social partners, not only in consultations, but also in actual implementation. They should be actors rather than speakers.
 - The need to build a minimum wages system that was universal, regularly reviewed and adequately increased.
 - Social protection should be developed across the spectrum and be integrated (not fragmented). It should be extended to both the informal and formal economy;

governments should have the capacity not only to develop this system but also to implement it. Social protection benefits should be portable.

- Technological developments could not be avoided and should be embraced; they could facilitate non-standard forms of work. However, non-standard forms of work should come with adequate social protection.
- Increased attention to the care economy was required in view of changing demographics, with an increased number of older people needing care, and the work being predominantly performed by women. It had enormous potential for job creation, provided it was properly recognized and valued.

Skills for the future

162. The Government Vice-Chairperson chaired the special plenary debate, which was moderated by Ms Azita Berar-Awad, Director of the Employment Policy Department of the ILO. The panel was composed as follows:

- Ms Sandra Parker, Deputy Secretary, Department of Employment, Australia;
- Mr James Pearson, Chief Executive Officer, Australia Chamber of Commerce and Industry, Australia;
- Mr Nabhan Albatashi; Chairman of the General Federation of Oman Trade Unions;
- Mr Johnny Sung, Professor, Head of Centre, Centre for Skills Performance and Productivity, Institute for Adult Learning, the Republic of Singapore.

163. *The Moderator* noted that the subject of skills had been a recurring priority theme in the APRM discussions, as skills development promoted economic growth, boosts employment, and reduced inequality. Skills for the future should be considered in the context of the discussions on rapid technological change, demographic change, fragility caused by climate change, natural disaster and other factors that were radically altering economies and causing sudden shifts in job creation and skill requirements. Thus, the main questions related to skills for the future were: what were the jobs of the future? Where would they will come from? What skills would be needed? How to prepare the workforce with those skills? Current challenges related to skills were also identified as the availability of skills or the skills base, the quality of education and vocational training, and the widespread skills mismatch between skills available on the market and the requirements of enterprises.

164. *Ms Parker* highlighted the most challenging aspects for building skills for the future of work. Major drivers of the future of work required that immediate action should be taken to anticipate and prepare forthcoming generations with market relevant skills. Australian research showed that young Australians would change employers 17 times during their career. Consequently, it was better to focus education on creating clusters of occupations and skills that allowed workers to move between jobs and skills sets within the same job cluster. The job clusters proposed were the following:

- Generators - that entailed interpersonal skills in areas such as sales, entertainment, hotel management and other services;
- Artisans - focusing on manual tasks such as construction, maintenance, technical customer service and technical installation work;
- Carers - focusing on improving mental and physical health of others such as nurses, homecare, counsellors and psychologists;
- Coordinators - handling administrative processes, and public service tasks behind the scene;

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- Designers - including architects, engineers, clothing designers and graphic and advertising design;
 - Performers - such as business services, teachers, consultants;
 - Technologists - handling a range of work in the digital economy.

165. Cluster approaches allowed people to move readily between different types of jobs and careers. The challenge was to create a flexible school curriculum focused on knowledge, skills, behaviours, and dispositions. Education should be comprehensive and cover ICT, critical thinking, ethics, intercultural skills which should cross cut all key learning clusters. In Australia, early childhood assessments were also available using national diagnostics in year one with a focus on phonetics, interpersonal relations and cognitive skills. They allowed for early education and career counselling at an early stage to develop a vision of possible careers. More generally, there was a need to provide skills that allowed people to move to growth as national economies shifted from traditional industries to industries of the future.

166. *Mr Pearson* stressed that it was important to prepare workers and employers for the future, including making sure that required skills were available. The skills needs of both workers and managers should be taken into account. Technology would be a major driver of change, and STEM (science, technology, engineering and maths) skills would have a major importance, cutting across all occupations. Soft skills would also be required as workplaces became increasingly virtual. Future jobs would include project team work taking place in a variety of locations. Basic education in literacy and numeracy in primary education would remain of critical importance. Employers and workers must focus on the quality of education at the earliest stages. Greater investment was needed in primary and pre-primary education to lay the foundations for high-level skills in the future.

167. *Mr Albatashi* noted that trade unions had an important role in economic matters by changing the political, cultural and social maps of the societies where they operated. Governments should engage trade unions in skills development, but often failed to do so adequately. This led to failures of skills programmes the design of which did not take account of the workers' knowledge of specific job-content. Workers could provide inputs on the skill required, on programme design, and help match skills with market needs. Trade unions were close to both workers and employers and were well positioned to deliver awareness-raising programmes related to skills. They should play a key role in designing, overseeing and evaluating skills programmes.

168. *The Moderator* asked the panel to address the issue of young persons' transition from school to work.

169. *Professor Sung* told a recent story from the New York Times in which an intern at an investment bank had developed an algorithm which could process information for investors that replaced the work of 4 or 5 bankers. The young person was the owner of the technology. Increasingly, the future of work would be shaped by the fact that ownership of technology would define wealth. This showed how important it was that innovation and entrepreneurship should be integrated into skills programmes. Mass education should be of quality and have market relevance. Rapid labour market changes also gave lifelong learning renewed importance. UNESCO defined the four pillars of learning as *learning to be, learning to know, learning to do, and learning to live with others*. These should be adequately mainstreamed throughout skills programmes; learning needed to go beyond the instrumental aspect and empower workers to be change agents.

170. *The Moderator* asked the panel to provide examples of successful strategies to address skills matching.

171. *Ms Parker* explained that Australia had a long tradition of public private partnerships in the skills area. Industry was closely involved in the governance of skills programmes through a

formalized structure. This ensured that course content kept pace with the needs of industries. The TVET system had mechanisms to encourage strong industry involvement. Industries organized in sector groups had developed national competency standards. There was also a long experience of work-based learning and apprenticeship programmes. It was important, in particular for career counselling, to have good information and data on where the needs were and what people would earn in different areas. Overall, the system should remain flexible and not over-governed.

172. *Mr Pearson*, responding to the question of how employers could best anticipate skills needs for jobs of the future, said employers should be constantly thinking and planning for the future. In his experience, large companies already had influence on skills policy or their own capacities to provide training. But employers' organizations had a role in representing the needs of small and medium companies. In Australia, some higher education institutions were offering both degree and vocational qualifications, and this could become a model for the future. Higher education institutions needed to adapt and ensure the people they trained had the flexibility and adaptability for the future.
173. *The Moderator* asked about the roles unions could play in skills development systems and their governance.
174. *Mr Albatashi* agreed that skills often failed to match the requirements of the current markets. People were also not employed in their areas of specialisation, causing dissatisfaction. Skills development was also important for the empowerment of women. Unions could contribute more to skills development, but they needed access to tools, information and statistics.
175. *Professor Sung* said that the evidence in respect of skills mismatch was contradictory. Employers said that there were skills gaps in the existing workforce, but at the same time workers often felt they could do a lot more than the jobs they had. Both statements were true. While education programmes were not always in line with skills demand, occupations frequently did not allow workers to use the entire range of their skills. There was an inflation of skills levels; a large number of highly qualified people came onto the market, and were expected to be absorbed by the system. However, work designs were slower to change than expected, while universities forged ahead with innovations. The result was a time lag in the absorption of skilled workers, giving a mismatch higher than was desirable.

General discussion

176. *The Employer delegate of Sri Lanka* said that the ILO needed to help constituents understand and anticipate labour market changes. The high level of technological transformation was accompanied by an important change in the workforce's expectations, towards more flexible forms of work. Technological changes had the potential to help women, youth and retired workers to participate in the labour force. He wondered in what ways the ILO could in this process.
177. *A Government delegate of China* identified the low social status of vocational training as a challenge. He asked what could be done to enhance the status of TVET with the new technology revolution.
178. *A Government representative of the Republic of Korea* noted that the fundamental changes brought about by the information society made it imperative to nurture talent for high value added industries. The mismatch of skills was a challenge shared by all countries. He asked what measures could be taken to enhance regional cooperation in this area.
179. *The Employer delegate of Bangladesh* agreed that TVET had low social status. What methods were there to make the line between TVET and higher education permeable, as Australia had done? Technology could be used to equalize people from disadvantaged

groups, such as disabled persons, and bring them into the workforce to meet the SDGs. He urged the ILO to focus more on skills development for the future of work.

180. *The Worker delegate of Bangladesh* noted the importance of skills development for migrant workers to improve their wages and increase remittances. TVET institutions in sending countries should improve migrants' skills, but at the same time proper certification of these skills was of crucial importance to ensure migrants' skills were adequately valued.
181. *Ms Parker* answered that involving industry had helped to improve the status of TVET by ensuring the quality and consistency of national qualifications that kept their currency on the labour market. There were also ways to increase transferability between TVET and higher degrees, for instance through recognition of prior learning towards higher education qualifications. Australia's student interest-free loan scheme, under which loans could be repaid when people had good jobs, had improved access to both higher education and TVET.
182. *Mr Pearson* stressed the importance of symbolism and of publicly celebrating the success of both TVET as well as tertiary students. Politicians and employers could both play a role in increasing visibility.
183. *Professor Sung* agreed that the status of TVET was a problem in many countries. Germany was the best example of where the system was backed by legislation, institutions and employers. In seeking a solution, it was necessary to look not only at education and training but also at jobs. Singapore was trying to strengthen the concept of "career" so that career progression existed in all types of jobs.
184. *Mr Albatashi* stressed that education should not lead to unemployment, but to productivity and skills matching. Oman had programmes for skills training but did not have career consultancy services.
185. *The Moderator* highlighted some of the work the ILO was doing on methodologies for anticipating skills needs, as well as approaches to skills matching in different countries and contexts. She stressed the role that tripartism could play in identifying future skills needs.
186. *The Worker delegate of Indonesia* stressed the poor employment conditions of state school teachers, with low wages, and contracts that did not provide social protection or allow collective bargaining. This situation impacted on the quality of education.
187. *A Government delegate of Indonesia* noted the importance of migration and the need for regional cooperation to optimize human resources in different countries. Mutual skills recognition would facilitate labour mobility.
188. *A representative of the ITUC* said that various regional initiatives on mutual skills recognition were underway, supported by the ILO, the Asian Development Bank (ADB) and International Organization for Migration (IOM). Better coordination of these initiatives was required. The ILO should undertake more work on lifelong learning in relation to the Human Resources Development Recommendation, 2004 (No. 195). Trade unions could play a role in developing a more flexible approach to skills recognition.
189. *A Worker adviser from Singapore* asked about possible approaches to upgrade the apprenticeship system and improve the recognition of internship.

Final panel responses

190. *Ms Parker* said that Australia had a mutual skills recognition system which could be extended to individual countries, upon request. High standards, verification and governance should be maintained. It was important to focus on transferable skills, rather than

occupations, and on foundation skills through interventions starting with early education. Vulnerable workers must not be left behind. To this end, it was critical to work together with industry, and maintain a high level of standards and governance.

- 191.** *Mr Pearson* stressed the need to look at opportunities for re-training of workers and supervisors, to palliate problems arising from mid-career uncertainty. Empowerment through education and training supported the SDGs. Tripartism had an important role to play in promoting skills development.
- 192.** *Mr Albatashi* said that there was a high proportion of migrant workers in management roles in Oman. They transferred skills to local workers. It was important for skills development to reach both migrant and local workers.
- 193.** *Professor Sung* stressed the importance of lifelong learning and different approaches to career as a way of dealing with uncertainty.
- 194.** *The Moderator* highlighted the importance of bringing industry and the private sector closer, making full use of the potential of social dialogue and tripartite mechanisms to face present and future challenges on inclusiveness, quality and effectiveness of skills development systems. The debate had shown the importance of new types of skills, core skills and soft skills including innovation and adaptability, in addition to technical skills. Constant reform of vocational training for improved quality and market relevance. The ILO could help bridge the gap between the world of work and that of education and training by promoting social dialogue in skills development, and by facilitating the sharing of good practices.

Strengthening social dialogue for inclusive and sustainable growth

- 195.** The Meeting held a third plenary debate on Strengthening social dialogue for inclusive and sustainable growth. The panel was moderated by the ILO Deputy Director-General for Management and Reform, Mr Greg Vines. The panel was composed as follows:
- Ms Haiyani Rumondang, Director-General of Industrial Relations and Workers Social Security of the Ministry of Manpower, Indonesia;
 - Ms T. Florence Willie, Executive Director, Employers' Federation, Papua New Guinea;
 - Ms Ged Kearney, President, Australian Council of Trade Unions; and
 - Mr Ernesto Bitonio, Lecturer in management, labour law and industrial relations, University of the Philippines.
- 196.** *The Moderator* opened the discussion by noting that social dialogue and tripartism were recognized as one the greatest strengths of the ILO by the international community. Challenges for implementation of social dialogue in the region had been widely noted during previous interventions, yet considered vitally important for achieving the SDGs and addressing the future of work. The report highlighted progress, but showed that significant gaps in law and practice and weak institutions existed. The role of government was essential to create the necessary space and mechanisms for social dialogue, and to ensure that the fundamental principles and rights identified in the 1998 Declaration are respected.
- 197.** As an example, the strong reliance in some countries on minimum wages, which were vital to protect vulnerable workers, was noted. However, the space for collective bargaining over wages was still constrained. Social dialogue also needed to address gender issues, including the role of women in dialogue, discrimination at the workplace, or women's over-representation in certain vulnerable occupations. The issue of cross-border dialogue in the context of regional integration was also raised.

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- 198.** *Ms Rumondang* stated that social dialogue was important at national, regional and global level to achieve the ASEAN 2025 vision as well as the 2030 Agenda. However, regional mechanisms for social dialogue had not yet been developed.
- 199.** *Ms Willie* highlighted the importance of using dialogue to address the changing nature of work and employment. The importance of political will and the capacity of tripartite partners to ensure effective use of existing, statutory dialogue bodies was noted. As an example, labour law reform initiatives should be carried out through a transparent, well-informed consultative process to ensure proper understanding and implementation by workers and employers.
- 200.** *Ms Kearney* emphasized the need for strong and independent workers organizations, political will and a commitment to engage in – and appropriate institutions to support – dialogue. A crucial element was good faith; blocking or renegeing in dialogue was as bad as not having dialogue at all. An example of successful dialogue could be found in the Australian coal fired power plants, drastically reduced due to climate change concerns. Workers, employers and government worked together to ensure a just transition, through a clear tripartite agreement. Other positive examples of dialogue and tripartism across the region included Jordan, Viet Nam, Oman and Occupied Palestinian Territory. However she also pointed to examples of dysfunctional dialogue, citing labour law reforms in India and Australia, and the erosion of minimum wage fixing bodies in other countries.
- 201.** *Mr Bitonio* said that dialogue and bargaining could be effective tools to achieve the 2030 Agenda, and contribute to inclusive growth and industrial peace. Low unionization and bargaining rates across the region presented obstacles. While countries in the region voiced support for fundamental principles and rights at work, low ratification rates of core Conventions meant that enabling environment to strengthen workers organizations were lacking. In addition to Conventions Nos. 87 and 98, other Conventions related to bargaining that countries could ratify included the Rural Workers' Organisations Convention, 1975, (No. 141), the Labour Relations (Public Service) Convention, 1978 (No. 151) and the Collective Bargaining Convention, 1981 (No. 154).
- 202.** He noted a number of serious challenges: threats and violence against workers and unions in the region: many cases had been brought to the notice of the ILO supervisory bodies. Inadequate legal frameworks and institutions hindered bargaining; and the rise of non-standard form of employment posed challenges regarding how to bring them under the social dialogue and collective bargaining system. Labour law reforms could address some of these challenges: for example, removing legal restrictions on bargaining, ensuring fair procedures in union registration, and taking measures to prevent unfair labour practice. Migrant workers and those engaged in non-standard form of work must also be granted organizing and bargaining rights. Where issues were not conducive to bargaining, they should be addressed through social dialogue; examples include taxation, climate change, conflicts, financial crisis and others.
- 203.** *Ms Rumondang*, in response to a question on what government could do to promote social dialogue more effectively, stated that it must be committed to promoting both bipartite and tripartite dialogue. In Indonesia, which had formal statutory dialogue bodies at national, provincial and enterprise levels, discussions often began informally, in order to build trust and understanding. A major challenge in the country remained identifying representative parties to dialogue where multiple unions existed.
- 204.** At enterprise level, bipartite committees were required by law, but required good faith implementation by unions and employers to succeed; indeed good faith was essential for all forms of tripartite and bipartite dialogue. Collective bargaining in Indonesia took place at company level; 14,000 agreements had been registered. As the first country in the region to

ratify all ILO core Conventions, Indonesia was committed to promoting dialogue, but agreed that challenges still remained.

- 205.** *Ms Willie*, in response to a question on how social dialogue could facilitate the transition from the informal to the formal economy at local level, stressed that, in developing economies, many workers, in particular women and young people were forced into informality. She made reference to the Transition from the Informal to the Formal Economy Recommendation, 2015 (No. 204), and underscored the need to understand informal workers' aspirations and address the causes of informality. A national action plan involving social partners was necessary to tackle informality. She emphasized that to eradicate the culture of corruption and impunity, trustworthy public institutions were required, with authorities accountable for their decisions and actions, operating under rule of law.
- 206.** *The Moderator* asked what measures could be taken by the three groups to help close the representation gap for many categories of vulnerable workers, in order to ensure better protection for all.
- 207.** *Ms Kearney* emphasized that governments and employers could not hide behind economic growth at all costs. Inclusive growth meant jobs that delivered a decent living wage, dignity, safety and respect for workers. Governments must ensure that regulations in their countries maintained decent work for all workers including migrant workers, domestic workers and those in rural areas. All should enjoy the right to organize and collective bargaining, social protection, anti-discrimination laws, and true access to the tripartite process. Strong penalties should be exacted against employers who violated labour rights. Prosperous economies where everybody benefited had decent social protection, and fair taxation which allowed redistribution of wealth, decent wages and decent organized labour with true tripartism. Ratification of ILO standards must be a priority in the region. Promoting the SDGs could provide a blueprint for achieving inclusive growth in the region.
- 208.** She considered that trade unions might also have to do things differently, in order to bring migrants, youth, and other groups of vulnerable workers into formal union structures, by using new ways of organizing. In Australia a union of Korean workers had recently been established. This challenged established union structures, but also highlighted the need for unions to adapt. The newly-formed union for migrant domestic workers in Lebanon was another good example of giving vulnerable workers a voice; the Government of Lebanon should recognize this union.
- 209.** She highlighted the need to work at international institutional level, stressing the important role ILO could play in engaging with governments to promote social dialogue, interacting with institutions like ASEAN, APEC, ADB, the Arab League, and other Arab sub-regional structures. ASEAN has resisted engaging with worker organizations like ASEAN/ITUC, but had from the outset worked with employers' organizations.
- 210.** *Mr Bitonio*, in response to a question on the key elements to be included in social dialogue in order to impact minimum wages and collective bargaining, noted that in many countries in the region, the definition of "wage" was sufficiently broad to extend wage protection to vulnerable workers. Most countries that had minimum wage fixing mechanisms had defined these as a basic wage, not subject to compromise. Failure to comply with the minimum wage should make the employer liable to administrative and penal sanctions. It was up to the inspectorate to enforce minimum wages, though some countries were discussing the role unions might play in compliance and inspection.
- 211.** Minimum wages might apply only to a particular industry; in Cambodia, for example, the garment industry. Another approach was wage fixing as a general social floor, applicable to all workers, with some differentiation in rates in minimum wage levels across regions. Minimum wage mechanisms should also emphasize non-discrimination and equal treatment

in order to narrow gender wage gaps. This was especially important at the lower levels of the wage scale, where workers were mostly unrepresented in collective bargaining.

212. Minimum wage fixing should be tripartite, with governments and social partners on equal footing. Employers and workers confederations should also represent non-members. It should be possible to bargain collectively for wages above the minimum. In some countries these characteristics were all present, others had only a few, some had no institutionalized fixed wages mechanism at all.

General discussion

213. *A Worker substitute delegate of Indonesia* referred to the palm oil industry, a major employer in the country. In reinforcing social dialogue, trade unions worked both with their traditional partners, the government and employers, and also with indigenous and environmental groups. However there had been conflicts with some groups. To increase the effectiveness of trade unions, their unique role must be clearly understood. Trade unions also collaborated with other civil society organizations in the National Steering Committee on SDGs. The SDGs should be incorporated into both bilateral and multilateral trade agreements.
214. *The Employer delegate of Bangladesh* asked, in light of the Director-General's observation on the transformative changes anticipated in the world of work, what role could social dialogue play to meet these challenges? How could training of stakeholders increase effectiveness of dialogue in this regard?
215. *The Employer delegate of Tonga* highlighted the clear need for capacity building on social dialogue for new member States.
216. *A representative of ITUC* asked how the ILO could assist in determining the representativeness of trade unions. Challenges existed in Hong Kong in this regard. He further inquired how the legal framework for collective bargaining could be developed, and brought into compliance with Convention No. 98. Finally, he asked how social dialogue including trade unions could support the implementation of the SDGs.
217. *Ms Rumondang* replied that trust was essential to any social dialogue process, including achieving the SDGs. The Government of Indonesia strove to engage in dialogue both at the formal and informal level. In bipartite settings, however, employers and workers had responsibility to strengthen the institutions.
218. *Ms Kearney* stated that unions should engage with non-governmental organizations (NGOs) and civil society on specific issues, such as migration, trafficking, HIV/AIDS, and child labour. She emphasized that NGOs were not unions, and should not be taken as such. There was a danger that the business community would engage exclusively with NGOs, to the exclusion of unions. Confrontation was sometimes necessary, in order for workers to voice their demands and concerns clearly. However, unions were learning many innovative forms of engagement to achieve their objectives.
219. *Ms Willie* drew on her own experience in stating that when parties came to the table, they must be willing to negotiate and try to find solutions. Listening was key; parties must develop win-win approaches in order to be successful.
220. *The Worker delegate of Sri Lanka* noted that although his country had ratified all core Conventions, migrant workers faced obstacles in registering trade unions. EPZs were still excluded from freedom of association and collective bargaining rights.
221. *The Worker adviser and substitute delegate of Japan* noted that Japan had built a sound and stable system of social dialogue and bargaining. Social dialogue in the public sector helped

to ensure delivery of high quality services such as health and education. However, the country was experiencing a decline in union membership due to the rise of non-standard forms of work. How could the ILO help to develop a mechanism that ensured organizing rights for these workers?

222. *A Government delegate of China* said that the true goal of social dialogue was industrial harmony. The Chinese trade union system was well established; trade unions participated actively in law making and wage fixing. Over 20,000 tripartite bodies existed at national and sub-national levels, and over 2.7 million collective agreements had been registered.
223. *The Moderator* said that the challenge of ensuring representation of workers in non-standard forms of work would be addressed in the Director-General's Future of Work Initiative.
224. *Ms Rumondang* highlighted the importance of continuous efforts and strong commitment to improve the practice and institutions of social dialogue, and called on the ILO to provide support to overcome the technical and legal obstacles she had identified.
225. *Ms Willie* noted the need for capacity building for all parties, and requested the ILO to provide such capacity building for the actors and institutions.
226. *Ms Kearney* concluded by emphasizing the need for genuine dialogue and engagement.
227. *Mr Bitonio* noted that the underlying foundation for dialogue must be freedom of association and collective bargaining rights. It requires continuous commitment to engage in problem solving, and a need to evaluate the outcomes.

Special session on the promotion and application of the ILO MNE Declaration in Asia and the Pacific

228. The Regional Meeting also held a special session on the promotion and application of the ILO MNE Declaration in Asia and the Pacific. The session was chaired by the Employer Vice-Chairperson, and moderated by Mr Vic Van Vuuren, Director of the Enterprises Department of the ILO. The panel was composed as follows:
- Mr Tomoaki Katsuda, Assistant Minister for International Affairs, Minister's Secretariat, Ministry of Health, Labour and Welfare, Japan;
 - Mr Hiroyuki Matsui, Japanese Business Federation;
 - Mr Said Iqbal, President of KSPI.
229. *The Chairperson* introduced the special session on the promotion and application of the MNE Declaration in Asia and the Pacific referring to the ILO Governing Body decision to include in every ILO Regional Meeting a tripartite panel discussion on the topic. The aims of the session were to discuss the findings of the report prepared by the Office on the state of the promotion and application of the MNE Declaration in the region, based on responses received from the tripartite constituents to a questionnaire, and to provide a platform for exchanges among the constituents and for the formulation of recommendation on further promotion and application of the instrument in the region.
230. *The Moderator* referred to the Director-General's report which noted that 60 per cent of economic outputs in the region were associated with global supply chains and increased FDI flows, creating opportunities for inclusive growth and decent work. The MNE Declaration was not only addressed to multinational enterprises but also to governments of host and

home countries, and workers' and employers' organizations, covering areas of employment, training, conditions of work and life, and industrial relations.

231. *Ms Githa Roelans, Head of ILO Multinational Enterprises and Enterprise Engagement Unit* introduced *Multinational enterprises, development and decent work – report on the promotion and application of the MNE Declaration in Asia and the Pacific*. She recalled the aims of the MNE Declaration and highlighted its increased relevance in the context of the SDGs, especially SDG 8, with international investment being seen as a key driver for sustainable development when more closely aligned with public development priorities. She noted the rise of FDI inflow and outflow in the region and the growing intraregional FDI flows, due to the increasingly prominent role of MNEs in the region. The Report indicated that tripartite constituents agreed on the important role of MNEs in training/skills development, employment promotion, and wages and other conditions of work; but also pointed to different views regarding the importance of respect for freedom of association and collective bargaining, that were key priorities for the workers. The effective application of the MNE Declaration required social dialogue and the report documented the dialogue and consultation mechanisms at the national level as well as the international cooperation among home and host country governments, and among employers' organizations and workers' organizations, mainly through their international organizations and bilateral exchanges. The tripartite constituents recommended increased efforts to promote the MNE Declaration in the region, capacity building, knowledge-sharing and exchange of experiences, a more appropriate regulatory and policy framework and more effective advocacy based on further research on the impacts of MNE operations in host countries. The presenter provided a brief overview of current ILO technical support in seven countries in the region including the Japan-funded cooperation project on socially responsible labour practices with activities in host countries.

232. *Mr Katsuda* reflected on earlier efforts by the Government of Japan to dialogue with foreign MNEs operating in Japan and with Japanese MNEs operating overseas. Many of these dialogues focused on labour issues. Since then many Japanese MNEs had placed high importance on compliance with national law and on CSR in their operations abroad, thus reducing the need for formal dialogue. However, Japan still organized seminars and workshops, often together with the ILO, on the MNE Declaration, the OECD Guidelines for Multinational Enterprises (OECD Guidelines) and other CSR instruments. A new challenge however was the increasing number of SMEs that had become MNEs, with operations in various countries, and the difficulty of reaching out to these entities. Moreover in the region there were now MNEs from Korea, China, Malaysia and other countries that might have a different approach to compliance and CSR. This had led to the increased need for a level playing field among MNEs from different countries of origin that committed to upholding the same principles and practices. Capacity building of host countries had therefore gained importance. The Government of Japan therefore supported ILO development cooperation projects designed to promote the MNE Declaration in member States in addition to Japan's own bilateral cooperation in the region.

233. *Mr Said Iqbal* highlighted the importance of the report for the region, where MNEs from different parts of the world were operational. He said that the operations of these MNEs raised concerns for the workers in the areas of wages, security of employment, discrimination, social protection and social security, operations in EPZs and industrial relations in general. Often these MNEs behaved in a different way in developing countries compared to their home countries or developed countries. He underlined that while the MNE Declaration stated that MNEs should uphold the highest standard of OSH, this often was not the case, as demonstrated by the Rana Plaza tragedy and other industrial accidents in the region. However, governments did not seem to take any action, thus rather protecting the interests of the MNEs than the well-being of the workers. The outsourcing practices of MNEs in global supply chains further contributed to job insecurity. He provided examples of factory closures where workers' contracts were terminated without severance payment

and the discriminatory practices from which female workers and migrant workers often suffered. The ILO should be more active in regional fora such as ASEAN and the GCC and the governments and employers should do more to respect workers' rights. DWCPs were the ILO programming instrument to address the decent work challenges related to MNE operations.

- 234.** *Mr Matsui* recalled the purpose and importance of the MNE Declaration and its tripartite nature, highlighting the different roles and responsibilities of the various actors. He invited participants to also look at the good practices of MNEs in the region as these should be further promoted. Japanese MNEs were committed to complying with regulations on working conditions and OSH in the host countries, thus improving working conditions. Good governance in the host countries was important and MNEs were not alone in having responsibilities. All companies should comply with internationally recognized principles even in host countries that had not ratified the relevant ILO Conventions. He noted that the MNE Declaration might not be well known among the Japanese companies but that they were committed to comply with its principles, as the Charter of Japanese Employers included many of its principles as well as the fundamental principles and rights at work. He invited the ILO to compile and disseminate best practices in the region and indicated the relevance of the operational model of the Japan-funded project on socially responsible labour practices.
- 235.** *Mr Katsuda*, in response to the moderator's question on how further promotion of the MNE Declaration could help towards policy coherence at the national level and a closer alignment of private sector actions with public objectives, emphasized the importance of an effective application of the principles by governments. Many paragraphs in the MNE Declaration were addressed to Governments, mostly host country governments. This raised the question of how to increase the capacity of the host country in the areas of labour and employment and how to promote dialogue between MNEs and the host country government. He shared his experience as an adviser to the Indonesian Minister of Manpower on consultations with a Japanese MNE in Indonesia, underlining the relevance of the Japan-funded project in the electronics sector in Viet Nam to promote Japanese MNE-Viet Nam Government dialogue. Japan had bilateral cooperation with other governments but the ILO had an important role to play because of its global and tripartite constituent membership, allowing for more effective home-host country dialogues.
- 236.** *Mr Iqbal* responded that there were obviously also some good practices of MNEs in the region and that in his view more respect for worker's rights, freedom of association and collective bargaining, underpinned by effective policies, would be the best way forward. He agreed with Mr Katsuda that it was critically important for the host government to be in a position to enforce its laws. However, the principles of the MNE Declaration were in many cases clearly not upheld by the government nor by the MNE. He also recalled the government's role in effective implementation of labour law in EPZs and industrial estates, where often local workers are prevented to strike.
- 237.** *Mr Matsui* highlighted the role of employers' organizations in the promotion of the MNE Declaration through the sharing of good practices He gave as an example the ILO electronics project in Viet Nam, where research indicated that Japanese companies generally complied with all legislation in Viet Nam and moreover were paying higher wages and upholding higher OSH standards than local companies. This allowed the Japanese companies to attract and retain a motivated workforce. But he stressed that a level-paying field for all enterprises was needed and called again on the host country governments to make every effort to enforce legislation.
- 238.** *A representative of the ITUC* disagreed with the panelist that MNEs were complying with the regulations, citing the case of a Japanese car manufacturer in India involving an industrial accident which left several workers dead.

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239. *The Employer delegate of Cambodia* informed the Meeting of the recent minimum wage increases in Cambodia. He pointed out that many MNEs were not familiar with the principles of the MNE Declaration. He asked how the ILO had promoted the instrument and how ILO could provide support to and collaborate with employers organizations. He also requested more information on the ILO's Helpdesk for Business.
240. *A Worker adviser from the Republic of Korea* pointed to governments that weakened labour standards, especially freedom of association and collective bargaining, to attract foreign investment. The MNE Declaration should be supported by national legislation to make its principles effective, and complemented by a compliance mechanism. She also emphasized the importance of global supply chains and the responsibilities of MNEs for the workers in these complex chains. The review of the MNE Declaration should include the responsibilities of MNEs in global supply chains.
241. *The Employer delegate of Viet Nam* shared the experiences of the ILO project on the MNE Declaration in her country, which had brought together the host and home country, the tripartite constituents and the MNEs. This collaboration had led to the establishment of a task force on socially responsible labour practices in the Viet Nam electronics sector, following a high-level tripartite plus policy dialogue. This had been a good opportunity for the government and the social partners in Viet Nam to discuss new opportunities in Viet Nam in the areas covered by the MNE Declaration. She believed this approach could also be applied in other labour intensive sectors in Viet Nam and other countries. She requested further ILO technical assistance in coordinating the task force and implementation of the action plan.
242. *An Employer adviser and substitute delegate from Bahrain* said that multinational companies moved to certain regions or countries by invitation and on the basis of agreements concluded with the host countries. He highlighted that most workers in host countries preferred to work with MNEs because of the generally higher standards. But over the years expectations from governments and unions on MNEs had changed and here ILO could play an important role in supporting tripartite dialogue to discuss challenges.
243. *Mr Matsui* reemphasized that efforts should be focused at the level of the host country rather than at the international level, as global supply chains were very complex, involving many suppliers over whom buyers often did not have control.
244. *Mr Iqbal* agreed that many MNEs had good practices based on a good corporate culture, but that this culture seemed to change when MNEs moved to other countries. This was partly due to incentives given by the host country and the general business and governance culture in the host country. However, exploitation of workers and violations of labour rights should be effectively dealt with and the review of the MNE Declaration provided an opportunity in this regard.
245. *Mr Katsuda* stressed that in relation to violations of labour rights in EPZs, the TPP had an independent labour charter stating that member countries should respect workers' fundamental rights and prohibiting them from lowering labour standards to attract investment. The MNE Declaration might not be a binding instrument but its principles became binding when included in such international legally-binding agreements. He also reemphasized the commitment of Japanese enterprises on compliance with national law and respect for internationally recognized standards.

Presentation of the report of the Credentials Committee

246. *The Chairperson of the Credentials Committee* pointed to the large number of participants at the Regional Meeting with 351 accredited delegates from 37 member States including 24 ministers and vice-ministers. Since the last meeting, three countries from the region had become new ILO member States (the Cook Islands, Palau and Tonga), though only Tonga was able to attend the meeting. Participation by women had doubled since the last Regional Meeting but still fell short of the 30 per cent ILO target and efforts to achieve gender parity and greater involvement of women in decision making. The Credentials Committee received one objection related to a worker nomination, one complaint related to the non-payment of travel costs for a worker delegate, and three complaints concerning incomplete delegations. Twelve member States did not attend the meeting and four member States were represented by government delegations alone. There was no valid reason to deprive employer and worker representatives from attending the Meeting, which was crucial for effective tripartite dialogue.

247. *The Meeting took note of the report of its Credentials Committee.*

Adoption of the conclusions of the 16th Asia and the Pacific Regional Meeting

248. *The Employer spokesperson* recalled the major trends in the world of work discussed during the meeting. Faced with these trends, the Bali Declaration charted a strong and shared course of action for the region towards achieving the 2030 Agenda. It was short, concise and action-oriented and a useful basis for constituents to reflect their own unique priorities and needs. It recognized the role of economic growth and an enabling business environment and the need for strengthened labour market institutions, private sector engagement, the removal of structural barriers and elimination of corruption. Facilitating growth required boosting competitiveness through skills development and fair migration and by empowering women, youth and migrant workers. The Declaration not only included actionable ILO work, it was the first time a region had given a clear message to the Office on how to track progress and follow-up action.

249. *The Employer delegate of New Zealand* welcomed the brief, positive, targeted and action-oriented conclusions, which spoke to the needs and realities of the region. Various ILO actions in the Declaration were of particular importance to employers, namely: promoting an enabling business environment; building the capacity of employer and worker organizations; and developing an implementation plan for the Office and constituents with periodic progress reporting to the Governing Body. The Declaration would serve as a blueprint to build on the region's positive developments while addressing its remaining challenges.

250. *The Worker spokesperson* supported the draft Declaration. It demonstrated that despite diverse views, a political commitment could be reached in the interests of all constituents of the region. The document would help each partner and the ILO to develop programmes that built an inclusive future based on the principles of decent work. The Declaration was time bound and had a useful reporting feature, but should also require, in paragraph 14, that reports be submitted to constituents and the Governing Body. While it did not take up all of the workers' concerns, it addressed a number of critical challenges. Respect for labour rights as human rights was crucial in the context of growing trade union abuses and worker rights violations. Increasing informality weakened trade unions and greater efforts were needed to ensure ratification and implementation of ILO's fundamental Conventions, particularly Conventions Nos. 87 and 98. Industrial relations required improvement and the ILO should

study the number and nature of disputes to devise targeted action. Moreover, job creation should be based on decent work principles, and trade unions involved in policy design. Efforts to eradicate forced labour and child labour must continue, and working conditions for migrant workers improved. Tackling inequality was a priority to be addressed through strengthened collective bargaining, minimum wages and by establishing and extending social protection floors. This included reducing the gender pay gap and providing maternity protection. The DWCP process should be reviewed to ensure the needs of the social partners were addressed. All actors had an interest and role in ensuring the Declaration's successful implementation and to that end, a "score card" should be devised to monitor its outcomes.

251. *The Government spokesperson* welcomed the Declaration, which provided policy recommendations that should be prioritized by member States for achieving inclusive growth. It also contained welcome guidance on ILO support to constituents. After consideration of the conclusions, the Government group wished to share some additional points. Paragraph 2(d) could have made reference to workers in occupied territories among the list of disadvantaged categories of workers. Government representatives from Papua New Guinea had hoped to see a reference to "climate induced natural disaster" in paragraph 6, which dealt with resilience to crisis. Lastly, Government representatives from Malaysia registered a reservation concerning paragraph 8(b) and the no charging of recruitment fees and related costs to migrant workers and the entitlement of migrant workers to keep travel and identity documents in their possession. The government group supported the Bali Declaration and stood ready to work with the ILO and social partners in its implementation.

252. *The Government delegate of Jordan* recalled the earlier comments from the Government representative from Palestine and supported the suggestion to add "workers under occupation" as a principle category of traditionally disadvantaged workers in paragraph 2(d). The Chairperson noted the suggestion.

253. *The Chairperson* alerted delegates to an amendment in paragraph 14 to replace the term "bi-annually" with "every two years" to clarify the period of review. The Workers' representative from Fiji added that the submission of the implementation plan and review to constituents and the Governing Body of the ILO should also appear in paragraph 14. The Government representative from Australia and Employer representative from New Zealand supported this. Paragraph 14 was adopted as amended.

254. *The Meeting unanimously adopted the Bali Declaration.*

Closing ceremony

255. *The Government Vice-Chairperson* reminded delegates that building a future with decent work coupled with sustainable and inclusive development was important for the world, not just the region. While the region had generated tremendous wealth, it had not been fairly divided. The Director-General's report highlighted the urgent need to promote inclusive policies to create decent jobs, close the gender gap, reduce income inequality and extend social protection for all. Ensuring that nobody was left behind was only possible, however, through genuine social dialogue. The region had made huge strides in lifting living standards, with decent work at the centre and in line with a shared commitment to the 2030 Agenda. Technology should be leveraged to create jobs and good governance and the rule of law pursued for stability and a sound investment climate. The Future of Work and Women at Work initiatives were of fundamental importance. The strength of the Meeting's conclusions lay in the tripartite negotiations that produced them. They gave practical guidance on how to achieve inclusion, decent work and sustainable development, and reflected the concerns and aspirations of delegates.

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- 256.** *The Employer Vice-Chairperson* acknowledged the region's progress over the last decade in terms of labour productivity and the decline in extreme poverty. Challenges remained, particularly for businesses, given the current geopolitical context and disruptive effects of technology. Private enterprise and investment had shown their potential to contribute to inclusive growth and the 2030 Agenda gave the private sector a role in growth and development. Business should be a fully-fledged partner with countries, to help steer and amplify national development efforts. It was critical to acknowledge the diversity of national circumstances in the region and develop policies accordingly. As follow-up action, employers emphasized the need for inclusive economic growth through effective labour market policies that created an enabling environment for sustainable enterprises and job creation. The pursuit of fair recruitment of migrant workers based on established guidelines was also important in this region. In the context of the Future of Work initiative, labour market developments across the region should be tracked to better understand the effects of technological change and the matching of skills to labour market needs. The Bali Declaration's strong and shared commitment would help constituents and the ILO develop more effective action to address the region's specific needs.
- 257.** *The Worker Vice-Chairperson* emphasized the importance of the Meeting to review and discuss future work of the ILO in the region. While there was much talk about strong growth in Asia and the Pacific, it had not led to improved living standards for workers. Rather, the labour share of GDP was declining and wages had not kept pace with productivity. Increased harassment and attacks on trade unions together with violations of workers' rights were a serious concern and contributed to greater inequality including a widening gender pay gap. An institutional approach was required to address low social protection coverage and the large number of workers in the informal economy. Women in particular faced difficult working conditions and were absent from leadership positions, including in trade unions. Improving the working conditions of migrant workers was a joint responsibility. The conclusions were the result of tripartite social dialogue, a unique feature of the ILO within the UN system. As such, there was no excuse for not sending full tripartite delegations to the Meeting, especially the exclusion of worker delegates. The conclusions would guide the ILO in its efforts to help implement the conclusions. The Workers' Group was pleased to note the campaign for the ratification of fundamental ILO Conventions given the low ratification rate in the region. The conclusions' attention to industrial relations, collective bargaining, gender equality, child labour, forced labour and the protection of migrant workers was also welcomed.
- 258.** *The Chairperson* congratulated the delegates on a successful Meeting noting that despite the region's diversity, they were united by dialogue, which had led to consensus conclusions. The Meeting benefited from the discussion on a variety of subjects that were pertinent and useful to the region. Constituents were urged to put the conclusions to work in their respective countries, with their clear and strong emphasis on full and productive employment, decent work and sustainable development.
- 259.** *The Director-General* recalled the challenge of the Indonesian Vice President to use decent work to build societies in which the fruits of growth were available to all. Constituents also challenged themselves to deliver sharp, focused and actionable conclusions. The Meeting had succeeded on both counts and demonstrated that tripartism worked. It established clear regional priorities while setting expectations for the work of the Office for which the ILO would be accountable. These same conclusions were a useful reference for the upcoming Governing Body debate on the 2017-2018 Programme and Budget proposals. The Bali Declaration critically stated that governments, employers and workers in the region agreed that action to promote decent work fostered inclusive growth and social justice, stimulated economic dynamism and innovation, and drove sustainable development. While this consensus should not be underestimated, it was only through implementation that the commitments in the Declaration could improve the lives of millions of workers and their

families and begin to create the 249 million decent jobs needed to achieve Goal 8 of the 2030 Agenda.

260. The full diversity of circumstances in the region needed to be addressed, including challenges of Arab member States in the face of crisis and conflict; the challenges of economic powerhouses which had an enormous economic impact but faced uncertainties; and the challenges of the least developed countries and small island States. Regional diversity also meant gender equality and while the Meeting had not met the minimum goal of 30 per cent women delegates, the improvement since the previous APRM was good news. The Governing Body was reviewing the functioning of regional meetings and constituents were urged to bring their experiences from this meeting to bear in that process of evaluation. While the meeting was a success it was tinged with sadness upon hearing the news of the Aceh earthquake tragedy and he had written to the Minister of Manpower of Indonesia to formally convey the ILO's condolences. Unless otherwise decided, the next APRM would be held in 2020 shortly after the conclusion of the ILO centenary celebrations. This milestone was a crucial juncture in the future of the ILO and constituents were urged to make every effort for the success of the Future of Work initiative to meet the expectations of this historic milestone for the benefit of the organization, its member States and social partners.

Appendix

Information session on Fair Migration with a Focus on Recruitment

1. The information session on fair migration with a special focus on recruitment was chaired and moderated by Mr Hounghbo, Deputy Director-General for Field Operations, ILO. The presentation was made by Ms Michelle Leighton, Chief, Labour Migration Branch, ILO. The panel was composed of:
 - Mr Phongsaysack Inthalath, Chair, Labour Officials Meeting and ASEAN committee on migrant workers;
 - Dr Omar Alnuaimi, Assistant Undersecretary for Communication and International Relations, Ministry of Human Resources and Emiratization, UAE;
 - Mr Ray Jureidini, Research Director, Migration, Ethics and Human Rights, Hamad Bin Khalifa University, Doha.
2. *The Chief of the ILO Labour Migration Branch* highlighted the increase in volume of migrant workers in the interrelated regions of Asia and the Arab States, and within Asia. The majority of the estimated 18 million migrant workers in the Arab States originated from Asia, while two thirds of the 9.5 million international migrants in ASEAN came from other ASEAN countries. The high volume of migration in these corridors and the poor bargaining position of low-skilled migrants, gave rise to unscrupulous practices by local recruitment agents and their foreign counterparts.
3. The key features of the *General Principles and Operational Guidelines for Fair Recruitment (2016)* applied to national as well as migrant workers. The nonbinding guidelines were intended as a central means to address recruitment abuses. The principles stated that recruitment should take place so as to respect human rights and fulfil international labour standards, and in particular fundamental principles and rights at work. They called for taking measures against abusive and fraudulent recruitment methods, including those that could result in forced labour and trafficking. Here, the key role of employment contracts, labour inspection, and the use of standardized registration, licensing and certifications systems was important. The guidelines underscored the ILO standard that no fees or costs should be paid by job seekers and workers. The guidelines identified responsibilities of different actors of the recruitment process - governments, public employment services and enterprises, with a need to develop laws and policies that regulated recruitment comprehensively, and across borders through bilateral and multilateral agreements. Within enterprises, specific responsibilities were outlined for labour recruiters and employers.
4. The ILO Governing Body had authorized the dissemination of the guidelines and their use as a basis for capacity-building programmes and cross-border cooperation to implement the guidance, working with employers' and workers' organizations. The SDGs recognized that eliminating the costs of recruitment was central to management of migration. The ILO and World Bank were developing the methodology to help member States measure these costs under SDG indicator 10.7.1.
5. The ILO Governing Body had also asked the Office to use the guidelines in follow-up to the UN General Assembly High-Level Summit on refugees and migrants that took place in New York in September 2016. The UN General Assembly agreed to develop, for adoption in 2018, two Global Compacts on refugees and migration respectively. The Migration Compact would be the first global instrument to be adopted at the UN by Heads of State to guide global migration governance. The present discussion was particularly relevant, as consultations for the development of the Migration Compact, including at regional level, would begin in early 2017.

ILO constituents would need to play a key role to ensure ILO standards and approaches, including on recruitment, were adequately reflected.

6. *Mr Inthalath* said that protection and promotion of the rights of migrant workers were high on the ASEAN agenda. In 2007, ASEAN Leaders had signed the ASEAN Declaration on the Protection and Promotion of the Rights of Migrant Workers or the Cebu Declaration. The Cebu Declaration called for sending States to regulate recruitment of migrant workers and eliminate recruitment malpractices through legal and valid contracts, regulation and accreditation of recruitment agencies and blacklisting of negligent or unlawful agencies. For receiving States, the Declaration called for the facilitation of migrant workers' access to resources and remedies. Receiving States should promote fair and appropriate employment protection and provide migrant workers with adequate access to legal and judicial system when they faced discrimination, abuse, exploitation and violence.
7. The Cebu Declaration was not just a political statement but provided guidance for action, including the finalisation of the ASEAN instrument on the protection and promotion of the rights of migrant workers, and the work plan of the ASEAN Committee on the Implementation of the ASEAN Declaration on the Protection and Promotion of the Rights of Migrant Workers or ACMW. The ACMW Work Plan 2016-2020 addressed four thematic areas, translated into activities and projects that ASEAN would work collectively on over five years. The four thematic areas were: governing mechanism of labour mobility; social protection of migrant workers; protection and promotion of the rights of migrant workers; and labour dimension of trafficking in persons.
8. *Dr Alnuaimi*, from a destination country perspective, recalled key drivers of current recruitment practices which resulted in abuse of migrant worker rights and which needed to be addressed: (1) In most corridors in the region there was an imbalance of supply and demand, with high numbers of low-skilled migrant workers and far fewer job opportunities, resulting in illicit fees and kickbacks imposed on migrant workers, and often resulting in a skills mismatch; (2) Migrant workers were poorly informed about their future job and destination; (3) Employers were driven by lowering worker costs, including through illegal means; (4) Regulation of the recruitment of migrant workers remained unresolved at the high political level, making enforcement a challenge; (5) Business relations between recruiters and employers were non-transparent and could escape legal scrutiny.
9. In absence of government-to-government recruitment modalities in the region, governments of countries of origin and destination needed to find ways to increase the transparency between recruiters and employers, and standardize recruitment processes with letters of demand for workers, selection of candidate workers and their placement through government oversight. Partnerships between countries of origin and destination should be leveraged and customized to the Asia-Arab states corridor, and these could draw from models such as the Memorandum of Understanding between the Philippines and three provinces in Canada, or that between Saudi Arabia and Bangladesh.
10. *Mr Jureidini* emphasized that both countries of origin and destination needed to show commitment to fair and ethical recruitment with the objective of eliminating all worker payments for recruitment in line with the Private Employment Agencies Convention, 1997 (No. 181). It was unacceptable that the poorest low-skilled migrant workers were those fraudulently charged for their recruitment, far in excess to actual costs, when the vast majority of higher-skilled workers were not. Such charges were a form of extortion and amounted to a multi-billion dollar industry at the expense of low-skilled migrant workers, and could lead to debt bondage and forced labour. Employers who profited from this recruitment model, in particular in the construction sector, were motivated to recruit the maximum number of migrant workers.
11. To change the culture of workers expecting to pay for obtaining their jobs abroad required governments in countries of origin to repeal current regulations that allow private recruitment

agencies to charge migrant workers, making such charges illegal and punishable by law, and informing prospective migrant workers accordingly. The culture of employers expecting not to pay the costs of labour recruitment also needed to change; beginning with reforming the tendering process for projects in countries of destination. Bilateral and multilateral agreements should specify the supply of labour at no cost to migrant workers, and be underpinned by consistent legislation and enforcement on recruitment charges. To reduce the number of intermediaries, increased government-to-government labour recruitment should be encouraged, setting benchmarks for the private sector. Maximum recruitment fees - to be paid by employers - should be set and made transparent for all stakeholders. Accreditation programs to establish and source exclusively from trustworthy, fair, ethical and compliant recruitment agencies was also recommended.

12. Fair recruitment provided benefits for all stakeholders. For employers these included minimization of reputation risks, reduction of fraudulent activities, improved productivity, and contributions to a more socially just society. For agencies, fair and ethical recruitment had proven to be commercially viable and would produce less competition with economies of scale. For employees, labour rights and freedom of movement would be easier to achieve with the elimination of debt bondage. For governments in countries of origin, it would mean the elimination of hundreds of millions of dollars currently disappearing through corruption, less abuse of nationals abroad and compliance with international standards. For governments of destination countries, it would reduce fraudulent behaviour, better satisfied workers, increased productivity, compliance with international standards and improved reputation.

General discussion

13. *The Secretary General, Bangladesh Employers*, stated that having clear and transparent national immigration laws and policies that did not hinder the free movement of labour were greatly beneficial to all stakeholders. Both workers' and employers' organizations should be strict in advocating as well as implementing fair recruitment process. Communication among employers' organizations should be established to exchange useful information. To ensure fair recruitment processes many companies and industry bodies had their own codes of conduct. The World Employment Federation (previously known as the Confederation of Private Employment Agencies or CIETT) had its own Code of Conduct to promote ethical recruitment. The IOE had played a pivotal role in the International Recruitment Integrity System (IRIS) and Fair Recruitment initiatives.
14. In addition to supporting the implementation of the principles and guidelines, the ILO should support member States in analysing labour market needs, identify gaps, and take effective steps for free movement of workers across the region. The ILO should also play a significant role in providing capacity building and technical assistance to its constituents in promoting fair recruitment. The ILO could assist in establishing jointly collaborated training centres by sending and receiving countries with mutually acceptable certification systems to enhance and standardize the skills of migrant or potential migrant workers.
15. *The Secretary, General Federation of Nepalese Trade Unions*, noted that the triple win situation mentioned in the Director-General's report, potentially benefitting, migrants, countries of origin and destination was currently not being realized. Agricultural and domestic workers were not recognized as workers; high recruitment fees were paid by workers; there were restrictions around job changes; freedom of association and collective bargaining were often curtailed or absent. The win for sending countries was also absent as remittances did not compensate the loss in investment (in education) and social costs. Recruitment agencies should be monitored and held accountable. Countries of origin should have policy coordination on wages to prevent a race to the bottom; Memorandums of Understanding should be developed through a consultative process and be transparent.

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16. *The Vice President of the Malaysian Employers Federation* observed that migration costs were currently too high. Involvement of third parties should be minimized. Government-to-Government programmes in recruitment should be promoted. Skills recognition would result in better pay and higher productivity.
 17. *A representative of the Malaysian Trade Union Congress* emphasized that the real need to hire should be justified. Labour recruitment should be made illegal, and replaced by a tripartite system. The right to freedom of association and collective bargaining for migrant workers should be respected.

Closing remarks

18. *Mr Jureidini* reiterated the importance of eliminating recruitment costs for migrant workers and reducing them for employers. Bribery and extortion were crimes, and should not be the business norm; euphemisms such as “facilitation costs” and “leakage” should be avoided.
19. *Mr Alnuaimi* said that a number of sending and receiving countries in the interrelated regions of Asia and Arab States were examining alternative models of migration governance, though leveraging skills and technology. He invited APRM delegates to participate in the upcoming senior officials meeting of the Abu Dhabi Dialogue in January 2017 in Colombo.
20. *Mr Inthalath* said action on fair recruitment should be taken at three levels: exchange of good practices at the global level; development of platforms and mechanisms at the regional level; and model systems and implementation at the national level.