

Opening keynote address

Deputy Director-General Greg Vines

17th ILERA World Congress • 8 September 2015 • Cape Town, South Africa

President,

Distinguished Delegates,

Thank you for the opportunity to join you here today on the occasion of the 17th ILERA World Congress – the first of its kind in Africa.

Let me at the outset convey the best wishes from the Director-General of the ILO, Guy Ryder. He attaches great importance to the work of ILERA and to this Congress, and looks forward to receiving the report of the outcomes of your Congress.

As we have heard this morning, the theme of the Congress is “The Changing World of Work: Implications for Labour and Employment Relations and Social Protection”. The programme of meetings ahead of us is impressive in its scope and diversity, and it clearly reflects the richness of expertise available in this room today and among the members of ILERA in general.

The six tracks that will be discussed over the next four days touch upon some of the most important issues that ILO’s 186 member States and their governments, employers and workers are faced with everywhere. These include but are not limited to labour migration, social protection, informal employment, and changing employment relations and trends as a result of globalization. Allow me to share some of our thinking at the ILO about the key themes of the Congress, and to suggest a few specific areas of future collaboration between ILERA and the ILO.

The Future of Work

At the most recent session of the International Labour Conference – in June this year – the Director-General of the ILO called for a new global initiative on the future of work. He specifically proposed that a high-level commission should be established to prepare a report on the future of work for the International Labour Conference in 2019, when we will celebrate and commemorate the 100th anniversary of the ILO.

As Guy Ryder rightly said when he addressed the more than 4,000 delegates that gathered earlier this year in Geneva, *“we need to look at the longer term drivers of change, the transformational mega-trends, and what they imply for the goals we pursue in the ILO in its second century”*.

The Future of Work initiative is one of those rare opportunities to take a step back and to look at the broader picture over the longer term. The role of work in society, the changing organization of work and production, the governance of work, and the need to create 600 million new and decent jobs by 2030 just to get back to pre-crisis levels, will all be part of this initiative.

In order to do so, the future of work will involve the ILO’s tripartite constituents – workers, employers and governments – fully and universally. But we are also going to reach out to the academic world and to all other relevant and interested actors.

I invite ILERA and all of you present today to consider ways to join and enrich the Future of Work initiative. It is only by working together that we can ensure that the Future of Work initiative becomes a meaningful contribution to social justice and decent work for all in the 21st Century.

Harnessing global supply chains for economic and social outcomes

One of the transformational mega-trends that the ILO Director-General referred in his report to the International Labour Conference this year is the fact that an increasing amount of the world's trade and investment occurs through global supply chains. This is leading to significant changes in the international division of labour, and trade flows between countries, and to the structure of labour markets around the world.

Global Supply Chains can contribute to enterprise and employment creation and growth, and promote the dissemination of knowledge and productive technologies and capabilities to improve performance and productivity. Yet, they can also create such decent work challenges as poor and hazardous working conditions and low wages.

At the ILO, we are preparing for a general discussion on decent work in global supply chains that will take place at the International Labour Conference in June 2016. The discussion is likely to cover issues such as the effects of supply chains on the employment relationship, as well as on collective bargaining and social dialogue, the role of international labour standards, the role of employers and workers at both the global and national levels, and the role of multinational enterprises in the promotion of decent work in global supply chains.

Our ongoing work to prepare the report for the Conference next year has revealed that we are in many ways only just beginning to understand the implications of global supply chains on labour relations and economic and social policies. There is clearly a need to better understand how to maximize the potential of Global Supply Chains to generate growth and inclusive development, while at the same time promoting the application of international labour standards and the realization of decent work and productive employment. I see this as another area for enhanced ILERA and ILO collaboration in the years to come.

Decent work and the Sustainable Development Goals

When our world leaders assemble at the Special UN Summit in New York later this month to adopt the “2030 Agenda for Sustainable Development”, decent work is at the heart of the new Sustainable Development Goals that will guide all development efforts for the next 15 years and beyond.

Among the 17 new goals, we have number 8 entitled “Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.” Of 12 targets under goal 8, one explicitly calls for efforts by 2030 to “achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value”.

Concerning the means to achieve those objectives, specific reference is made to putting into operation a global strategy for youth employment by 2020.

Notably, social protection is a core target for action under the poverty goal number one and is mentioned together with wage and fiscal policies as a means to address inequality.

To a very large extent, governments in the UN are recognising that the ILO’s Decent Work Agenda will be instrumental to achieving the new set of comprehensive, far-reaching and people-centred set of universal and transformative goals. This is in many ways our “I told you so moment”: the new sustainable development agenda is clearly based on the recognition that decent work and well-functioning labour markets and social security policies are central to, and critical for development. The ILO has argued for many years that rights-based and coherent economic, social and environmental policies are the only sustainable way forward.

The new Sustainable Development Goals will be accompanied by more than 169 targets and indicators, which all member States are expected to translate into action, monitor and report on. The ILO is working closely with the UN statistical commission to develop a core set of decent work indicators to measure progress towards decent work, and we plan to re-double our efforts to build the capacity of our constituents and their national statistical offices to do so. I believe this is a third area where there is room for collaboration between ILERA and the ILO, and on which I welcome your views.

Reversing unemployment and inequality trends

The challenge ahead is daunting. According to the latest World Employment and Social Outlook report, global unemployment reached 201 million in 2014. This is over 30 million higher than before the start of the global crisis in 2008.

Worldwide almost 74 million young people (aged 15–24) were looking for work in 2014 and not finding any. The youth unemployment rate is almost three times higher than the adult unemployment rate.

Here in sub-Saharan Africa, the employment situation has regrettably not improved much, despite better economic growth performance. In many developing countries, underemployment and informal employment are expected to remain stubbornly high over the next five years.

The number of workers in vulnerable employment has increased by 27 million since 2012, and currently stands at 1.44 billion worldwide. Sub-Saharan Africa and South Asia account for more than half of the world's vulnerable employment, with three out of four workers in these regions in vulnerable employment.

Inequality continues to grow in almost all regions. On average, in the countries for which data are available, the richest 10 per cent earn 30–40 per cent of total income. By contrast, the poorest 10 per cent earn around 2 per cent of total income.

These are key numbers because if the new sustainable development agenda is to be truly transformative it has to enable women and men to move out of low productivity, low-paid, insecure jobs into decent work. This is central to the development process, to democracy and to shared prosperity everywhere.

In this regard, I applaud you for placing informal employment and social protection at the top of the agenda of this Conference. With nearly half of the global workforce working in conditions of informality, we cannot be credible if we do not act to address the conditions they face. In this regard, we adopted a new ILO Recommendation No. 204 concerning the Transition from the Informal to the Formal Economy at the International Labour Conference in June 2015. And we have also adopted outcomes dedicated to informal

employment and social protection in our Strategic Policy Framework for 2016-17.

I would argue that we have come a long way in recognizing how full and productive employment and social protection are key to development. However, we still have a long way to go in terms of understanding the best mix of laws, policies and institutions required to address informal employment and implement social protection floors in specific country contexts. I look forward to following the discussions this afternoon, and I am sure we will uncover specific areas in which ILERA and the ILO can enhance its collaboration on these issues in the future.

Enhancing our understanding of industrial relations and the governance of work

In addition to the mega-trends and the new sustainable development agenda that will define our century, allow me to mention a few, more specific areas where the ILO is particularly interested in expanding the knowledge base in relation to industrial relations and the governance of the world of work.

This month, we release **IRStat** - with authoritative data on trade union density and collective bargaining coverage for around 100 countries. Work also continues on a comparative legal database on labour law frameworks for labour relations. We will release this database “**IRLex**” in November this year. These new databases will accompany the ILO’s existing EPLex database, which contains comparative information on termination of employment laws in around 100 countries, the Working Conditions Law database, and the recently-launched LEGOSH database on occupational safety and health laws.

Developing and maintaining these databases is essential to us realising our ambition to develop the research agenda to examine how labour relations frameworks can be most effectively improved. We need to know how these frameworks can be made more inclusive so that they might:

1. assist in redressing the rising inequality we see around the world;
2. enhance equality between men and women; and
3. provide labour protection to vulnerable categories of workers including those in the informal economy.

The need for enhanced collaboration

Finally, the ILO has its own, extensive research programme. But the programme for this World Congress and the research that will be showcased the next four days clearly demonstrates that the field of labour and employment relations is too broad for any one organization to encompass on its own.

Much of the research work that will be presented here in Cape Town this week is pushing out the traditional boundaries of industrial relations and identifying new opportunities for new forms of workplace and labour market governance. This work can make an enormous contribution to the advancement of the ILO's goals and the decent work agenda.

As you may know, the ILO has recently witnessed serious controversy in relation to the application of conventions and the right to strike. It has not been easy – but we have now put in place a series of measures to resolve this issue. All ILO constituents have consistently and impressively come together and insisted on the fundamental importance of a strong, authoritative, and well-functioning supervisory system for ILO standards. With a new standards review mechanism, we will be reviewing not only existing Conventions, but also the areas of regulatory gaps where new standards would be helpful. Since you are at the forefront of employment at labour relations, we warmly welcome your views on this issue as well.

I am convinced that the network of academic researchers and industrial practitioners that make up ILERA can contribute in a very real way to both decent work and sustainable development. We clearly need to find more effective ways of sharing our research and ideas in this regard.

I will finish here by reiterating that the ILO welcomes any opportunity to collaborate in research and ideas with ILERA members, and in particular on the issues of mutual interest that I have highlighted here today.

My most sincere thanks to you, President, and to the members of the Organizing Committee for hosting this World Congress and for welcoming us so warmly to Cape Town.

I wish you all well for your important work over the next few days.