

2020

THE GLOBAL DEAL FOR DECENT WORK
AND INCLUSIVE GROWTH FLAGSHIP REPORT

SOCIAL DIALOGUE, SKILLS AND COVID-19



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GLOBAL DEAL
TOGETHER FOR DECENT WORK
AND INCLUSIVE GROWTH



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Abbreviations and acronyms

ACCEL	Accelerating Action for the Elimination of Child Labour in Supply Chains in Africa
ACE	ASEAN Confederation of Employers
ACVT	Advisory Committee for Vocational Training
AES	European Adult Education Survey
AMS	ASEAN Member States
ASEAN	Association of Southeast Asian Nations
ATUC	ASEAN Trade Union Council
AUC	Africa Union Council
BPDp	Best Practice Demonstration Programme
BWI	Building and Wood Workers' International
CAR	Comité d'aide au reclassement
CCOO	Comisiones Obreras
CHAMP	Consortium for HRD Ability Magnified Programme
CONEANFO	Comisión Nacional para el Desarrollo de la Educación No Formal
CONOCER	Consejo Nacional de Normalización y Certificación de Competencias
CORE	Canadian Ombudsperson for Responsible Enterprise
DWCP	Decent Work Country Programme
EU	European Union
EPSU	European Federation of Public Service Unions
ETUFs	European Trade Union Federations
GDP	Gross domestic product
G7	Group of Seven
G20	Group of Twenty
GFA	Global framework agreement
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
HR	Human resources
HRD	Human resource development
HRDD	Human rights due diligence
HRDF	Human Resource Development Fund
IBEW	International Brotherhood of Electrical Workers
IBF	International Bargaining Forum
ICT	Information and communication technology
IDH	The Sustainable Trade Initiative
IUF	International Union of Food Agricultural, Hotel, Restaurant, Catering, Tobacco and Allied Workers' Associations
ILO	International Labour Organization
IRBC	International responsible business conduct
IRC	Industry Reference Committee
ISCs	Industry Skills Councils
IT	Information technology
ITC-ILO	International Training Centre of the ILO
ITUC	International Trade Union Confederation
JIRDC	Joint Industrial Relations Development Committee
MNE Declaration	ILO Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy
MoU	Memorandum of Understanding

MSAB	Multi-Stakeholder Advisory Body on Responsible Business Conduct
NAHWUL	National Health Workers' Union of Liberia
NEDLAC	National Economic Development and Labour Council of South Africa
NCPs	National contact points for the OECD Guidelines for Multinational Enterprises
NGO	Non-governmental organisation
NMCs	National monitoring committees
O&O	Opleiding en Ontwikkeling
OECD	Organisation for Economic Co-operation and Development
OECD Guidelines	OECD Guidelines for Multinational Enterprises
OSH	Occupational safety and health
PCs	Provinces and territories
PES	Public employment services
PIAAC	Programme for the International Assessment of Adult Competencies
PPE	Personal Protective Equipment
PSI	Public Services International
QDVC	Qatari Diar Vinci Construction
RBC	Responsible business conduct
RMG	Ready-made garment
RSCs	Regional Skills Councils
SAA	Skills assessment and anticipation
SAP	Structural adjustment package
SAPES	Sistema de Acompanhamento de Egressos do SENAI
SARS	South African Revenue Service
SEWA	Self Employed Women's Association
SDL	Skills Development Levy
SDGs	Sustainable Development Goals
SENA	Servicio Nacional de Aprendizaje
SENAI	Serviço Nacional de Aprendizagem Industrial
SER	Social and Economic Council of the Netherlands
SETA	Sector Education and Training Authority
Sida	Swedish International Development Cooperation Agency
SNTCC	Somali National Tripartite Consultative Committee
SOLAS	Seirbhís Oideachais Leanúnaigh agus Scileanna
SMEs	Small and medium-sized enterprises
T4SD	Trade for Sustainable Development
TERS 19	Temporary Employer-Employee Relief Scheme
TESDA	Technical Education and Skills Development Authority
TVET	Technical vocational education and training
UAW	United Auto Workers
UGT	Sindicato Unión General de Trabajadores
UNGPs	United Nations Guiding Principles on Business and Human Rights
VET	Vocational education and training
WASH	Water, sanitation and hygiene
WCM	World class manufacturing
WWC	Workers' Welfare Committee

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Executive summary

This second Global Deal Flagship Report illustrates the importance of social dialogue in managing the consequences of the coronavirus (COVID-19) pandemic, as well as the benefits of involving social partners in adult-learning systems to prepare for the future of work.

The COVID-19 crisis that erupted so suddenly at the beginning of 2020 has stressed labour markets and employment to a degree never seen before. Both the Organisation for Economic Co-operation and Development (OECD) and the International Labour Organization (ILO) are documenting the steep decline in the number of jobs and/or the volume of work over the first half of 2020. The same organisations also fear that the jobs recovery will be uncertain and far from complete.

This report emphasises the role that social dialogue has to play in promoting lifelong learning and skills development, and in addressing the changes and challenges brought about by the COVID-19 crisis.

The arrival of the coronavirus presented the first of many challenges, which was to manage the short-term impact of the pandemic. Initially, it was necessary to prevent the sudden shutdown of major parts of the economy from amplifying itself into an even deeper recession. Social partners, together with governments, addressed this by swiftly negotiating several series of short-term changes in work arrangements that keep workers in their jobs, thus strengthening labour-market resilience.

Social dialogue has also played a key role in developing policies to protect workers' health against the spread of the virus. Many agreements and protocols were negotiated, providing workers with personal safety equipment, boosting sanitary provisions, reorganising workplaces and working hours to allow for social distancing, and taking extra precautionary measures for those at a higher risk of serious illness, such as older workers. By providing workers with a collective voice, social dialogue helped provide them with the confidence that a

return to work would be as safe as possible. This, in turn, helps in the continuation of essential activities, and with reopening businesses after lockdown.

The type of social agreements struck during this early phase of the pandemic also shows that social dialogue does not shy away from the issue of flexibility. In fact, many agreements, with or without some nudging from governments, were signed to find flexible working-time arrangements in balanced ways. In particular, this took the form of shifting working hours from periods of idle time (during lockdown) to periods when a recovery of production was to be expected. In doing so, management was sometimes given more leeway to decide on working time, provided this took place within certain limits and in return for other engagements from the side of the employers.

Turning to the global economy, the COVID-19 crisis also seriously disrupted global supply chains. As orders and payments were suddenly cancelled, workers and companies at the bottom of the supply chain were facing the cancellation of many orders. Social dialogue also engaged in tackling this problem by developing several initiatives at the global level, with the 'COVID-19 - Call for action in the global garments industry', negotiated by the International Organisation of Employers (IOE), the International Trade Union Confederation (ITUC) and the ILO, constituting a prominent example.

The second main challenge arises from what COVID-19 revealed: pre-existing weaknesses in world economies. There is significant evidence that the pandemic has caused disproportionate negative impacts on low-wage workers, workers who are already facing much insecurity, women, young people, informal workers and on vulnerable groups in our society. COVID-19 is thus intensifying inequalities. There are calls to ensure that the recovery tackles the challenges of income and wealth inequality. Social dialogue needs to be a key part of the agenda of "building back better", and

this report documents the different channels and mechanisms through which social dialogue can work to deliver a widespread distribution of the benefits of economic growth.

In addition to the challenges and changes brought by the COVID-19 crisis, technological change and other megatrends are restructuring labour markets, thereby creating both skills shortages and surpluses. To prevent skills depreciation and obsolescence and to facilitate transitions towards sectors and jobs that are expanding, strong adult-learning systems are needed more than ever. However, adult-learning systems do not always take into account the changing skill needs of the labour market. Moreover, participation is especially low among those most in need of new or additional skills, and among the rising number of workers in non-standard employment arrangements.

Successful, contemporary skills development systems and lifelong learning policies use social dialogue to build bridges, connecting education and training to the world of work. Shifting to a knowledge - or skills-based economy and fostering productive activities will accelerate the creation of more and better jobs, improve social cohesion and contribute to sustainable development. Investing in skills development creates a virtuous cycle in which sought-after, higher skills boost productivity and help to modernise the economy, increase employability, and ensure social inclusion and better work and life situations.

The involvement of social partners in the adult-learning system varies significantly across countries. While in some countries, social partners are heavily involved in the definition and management of a training system, in others, they have only a limited consultative role. A lack of stakeholder involvement in the planning and development of skills assessment and anticipation is seen as a barrier to well-informed policy making.

With most adult learning occurring in the workplace, governments need to utilise the

capacity of trade unions and employers to develop and deliver training. Many countries use payroll taxes, or training levies, to incentivise employers to put greater emphasis on upgrading the skills and productivity of their workforce. Programmes to encourage learning environments at work are more successful where social partners communicate effectively about changes in work organisation. They have a key role to play in evaluating the quality and outcomes of participation in training. Engagement of employers and unions is also important to provide prompt and effective re-employment assistance to workers who become unemployed and have difficulty finding sustainable employment in the same occupation and industry. As countries look to scale up training provision to address the challenges brought about by the megatrends and magnified by the COVID-19 crisis, social partners have a central role to play in improving and increasing adult-learning provision.

By supporting investment in skills and lifelong learning, social dialogue is key to ensuring that the benefits of structural change derived from technological progress and other developments are shared broadly and fairly. Such support will also serve to help governments, business and individuals adapt to the pressing changes and challenges brought by the COVID-19 crisis.

This report shows how Global Deal partners have engaged in efforts to promote and strengthen social dialogue. One of the ways in which this is done is through voluntary commitments, which are concrete actions by partners that help realise the objectives of the Global Deal. As of September 2020, 64 partners had made 99 voluntary commitments to promote social dialogue as a means for achieving decent work and inclusive growth. [Annex I](#) provides a summary of the commitments and actions taken by partners.

Introduction

The Global Deal is a multi-stakeholder partnership that promotes social dialogue and sound industrial relations to address the challenges in the global labour market and to enable all people to benefit from globalisation. It encourages governments, businesses, trade unions and other organisations to make commitments to enhance social dialogue and sound industrial relations. The Global Deal is a partnership in line with Goal 17 (Partnerships for the goals) of the 2030 Agenda for Sustainable Development.

As of September 2020, the partnership counted 105 partners representing governments, businesses, business organisations and employers' organisations, trade unions, and other stakeholders, including international organisations, civil society and local and regional administrations ([Annex II](#)).

This Global Deal Flagship Report 2020 reports on the partnership's developments and outcomes. This year, it has a thematic focus on the involvement of social partners in the responses to the coronavirus

(COVID-19) pandemic, and on different approaches to utilising social dialogue and sound industrial relations to promote lifelong learning and skills development. The COVID-19 pandemic has not only shown how social dialogue can mitigate the impact of a crisis on the economy, business and workers, but can also be of great value in securing recovery from the crisis by building a more inclusive labour market.

Skills development, quality education and lifelong learning for employment and decent jobs are integral to the political commitment around the 2030 Agenda. Goal 4 (Quality education) of the Sustainable Development Goals (SDGs) puts the focus on ensuring quality, equitable and inclusive education for all and takes a lifelong learning approach – from early childhood to higher education and from general to vocational education and training. It also emphasises the need to substantially increase the number of young people and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs



PHOTO: Global Deal/Maud Bernos

and entrepreneurship. Goal 8 (Decent work and economic growth) calls for promoting inclusive and sustainable economic growth, full and productive employment and decent work for all, with a particular emphasis on youth not in employment, education or training.

THE IMPORTANCE OF SOCIAL DIALOGUE AND COLLECTIVE BARGAINING

As explained in the first Global Deal Flagship Report, *Building Trust in a Changing World of Work*, the concept of social dialogue is broad, encompassing a variety of different institutional forms, processes and participants. Fundamentally, they are derived from the guidance provided by international labour standards and the national regulatory frameworks that allow for the application of these standards.

Social dialogue refers specifically to the processes involved in industrial relations. This includes all types of negotiations, consultations and exchange of information between or among representatives of governments, employers, and workers on issues of common interest relating to economic and social policy. Industrial relations refers to the laws, processes and institutions that regulate employment relations, including wages, working conditions, social protection, labour peace and discrimination. The term “social partners” is often used to describe trade unions and employers’ organisations. Other actors, such as civil society organisations may be involved in meaningful conversations or “multi-stakeholder dialogue”.

Effective social dialogue is essential for decent work and sound industrial relations. It is the best mechanism through which common interests can be identified and opposing viewpoints reconciled, thus fostering social justice and economic stability. Decent work sums up the aspirations of people in their working lives. It involves opportunities for work that:

- are productive and deliver a fair income
- provide security in the workplace and social protection for families
- provide better prospects for personal development and social integration
- secure freedom for people to express their concerns
- allow people to organise and participate in the decisions that affect their lives
- provide equality of opportunity and treatment for all women and men.

The Global Deal can be an effective tool for helping governments, businesses, trade unions and other stakeholders to use social dialogue to build momentum towards a virtuous cycle that can deliver on the challenges in the global labour market as well as the SDGs. It is a concrete input to Goal 8 (Decent work and economic growth), Goal 10 (Reduced inequalities) and several other SDGs.

THE GLOBAL DEAL FLAGSHIP REPORT 2020

Chapter 1, on managing and recovering from COVID-19, explores how social dialogue has been used as an instrument to support the recovery from the crisis. It shows that social dialogue plays a key role in mitigating the impact of shocks such as the current pandemic on business and workers, making labour markets more resilient. By building trust and fairness, governments and social partners are using social dialogue to facilitate the implementation of short-time work arrangements designed to preserve jobs, and flexible working-time arrangements designed to balance social distancing at the workplace, while increasing productivity. Social dialogue has also been instrumental in managing the risks raised by COVID-19 for health and safety at the workplace. This is illustrated by the number of agreements negotiated by social partners.

The chapter also discusses the disruptions in global supply chains. Many supplier firms have been devastated by the dramatic decrease in orders and cancellation of contracts, resulting in workers being laid off, often without pay. Finally, the chapter includes a section on how to “build back better” by developing stronger social dialogue for stronger economies.

Chapter 2 focuses on social dialogue and the promotion of lifelong learning and skills development, which are fundamental enablers of decent work, productivity and sustainability. It describes how the International Labour Organization (ILO) has established a normative framework on lifelong learning and skills development that incorporates social dialogue and social partners. Finally, it explores different governance arrangements in skill development systems and provides examples of the contributions made by social dialogue stakeholders to promote lifelong learning and skills development in an integrated and coherent way.

Chapter 3 explores the role of social partners in adult-learning systems. In particular, it looks at the role that trade unions and employers’ organisations play in anticipating skills need, establishing joint priorities in adult-learning strategies, facilitating access to lifelong learning (including by fostering

a learning environment at work), financing training and ensuring the quality of training. The chapter combines quantitative and qualitative evidence using OECD analysis and presents examples of programmes and initiatives where the social partners have played a central role.

It describes existing and emerging challenges for adult-learning systems – how the so-called megatrends – technological progress, globalisation, environmental change and population ageing – are altering the skills required to enter and progress in the labour market. The COVID-19 crisis may accelerate some of these changes, raising skill demands across the board. Given these changes, adult learning is increasingly important to help individuals maintain and upgrade their skills throughout their working lives, allowing them to perform effectively on the job, progress in their careers and, more generally, remain employable.

Finally, Chapter 4 reviews the voluntary commitments made by Global Deal partners. It considers the types of commitments made and the actions taken by different types of partners, with a view to highlighting areas of progress and showcasing good practices that could inspire reforms or improvements, based on the needs, practices and traditions of different stakeholders.

SOCIAL DIALOGUE NEEDS TO BE A KEY PART OF THE AGENDA OF “BUILDING BACK BETTER”, AND THIS REPORT DOCUMENTS THE DIFFERENT CHANNELS AND MECHANISMS THROUGH WHICH SOCIAL DIALOGUE CAN WORK TO DELIVER A WIDESPREAD DISTRIBUTION OF THE BENEFITS OF ECONOMIC GROWTH.

1

MANAGING AND RECOVERING FROM COVID-19:

The global economy
needs more and stronger
social dialogue

The coronavirus (COVID-19) pandemic has hit the global economy and its labour markets extremely hard. Major parts of the global economy came to a standstill at the start of the pandemic, and economies find themselves in a deep recession. Global GDP is projected to decline by 4.5% this year, a drop that is unprecedented in recent history. Growth would pick up by 5% in 2021, leaving the level of output considerably weaker than projected prior to the pandemic and, for most economies, lower than the level that was reached at the end of 2019. Moreover, a stronger resurgence of the virus, or more stringent containment measures, could cut 2-3 percentage points from global growth in 2021 (OECD, 2020¹).

Such large cuts in economic activity may transform the health crisis into a major jobs crisis. One estimate projects unemployment in OECD countries to almost double this year from 5.5% to 10% while remaining as high as 9% by the end of 2021 (OECD, 2020²). Broadening the focus to the global labour market, the International Labour Organization (ILO) estimates a 14% cut in the number of hours worked in the second quarter of 2020 compared to the last quarter of 2019. This is equivalent to a loss of 400 million full-time jobs (ILO, 2020³). Using OECD growth projections from June (OECD, 2020²), the ILO expects this massive loss in working hours to be pushed down to 34 million full-time jobs by the end of the year. However, if a second wave of the virus strikes, the global loss in working hours would still be at 340 million (11.9%) by the end of 2020, relative to the fourth quarter of 2019.

From a social-economic perspective, the pandemic raises two key challenges in addition to health-related concerns.

The first challenge is to manage the short-term impact of the pandemic. This concerns, among others, policies to limit the immediate negative effect on jobs and economic activity from measures taken to contain the pandemic (lockdowns, social distancing, etc.), thereby preventing the initial negative shock from intensifying and translating into an even deeper and prolonged slump.

A second challenge comes from the fact that the pandemic is exposing, as well as intensifying, pre-existing shortcomings in our economies and societies, in particular with regard to persistent and high inequality and the lack of decent work (OECD, 2020⁴; OECD, 2020⁵). Those at the bottom of the income distribution and those in a labour market position that is vulnerable or insecure have been hit hardest by the pandemic, both in terms of their health and of their income (OECD, 2020⁶). Hence, the challenge is not only to recover from the job losses inflicted by the COVID-19 crisis and avoid people being trapped in long-term unemployment (OECD, 2020²). The challenge is also to do so in a way that builds back better jobs and more inclusive labour markets.

Social dialogue is crucial for responding to both challenges. By involving stakeholders, the process of social dialogue offers the possibility to take into account different concerns and points of view. The mutual respect and trust that are built through this process make it easier to reach balanced solutions, which are supported by all partners. As social tensions are replaced with shared compromises, crises such as the pandemic can be handled in much more effective ways.

This chapter documents and argues the importance of the role of social partnership in the context of the COVID-19 pandemic. The first part of this chapter describes how social partners and governments stepped up to the immediate challenges raised by the impact of the virus on labour markets. The second part takes a longer-term view by reflecting on the role social dialogue plays in rethinking how labour markets are organised, and ensuring that they are rebuilt in a way that addresses the deficits in decent work that the calamity of this pandemic has brought to the fore.



PHOTO: Unsplash

1.1. Managing the pandemic

From February 2020 on, the COVID-19 pandemic, together with measures to contain this highly contagious virus, has seriously disrupted labour markets, thereby confronting policy makers and labour market actors with several challenges. At least four such challenges can be identified:

→ To start with, there was the need to increase labour market resilience by preventing the sudden shutdown of major parts of the economy from resulting in massive job destruction, with knock-on effects on consumption and investment that would further damage the economy.

→ Lockdowns, however, cannot be maintained indefinitely, so the second challenge is to reopen business and economic activities safely, by focussing on health and safety measures at work.

→ Third is the question of how to generate flexibility in working time arrangements to help business in dealing with pent-up demand when economies are coming out of confinement.

→ Fourth, shifting the focus to the world level, management of global supply chains by multinational enterprises needs to be based on the principles of responsible business conduct and due diligence, with social dialogue constituting a key part of this (ILO and OECD, 2018⁷).

Social dialogue has been used to meet each of these four challenges of safeguarding jobs, strengthening workplace health and safety, increasing flexibility in working time arrangements and promoting responsible business conduct in global supply chains. This section describes the agreements that have been struck by social partners and governments on these issues in more detail. It also spells out the mechanisms and forces that are set in motion by social dialogue and which result in improved labour market performance.

1.1.1. PROMOTING LABOUR MARKET RESILIENCE

THE IMPORTANCE OF RESILIENT LABOUR MARKETS

Economies are inter-related systems. A shock to one part of the economy usually feeds into other parts of the system and back again, thus amplifying the initial disruption. In the case of COVID-19, with major parts of the labour force and population confined at home, the combination of a labour supply squeeze and a negative demand shock initially implied a serious drag on business revenue flows. If business then reacts by laying off workers, the economy is dealt another blow as workers and their households cut back further on spending. Labour market resilience thus plays a crucial role in stopping the crisis from feeding upon itself and in preventing an even deeper recession and a long slump. While public health policy aims to prevent the explosion of COVID-19 infections, economic policy aims to limit the depth of the recession and ensure the shallower recession is followed by a quicker rebound of the economy (Gourinchas, 2020⁸).

Social dialogue plays a key role in mitigating the impact of shocks such as the current pandemic on business and workers (ILO, 2020⁹; ILO, 2020¹⁰; OECD, 2020¹¹). This is because social dialogue is able to shape agreements that function as a crisis circuit breaker. Such tripartite agreements engage business, trade unions and governments, and typically have the following key ingredients:

→ Employers commit to restraining from firing workers.

→ Trade unions accept to shortening working time and moderating wages.

→ Governments step in with benefits or wage subsidies to make up for part of the difference between the full monthly wage and the reduced wage income.

Such deals on short-time work keep workers in their jobs and support household income flows, thereby upholding consumer confidence. Aggregate spending and economic activity are thus shielded to some extent from powerful, negative, second-round effects.

Resilience is also about the ability of labour markets to recover swiftly after being hit by a negative shock. Social dialogue, in particular in the form of co-ordinated collective bargaining (OECD, 2017¹²), is also helpful on this dimension. Besides functioning as a circuit breaker in the crisis, collective arrangements that keep workers in their jobs also prevent good worker/firm matches from being destroyed, thereby preserving valuable firm-specific human and social capital. Experienced and skilled workers are kept on board so that business and workers do not need to engage in a costly and time-intensive process of rehiring, but are instead in a position to respond immediately when demand starts to recover. Moreover, by keeping workers attached to jobs, increases in structural unemployment can be avoided (OECD, 2017¹²).

Collective agreements and social pacts on short-time work thus form part of one of the key policy responses recommended by the ILO to mitigate the impact of the crisis on the world of work, which is to develop “employment retention schemes, including short time-work/partial unemployment benefits” (ILO, 2020⁹).

SOCIAL DIALOGUE IN ACTION: VARIOUS EXAMPLES OF JOB RETENTION SCHEMES

As economic activity in many regions of the world ground to a standstill in many sectors during the course of March 2020, a series of short-time work arrangements as described above were swiftly

negotiated and agreed by social partners and governments (ILO, 2020¹⁰; ILO, 2020¹³; OECD, 2020¹¹).

In **Denmark**, for example, the government and the social partners struck a tripartite agreement (“Temporary Scheme for Pay Compensation”) on 15 March 2020 incentivising business to retain workers instead of firing them. Companies that otherwise would have let go 30% of their staff, or more than 50 workers, received 75% of the wage from the government (up to a certain limit), provided they continued to pay the full wage and did not lay off any worker for financial reasons during the period such public support was paid out. For lower-wage employees, the government subsidy reached 90% of the monthly wage cost (OECD, 2020¹⁴). In return, workers needed to take five days of mandatory vacation or time off from work. The terms of the agreement were valid for three months, from 9 March to 9 June 2020. As the COVID-19-induced recession is much worse than any other crisis including the financial crisis, the main objective behind the tripartite agreement was to avoid mass dismissals and signal to business the need to keep workers on board, as stated by the Danish prime minister (The Local, 2020¹⁵). At the end of May, 9.2% of dependent employees in Denmark had been put in a job retention scheme, thus helping to limit the change in unemployment to 0.1 percentage point between February and May 2020 (OECD, 2020¹⁶).

Another notable initiative comes from **Austria**, where social partners agreed to set up a new and expanded form of *Kurzarbeit* (short-time work) with the government on 14 March 2020, setting aside the funds to finance this. In this new model, the working week could be reduced to zero and the period to notify worker representatives reduced from 6 weeks to 48 hours. Moreover, whereas *Kurzarbeit* was otherwise limited to large industrial companies, small and medium-sized enterprises (SMEs) and micro-firms were also given access to the system. Net wages between 80-90% were guaranteed, with low wage earners being entitled to the higher replacement rate. This compensation is mostly paid by unemployment insurance with the employer paying an additional but small part so as to make the

system attractive for the employer. The agreement between social partners also stipulated that three weeks of holiday were to be taken by workers if the crisis were to last longer than three months.

A few months later, by the end of May, social partners adopted a new agreement to take into account the evolving situation. On the one hand, the new system of *Kurzarbeit* that was set up in March was prolonged for another three months, starting from 1 June 2020. On the other hand, businesses could increase employee working time and even get back to full capacity for a couple of weeks without losing access to the *Kurzarbeit*. They can also call back workers with a three-day notice and do so without first having to secure the agreement of worker representatives. Finally, social partners agreed to provide employers and local trade union representatives or works councils with the possibility to negotiate a softening of the obligation to maintain employment during *Kurzarbeit*, thereby also suppressing the obligation not to lay off workers in the three months after the short-time work arrangement (Planet Labor, 2020¹⁷).

At the end of July, social partners and the government negotiated again and agreed on a new model of short-time work to provide more security to workers and business. The new arrangement will come into force on 1 October 2020 and will be valid for six months. Working time can be reduced by 20% and up to 70% or even more if social partners agree. Net wages are kept between 80% and 90% as before. At the same time, the mechanism to control the use of short-time work is being strengthened: business needs to present the economic case for short-time work. The latter includes not only the current economic situation but also the future prospects of the company. A third party will check the request. The objective is to allow otherwise healthy companies to bridge emergency situations. The agreement also stresses that workers need to be willing to take up training when being in short-time work. At the same time, apprenticeships should continue fully when the company is under the short-time work arrangement (Österreichischer Gewerkschaftsbund (OGB), 2020¹⁸).

In **Sweden**, companies experiencing temporary financial problems as a result of unexpected events can apply for financial support that is limited in time while employees reduce working hours.

Reacting to the pandemic, Sweden expanded this existing system of short-time work. Working time can be reduced to 40% while workers are still paid 90% of the usual wage as the government pays 75% instead of previously 33% of the cost of the operation. This expanded scheme is valid until the end of 2020. During short-term work, employees can participate in education, skills development and skill validation initiatives while receiving financial support. Moreover, in March 2020 social partners in Sweden agreed, due to the pandemic, to postpone the upcoming national collective bargaining round for the industrial sector until autumn 2020.

In **Spain**, social partners first joined forces on 12 March 2020, requesting that government simplify access to temporary unemployment benefits by clarifying when companies can make use of the system and by reducing corresponding legal procedures from 15 to 7 days. Moreover, to advance measures of internal flexibility, the social partners agreed to shorten consultation procedures with workers on these matters while at the same time confirming the principle that all of these actions need to be negotiated with worker representatives. SMEs that do not have an enterprise council should turn to majority trade unions in the sector (Planet Labor, 2020¹⁹). On 18 March, the Government of Spain introduced a new and temporary system of short-time work that simplified procedures and covered workers who otherwise would be disqualified because of insufficient social security contributions. Moreover, measures were taken to support the negotiation of internal flexibility measures, among others, by making it possible to set up a worker representation in five days in companies where this representation was previously absent (Planet Labor, 2020²⁰).

Two months later, on 11 May 2020, the Government of Spain and the two largest trade union and employer federations agreed to prolong the temporary short-time work system at least until the end of June and even beyond this date for sectors particularly

affected by the sanitary situation. In this respect, a special tripartite commission was set up to analyse the situation in the different sectors every 15 days and assist sectors in transitioning from the temporary short-time work scheme to the pre-crisis scheme. The agreement also confirms that companies making use of the scheme are forbidden by law to pay dividends covering 2019 and that, with the exception of companies at risk of commencing bankruptcy procedures, participating enterprises are not allowed to dismiss workers for the next six months after restarting activity. The latter clause will not be strictly applied to seasonal and short-term work in the tourism sector (Planet Labor, 2020²¹).

A second “social agreement to protect jobs” was reached on 25 June after weeks of intense discussions between social partners and the Government of Spain. While the duration of the new short-time work scheme was again extended to 30 September, it was also agreed to gradually reduce exonerations on employer social security contributions and to exclude those companies that operate in tax havens or pay dividends from benefiting from these lower social security contributions. Moreover, companies can no longer make use of overtime work, outsource work or hire new workers while operating under the short-time work arrangement. In the latter two cases, an exception is granted when it concerns tasks that require an education that is different from the existing workforce and provided worker representatives are informed (Planet Labor, 2020²²).

Finally, on 3 July 2020, social partners and the prime minister of Spain signed off on an agreement for economic recovery and jobs. While the agreement does not entail any new policy measures, it does signal the willingness of social partners and government to reach common conclusions on important challenges, in particular the handling of the COVID-19 crisis (Planet Labor, 2020²³).

With regard to examples from Asia, as early as 6 March 2020, the government and social partners in **Korea**, issued a tripartite declaration to overcome the COVID-19 crisis with measures aimed at preserving employment and protecting the

workers most exposed to the virus, and at easing the tax burden on small business owners. Several employment protection measures were taken, such as increasing the Employment Retention Subsidy from 63% to 75% and providing an Emergency Employment Stability Subsidy to support small business owners, non-standard contract employees or SME workers on unpaid leave.

On 17 March 2020, the National Economic Development and Labour Council (NEDLAC) of **South Africa**² held an emergency meeting with the president to discuss a national response in the area of employment and labour. As a result, the Temporary Employer-Employee Relief Scheme (TERS 19) was established. While employers are encouraged to continue to pay wages, special unemployment benefits are paid to workers on off-time in case the former is not feasible. These benefits are limited to three months and paid according to a sliding scale that caps the benefit at 38-60% of the previous salary. Workers, however, will be paid a benefit that is at least equal to the minimum wage for the sector concerned (ILO, 2020⁹). This scheme was complemented by a sector-level collective agreement reached by South Africa's National Textile Bargaining Council to guarantee six weeks of full pay for 80 000 garment workers (ILO, 2020¹⁰; Government of the Republic of South Africa, 2020²⁴).

To maintain jobs, social partners in several sectors in **Argentina**³ have signed agreements that reduce monthly wages during inactivity. At the end of April 2020, a tripartite agreement valid for the entire industrial sector was signed to streamline the different sub-sectoral agreements. The government pays benefits corresponding to 50%

of the wage while the employer complements this with 25% of the previous wage. Sector agreements that stipulate this 75% in total compensation are automatically accepted by the Ministry of Labour, while agreements with a rate below 75% will have to pass through a more thorough screening. Moreover, employers who can pay more than 75% of the previous wage may do so.

In **Australia**, the government is working with unions and business groups to shape the government's response to the COVID-19 situation. The benefit of social dialogue has been evident in the development of initiatives such as the JobKeeper wage subsidy, and the variation of modern awards. Australia's new "Job Maker Plan" is about finding ways to get the economy moving again and to urgently regrow the jobs many Australians have lost. As part of this plan, the government has established a new five-stream working group process aimed at trying to fix known problems in the industrial relations system. Building on the co-operative relationships fostered during the COVID-19 pandemic, the Government of Australia is working with key stakeholders from employer, industry and employee groups, with each working group focussing on one key area of the industrial relations system: award simplification; enterprise agreement making; casuals and fixed-term employees; compliance and enforcement; and greenfields agreements for new enterprises. The aim of the working groups is for stakeholders to reach as close to consensus as possible on an industrial relations reform package that will support business recovery. The government's role will be to facilitate discussions, rather than issue directive policy positions.

SOCIAL DIALOGUE
DELIVERS TWO THINGS
THAT ARE ESSENTIAL FOR
IMPLEMENTING SHORT-TIME
WORKING ARRANGEMENTS:
FAIRNESS AND TRUST.



WHY SOCIAL DIALOGUE MAKES A DIFFERENCE

Compromises on how to respond to a crisis are more easily reached when they are perceived as fair and efforts are broadly shared. Social dialogue is instrumental in achieving these outcomes through the role it can play as a co-ordination device that commits all involved to pursue similar action and behaviour. In the case of short-time work, cutting working hours and giving up (part of) monthly revenue is more likely to be accepted if workers know that all actors are contributing to the effort necessary for the common good.

Taking this a step further, this also implies that social dialogue systems that have a wider reach will be more capable of negotiating and reaching compromises. The 2017 OECD Employment Outlook, which concluded that “more co-ordinated and more centralised collective bargaining systems limit the short-term unemployment impact of economic downturns” (OECD, 2017¹²; OECD, 2012²⁵), points in this direction. As centralised or multi-employer collective bargaining arrangements tend to have wide coverage, they may promote more co-ordinated action by providing a guarantee that efforts will be broadly, and thus more equally, shared. This, in turn, increases labour market resilience by promoting adjustment in terms of wages and working time, rather than in terms of jobs, in case of economic downturns.

Commitments do not only need to be widely shared. There also needs to be some assurance that what has been agreed will be respected in practice. The key word is “trust”. Trust is of the utmost importance for reaching agreements between actors that do not always share identical interests and priorities. Social dialogue can provide a particularly effective and collaborative means for building and maintaining that trust. By regularly discussing, consulting and/or involving workers and their representatives in the management of a company, business and worker representatives get to know each other’s point of view and improve their mutual understanding of the problems each side is facing. This is also the case when employer organisations, trade unions and government representatives regularly meet up to discuss and negotiate the management of the labour market

in general. When a crisis strikes, the existence of a system and a tradition of collaborative social dialogue and good labour relations is likely to deliver the trust that makes it feasible to reach adequate and balanced agreements.

1.1.2. STRENGTHENING WORKPLACE HEALTH AND SAFETY

HEALTH AND SAFETY AT WORK: A HUMAN RIGHT

The next challenge raised by the COVID-19 pandemic is for workers to return to work and to reopen business in ways that are safe.

The right to the “highest available standard of physical and mental health” together with the right to safe and healthy working conditions are human rights that business needs to respect (Subasinghe and Breese, 2020²⁶). COVID-19 makes the respect of this right even more important. Robust measures to keep the virus from spreading in the workplace are absolutely crucial to ensure that the resumption of economic activity does not trigger another wave of infection. Especially in a pandemic, health and protection at work form an indispensable part of public health policy. Workers need to be given the confidence that returning to work does not imply an unacceptable health risk, as many are worried about exposing their families to COVID-19.⁴ Meanwhile, from the perspective of business, employers that take workplace health and safety seriously and invest in it should not be at a competitive disadvantage compared to employers who do not.

This section describes how social dialogue has developed innovative and agile approaches to this particular challenge,⁵ and delves deeper into the reasons why social dialogue plays a crucial role in improving health and safety at work.

PROTECTING WORKERS AGAINST THE PANDEMIC: FIRST AGREEMENTS

Even before lockdown measures shutting down non-essential economic activity were in place, social dialogue had already been mobilised to take action towards protecting workers’ health against the spread of the coronavirus.

Italy provides a compelling case in point. In the middle of March 2020, several strikes broke out as workers became increasingly worried about the risk of contagion. In response, Italian social partners, after a negotiation round of 18 hours, concluded on 14 March a “code of good conduct” (Planet Labor, 2020²⁷) stating the principle that production can only continue if conditions exist to protect workers. If this is not the case, business should apply to the system of the *Casa Integrazione*, the Italian equivalent of short-term work. The code also detailed a series of actions to be taken to protect staff against infection: workers were not allowed to work with a body temperature higher than 37.5 degrees Celsius and the employer had the right to test this before the worker entered the workplace, without, however, being allowed to keep personalised records. Companies were obliged to clean the workplace daily and disinfect it regularly. If a safe distance of 1 metre could not be adhered to, protective material (masks, gloves, etc.) needed to be made available. Starting and ending times of work needed to be applied on a rotating basis with physical meetings no longer allowed. All services not directly linked with material production (such as administrative services) were closed or organised via telework.

The Italian agreement also assigned social dialogue the responsibility of overseeing the effective enforcement of these measures, recommending preliminary discussions with union representatives or, in the case of small companies, territorial representatives to implement these measures. Companies also needed to set up a special committee with worker representatives to monitor the adherence to this code of conduct.

Moreover, this agreement by national social partners opened the door to similar, but more detailed agreements at the level of different sectors and companies. For example, on 25 March 2020, social partners in the banking sector concluded an agreement to improve protection against the virus, including by servicing clients via individual appointments in order to avoid people gathering in queues. This was key in averting the threat of strike action in reaction to a rising incidence of COVID-19 cases among bank sector workers (Planet Labor, 2020²⁸).

Similar discussions took place in the auto construction industry in the **United States**. On 17 March 2020, United Auto Workers (UAW) agreed with several auto companies to set up a task force to see how to protect workers in the workplace (Planet Labor, 2020²⁹). Measures such as teleworking for white-collar workers, more intense cleaning of workstations and setting up a protocol for following workers showing the first signs of the viral infection were agreed. The challenge, however, is that workstations for industry workers can be close to each other, that all are touching the same vehicle on the production line and that several workers can find themselves inside the same car when working on it. In the end, and upon insistence by the UAW, American car factories (General Motors, Ford and Fiat Chrysler) decided to shut down until 30 March 2020. Workers received unemployment benefits and additional pay, as provided for under their collective bargaining agreement.

The COVID-19 pandemic has made society aware of the fact that retail workers are providing an essential service to a population in lockdown, and are at the same time exposing themselves to the virus. In **Austria**, this was addressed by a sector-wide agreement covering the whole of retail from 23 March 2020. Besides technical measures to protect workers (Plexiglas at counters, protective equipment, regulation of the number of customers during peak times), special care was given to workers at risk. Pregnant workers were given paid leave during the pandemic, and workers with pre-existing conditions were employed in workstations without direct contact with consumers. Moreover, opening hours were adjusted. Supermarkets needed to close by 7 pm so that workers could have more rest, be able to refill shelves while respecting a safe distance and render work/life balance easier for workers with children in childcare. As sector-level agreements in Austria have high coverage because of extension, all workers in supermarkets enjoyed these protective measures (UNI Europa, 2020³⁰).

PROTECTING HEALTH AND SAFETY AT WORK: EXITING THE LOCKDOWN

Turning to the question of exiting the lockdown and restarting businesses while keeping the pandemic under control, social partners and governments have on several occasions worked together to achieve this (ILO, forthcoming³¹).

In **Germany**, an agreement on how to restart production was reached between management and the enterprise council at Volkswagen on 9 April 2020 (Planet Labor, 2020³²). It is based on an analysis of all workplaces and daily movements and deals with social distancing measures to manage contagion risks. There are 92 measures in the agreement, covering the entire working day of staff members. In the majority of cases, the movement of workers while respecting a distance of 1.5 metres can be assured. If this is not possible, workers are obliged to use protective gear, while the number of workers in the same limited space is reduced. For the latter reason, the agreement only foresees return to work by 50% of staff in a first phase. In offices, video equipment needed to be installed so that teams could work together without being in the same space.

On the same day, Fiat signed an agreement with Italian trade unions on safety guidelines to follow when starting up production. These guidelines, among others, arranged for the reorganisation of workplaces so that workers could keep at a safe distance from each other as well as for the installation of protective shields. Movements of workers within the sites were limited to a minimum, and the timing of collective breaks was differentiated. Production sites were to open gradually on the basis of further consultation with worker representatives. As not all workers would restart work at the same time, the agreement stipulates that workers would be rotating in and out of work and into the Casa integrazione system (Planet Labor, 2020³³).

Another example of an agreement comes from Rolls Royce in the **United Kingdom** (8 April 2020). This agreement – signed with the labour union Unite – covers 20 000 workers. Besides detailing protective measures similar to the ones described in



PHOTO: Jeriden Villegas

the agreements above, the agreement also reduced working time. The latter allows the starting and ending times of work to be changed so that different shifts did not overlap and the number of persons present on the production site at the same moment was minimised (Planet Labor, 2020³⁴).

At the sector level, social partners in several countries have also discussed how to manage the process of restarting activity. Mid-April, protocols complementing the guide of good practices issued by the government of Spain were signed in the construction, automobile and metal sectors. In particular, it was noted that local trade union and worker representatives needed to be involved and were expected to oversee the implementation of safety measures.

In the **Belgian** construction sector, on 16 April 2020, social partners detailed the safety measures to be taken when construction defined (by the government) as urgent and essential is performed. If it is not practically possible to adhere to these measures

(protective equipment, social distancing), then the non-respect needs to be limited to a strict minimum. Workers have the option to accept or refuse to perform duties in a building where COVID-19 cases have been reported. The same goes for workers who can provide a medical attestation showing that they are members of a group at risk. Transport to and from work also needs to be adapted and, if necessary, individual transport is to be organised. Committees for occupational health and safety and, in their absence, union delegates are to control the respect for these measures. Small companies that do not have a committee or union delegates need to draw up a risk analysis for each job and make this analysis available to workers. Complaints can be submitted to a joint social-partner-managed, sector-level organisation (called Constructiv).

In **Turkey**, social partners and the government negotiated procedures and principles of safe and healthy work regarding COVID-19 for different sectors, with high-risk sectors receiving priority. In particular, social partners in the textile industry

were involved in negotiating issues related to the production and safe use of personal protective equipment. Methods of safe work in construction and the chemical industry were identified by trade union experts together with experts from public institutions. Results and recommendations were published to the benefit of all parties. Social stakeholders, including trade unions, employer organisations and chambers of commerce and craft, participated in collecting and publishing information on occupational health and safety in the face of COVID-19.

Based on practical experience from previous weeks, and in order to prepare a partial exit from the economic lockdown, social partners in Italy signed a second health and safety protocol on 24 April 2020 complementing their initial “code of conduct”. Companies that did not respect the defined health and safety measures would be forced to close down. The role of the doctor at work was expanded and included advising on how to reintegrate a worker who had contracted and recovered from the disease, and on identifying workers most vulnerable to the virus. Business and the companies they outsourced work to needed to co-operate closely on safety protocols, on ensuring that outsourced workers followed these safety measures and on exchanging information about whom infected workers had been in contact with. In the absence of trade union representatives, regional social partner committees that assisted SMEs in implementing the safety measures were to be installed.

At the **global level**, Telefonica and UNI Global, together with the Spanish trade unions UGT and CCOO signed an agreement on 12 May 2020, securing the right to a safe return to work for the company’s +120 000 employees worldwide (UNI Global Union, 2020³⁵). The agreement sets strict safety guidelines as workplaces re-open in the wake of the COVID-19 pandemic and provides for the following measures: 1) personal protective equipment (PPE) will be provided for all workers returning to work; 2) workers’ health will be protected through monitoring and testing where locally possible; 3) facilities will be kept clean, and safe and social distancing enforced; 4) the return to work will happen in a three-phase plan to ensure

employee safety; and 5) unions and management will establish monitoring mechanisms using existing health and safety committees or creating emergency COVID-19 commissions to respond to workplace issues, conduct education and follow-up to ensure compliance with the measures.

Finally, UNI Global and four major global retailers covering 1 million workers (Carrefour, Auchan, Casino Group, and El Corte Inglés) signed a declaration to work with UNI Global Union and its affiliates on health and safety measures. To protect supermarket workers and customers during the COVID-19 pandemic, the measures included: improving rules on hygiene and safety; health regulations for stores; social support for employees (e.g. bonus pay for hazardous work and paid sick leave); and support for vulnerable workers, such as disabled workers and pregnant women (UNI Global Union, 2020³⁶).

SOCIAL DIALOGUE AND HEALTH AND SAFETY AT WORK: DESCRIBING THE LINKS

There are several reasons to expect social dialogue to improve worker safety, including during a pandemic. Even in normal times, workers may be hesitant to voice concerns about, or object to, unsafe working conditions, as doing so could have adverse implications for their job or career. Expressing individual worker voice becomes even more difficult in times of crisis, such as the current pandemic. Workers fearing job cuts due to the pandemic and/or already finding themselves in precarious and insecure employment relationships risk becoming even more reluctant to speak out. This effect is magnified, as management itself might be under enormous economic pressure to reopen business as soon as possible to restore revenue flows and financial margins.

This is where social dialogue steps in. **Social dialogue can overcome the difficulties individual workers have in expressing their concerns by giving them a collective voice.** At the same time, business can also benefit from the collective voice of workers as it provides management with opportunities and institutions to engage with worker representatives at a systematic level. Management



can thus become more aware of workers' concerns, benefit from the expertise that workers have on the actual state and situation of the workplace and develop mutually shared views on the actions to take in order to ensure a safe return to work.

In this way, social dialogue gives workers the confidence that they and their families will not be exposed to unnecessary risk. The dismal choice workers may be facing between the loss of an income that supports their household, and a job that may put their health at risk is transformed into a more manageable challenge. Moreover, by alleviating workers' concerns, return to work is facilitated.

Social dialogue also makes a crucial contribution to improving workplace health and safety by supporting the effective enforcement of agreed measures and standards. Countries that attach high importance to social dialogue also tend to have labour market institutions to support this social dialogue, such as enterprise councils, health and safety committees, trade union representatives and sector-level social partner organisations. Such a network not only allows for consultation and involvement of worker representatives at all levels of the economy. It also makes it easier to oversee the effective implementation of the policies decided. In turn, this strengthens the whole system, by fostering trust that compromises reached in social dialogue are also likely to be respected in practice.

Research confirms the positive impact social dialogue has on health and safety at the workplace. Recent longitudinal research shows that the physical and mental health of workers is higher in workplaces in the **United Kingdom** that engage in social dialogue through collective bargaining (Welsh, 2020³⁷). Here, the argument is that by improving wages, social benefits and working conditions, and by providing more secure jobs, social dialogue can be expected to improve both physical as well as mental health.

Focussing on occupational and safety outcomes in manufacturing plants in the **United States**, and exploiting the timing and results of union elections, Li, Rohlin and Singleton (2017³⁸) find that union elections improve occupational safety outcomes in

the United States, as measured by accident rates and number of workplace inspections.

Using a panel sample of ten European countries over the period 1982-2006, Economou and Theodossiou (2015³⁹) show that increasing trade union density is associated with lower numbers of both fatal and non-fatal injuries at work.

Other research (Morantz, 2017⁴⁰) points to the general role that trade unions play in influencing policies and regulation on health and safety at work. It concludes that: 1) involving trade unions improves and intensifies enforcement of occupational health and safety regulations; 2) health and safety committees or expert representatives only produce good results when there is strong backing from trade unions; and that 3) overall, trade union presence in the workplace reduces workplace hazards.

Social dialogue can also have positive effects that go beyond the workplace. One striking result from a recent **US** study (Dube, Kaplan and Thompson, 2016⁴¹) is that nursing staff in hospitals where patient health outcomes have been regressing over time are more likely to organise themselves. When they do, and the hospital becomes a unionised workplace, patient health outcomes ranging from depression to respiratory problems start improving again by 15% to 60%.

Meanwhile, the OECD (2019⁴²), based on a comprehensive research review, concludes that workers' voice arrangements, in particular in the form of dedicated health and safety representatives, are helpful in: 1) increasing the amount of information available to workers; 2) acting as a communications channel for emerging problems and enabling solutions to be devised in partnership with management on the ground; 3) further improving standards; and 4) guaranteeing enforcement, which is often challenging in small firms and sectors with a high share of non-standard forms of employment.

In this section, we have described how several countries, sectors and companies quickly turned to social dialogue to manage the risks raised by COVID-19 for health and safety at the workplace.

This illustrates the potential of social dialogue to give workers the confidence that return to work will be as safe as possible, and employers a forum to understand workers' concerns and negotiate balanced approaches.

1.1.3. INCREASING FLEXIBILITY IN WORKING TIME ARRANGEMENTS

Depending on the phase of the pandemic, labour markets are affected in opposite ways. During the lockdown phase, much labour is made idle since workers cannot enter the workplace without risking a spread of the pandemic. After the lockdown, however, business in several sectors has been confronted with pent-up demand and is thus in need of additional labour input. Social partners negotiated several agreements to bridge these two phases.

In France, in particular, several agreements have been signed whereby flexibility in working time in the post-lockdown phase was reconciled with more job and financial security for workers during the lockdown. The background to this was a recent reform of French labour law granting management the possibility to decide on the timing of paid leave for staff up to a maximum of six days, but only if a collective agreement is signed that allows them to do so. In response to this reform, social partners in France entered into "quid pro quo" negotiations. Employers were provided with some degree of working-time flexibility on the one hand, while on the other hand workers obtained additional pay by the employer to complement short-time work benefits, thus securing up to 100% of the wage.

In the metal sector, for example (3 April 2020), employers were given until 31 October the possibility to decide on which days workers need to take paid leave, and this for a maximum of six days. Workers are in any case entitled to two weeks of consecutive holiday during the summer period. In exchange, employers are advised to pay 100% of the wage in the case of short-time work (Planet Labor, 2020⁴³).

The national metal sector agreement was refined by several company agreements. At Groupe PSA, the possibility of local management to decide when six days of paid leave were to be taken was confirmed (Planet Labor, 2020⁴⁴) on 7 April 2020. In return, partial unemployment benefits were topped up to 100% of the wage for the period between mid-March and the end of April. This was financed by an internal solidarity fund whereby workers gave up paid leave (starting with management giving up two days and other staff one day), and the company paid 40% of the total cost. If inactivity continued after the end of April, additional inputs of paid leave into the solidarity fund would be implemented (at a rate of one day for management, one half-day for other staff) and this up to a maximum of six days.

A similar approach was taken at Renault with a solidarity fund where workers were putting in one day of paid leave per week of technical unemployment. In return, 100% of the wage was guaranteed for workers on short-time work (Planet Labor, 2020⁴⁵). On the other hand, the possibility of a six-day working week was introduced (with a maximum of six sessions over 2020 and a maximum of three per month, overtime pay as usual), provided the enterprise council is informed seven days in advance. Moreover, local management could decide to change the timing and duration of annual leave provided workers are guaranteed 12 days of leave during the July-September period.

At Danone, a somewhat different approach to short-time work was taken. On 6 April 2020, an agreement was reached whereby Danone agreed not to use the short-time work arrangement financed by the state, at least until the end of May. Danone opted instead to maintain jobs by reorganising working time. An analytical tool was developed at the level of the work council, and managers and staff from each department or unit use this tool to discuss their workload. The outcome of this discussion was shared with local trade union representatives, with the latter having the possibility to add their proposals. The social agreement provides two ways to address the slack in work: digital training,

together with voluntary transfers to other types of jobs, and using hours accumulated on time accounts to finance the slack in work. The latter measure was limited to 31 May and a maximum of 15 days. Should Danone apply for the system of short-time work, the agreement stipulated that 100% of their wages were to be paid and workers could not be fired until the end of June.

In **Germany**, a social partners' agreement in the chemical sector also shaped working time arrangements in different ways over time. Leave days for 2021 and 2022 to which workers are entitled by a previous sector agreement could be frontloaded and taken up immediately, thus allowing for improved work-life balance at a moment when the pandemic was forcing workers and their children to stay at home together. Moreover, it was also possible to mobilise existing instruments such as time-saving accounts. In return, employers committed to complementing partial unemployment benefits with higher pay to the extent that this was feasible for the individual company (Planet Labor, 2020⁴⁶).

In **Australia**, employer and employee representatives, including the Australian Chamber of Commerce and Industry, the Australian Industry Group, the Australian Services Union and the Australian Council of Trade Unions, agreed on a range of temporary measures in modern awards covering distressed industries. These included allowing employers to direct employees to take annual leave during business shutdowns, thus increasing the supply of working days in the rest of the year. Other measures included providing for staff to work more flexibly across classifications (without reducing pay) and annual leave flexibility, that is the possibility of double leave on half-pay (ILO, 2020⁴⁷).

In **Sweden**, to strengthen health and elderly care, the Government introduced a special initiative in June 2020, financing part-time education for up to 10 000 employees from the healthcare sector to become care assistants or assistant nurses. Training takes place during paid working hours and according to an agreement between the social partners, participants will be offered full-time employment in an open-ended contract.

1.1.4. PROMOTING RESPONSIBLE BUSINESS CONDUCT IN GLOBAL SUPPLY CHAINS

COVID-19 CAUSED SEVERE DISRUPTIONS AT THE BOTTOM OF SUPPLY CHAINS

The coronavirus (COVID-19) pandemic has had a devastating impact on global supply chains. Supplier factories in developing economies first grappled with disruption in the incoming flow of materials because of the shutdown of much of the production in the People's Republic of China (hereafter "China"). Subsequently, falling demand from advanced economies kicked in as multinational enterprises halted new orders and cancelled already placed orders. A survey undertaken in the middle of March 2020 by the Responsible Business Alliance shows that, as a result of the pandemic, 50% of their members and supplier factories were not producing at full capacity, 15% were below 50% of production and 8% had fewer than 10% of staff back at work (Responsible Business Alliance, 2020⁴⁷). Another survey of garment factories in Bangladesh conducted online with 316 producers between 21 and 25 March tells a similar story (Center for Global Workers' Rights, 2020⁴⁸). Almost all (93%) of garment factories first suffered from delays in shipments of raw materials and fabric from China. Of these, more than half were subsequently penalised by buyers for the resulting delays in shipments. By mid-March, the crisis deepened further with international buyers cancelling future orders but also orders that were already in process or ready to be shipped. Nearly one out of four (23%) factories had a significant share (between 25% and 50%) of their orders cancelled, 22% of suppliers lost most of their orders (more than half of the orders) and 6% had all orders cancelled. A majority of buyers also refused to pay for the raw material cost or for production cost. This resulted in close to 60% of factories halting and shutting down operations, thus affecting 1.2 million out of 4 million workers in the Bangladesh garment industry. Many workers were temporarily sent home or laid off without the employer providing any income (75%) or severance pay (80%).

SOCIAL DIALOGUE IS A PILLAR OF RESPONSIBLE BUSINESS CONDUCT

Responsible business conduct and due diligence require that business implements a responsible exit strategy either when closing down a subsidiary or when cancelling orders with other producers (OECD, 2020⁴⁹). Workers at the bottom of global supply chains tend to live from hand to mouth, dependent on monthly wages to put food on the table. Hence, avoiding and mitigating the adverse impact of business exit on workers is crucial. Key elements for such a strategy are: 1) to consider the social impact of the decision; 2) develop plans to mitigate or prevent that negative impact; 3) to do so together with local employers and stakeholders, in particular with worker representations and trade unions; 4) to ensure the supplier complies with obligations on severance pay. (Fair Wear Foundation, 2018⁵⁰; Fair Wear Foundation, 2020⁵¹).

The “call for action in the global garment industry” that was signed off at the end of April is a concrete example of business working together with governments and international organisations such as the ILO, international representative bodies such as the International Trade Union Confederation (ITUC) and the International Organisation of Employers (IOE) and trade unions. It calls on governments, financial institutions and donors to mobilise funds to be used to ensure business continuity and systems of social protection for a more just and resilient garment industry. Brands and retailers also commit to paying producers for finished goods and goods in production and to considering direct supports to factories in the supply chain. Action focusses on workers and employers in countries with the weakest health and social protection systems. To further implement this “call for action,” an international working group will be established by the ILO and co-ordinated by the IOE and the ITUC (ILO, 2020⁵²).

At the country level, representatives of a group of **Myanmar** export manufacturers and the Industrial Workers’ Federation of Myanmar jointly

approached a number of brands to take concrete action in support of the garment industry in line with the above “call for action” (ILO, 2020¹⁰). Recognising the urgency of the situation, the French multinational ENGIE announced in a joint statement with global unions Public Services International (PSI) and Building and Wood Worker’s International (BWI) that it would bring forward two of the pillars that are part of the discussion of a new Global Framework Agreement (GFA) on social protection (Planet Labor, 2020⁵³). In the latter draft agreement, ENGIE is in the process of negotiating a common basis for social protection for its 177 000 global workforce, covering maternity and health risks, invalidity and death. In anticipation of the full GFA, ENGIE is providing workers with a 75% reimbursement of hospitalisation costs, and up to 100% in the case of COVID-19. Moreover, when workers lose their lives, a minimum capital of 12 months’ wages will be paid. Parts of this social protection scheme are extended to workers who find themselves temporarily out of a job and without social protection.

RESPONSIBLE PURCHASING PRACTICES ARE NEEDED TO REFORM GLOBAL SUPPLY CHAINS

COVID-19 has revealed the vulnerability of those global supply chains that are based primarily on squeezing down prices paid to suppliers (Center for Global Workers’ Rights, 2020⁴⁸). In such a type of global supply chain, instability and insecurity at the bottom of the supply chain are magnified as few buffers or margins are available. Suppliers operating on razor-thin margins lack the financial reserves to continue to pay staff and risk being immediately ruined financially when losing orders. Workers earning poverty wages have no savings and cannot afford not to receive pay, to be sent home or laid off by their employer. Meanwhile, governments often have limited ability to provide social benefits and support to workers and business. Thus, the risk of doing business is shifted to that part of the global chain that has the lowest resilience in terms of organising buffers or safety margins against such risks. If taken too far, entire global supply chains risk becoming dependent on countries that have not

developed the structures and institutions that provide resilience against shocks. Purchasing networks that multinational enterprises have been building may thus disappear in a short period of time.

To reform and build more resilient global supply chains, responsible purchasing practices that take social and environmental stability into account are

key. This includes stable orders, timely payments and a pricing policy that is aligned with sustainable production, including fair wages, health and safety at work, decent working conditions and tax revenues that enable countries to build proper social safety nets. Social dialogue is an integral part of this as it provides workers, employers and governments with the tools and institutions to achieve these goals.

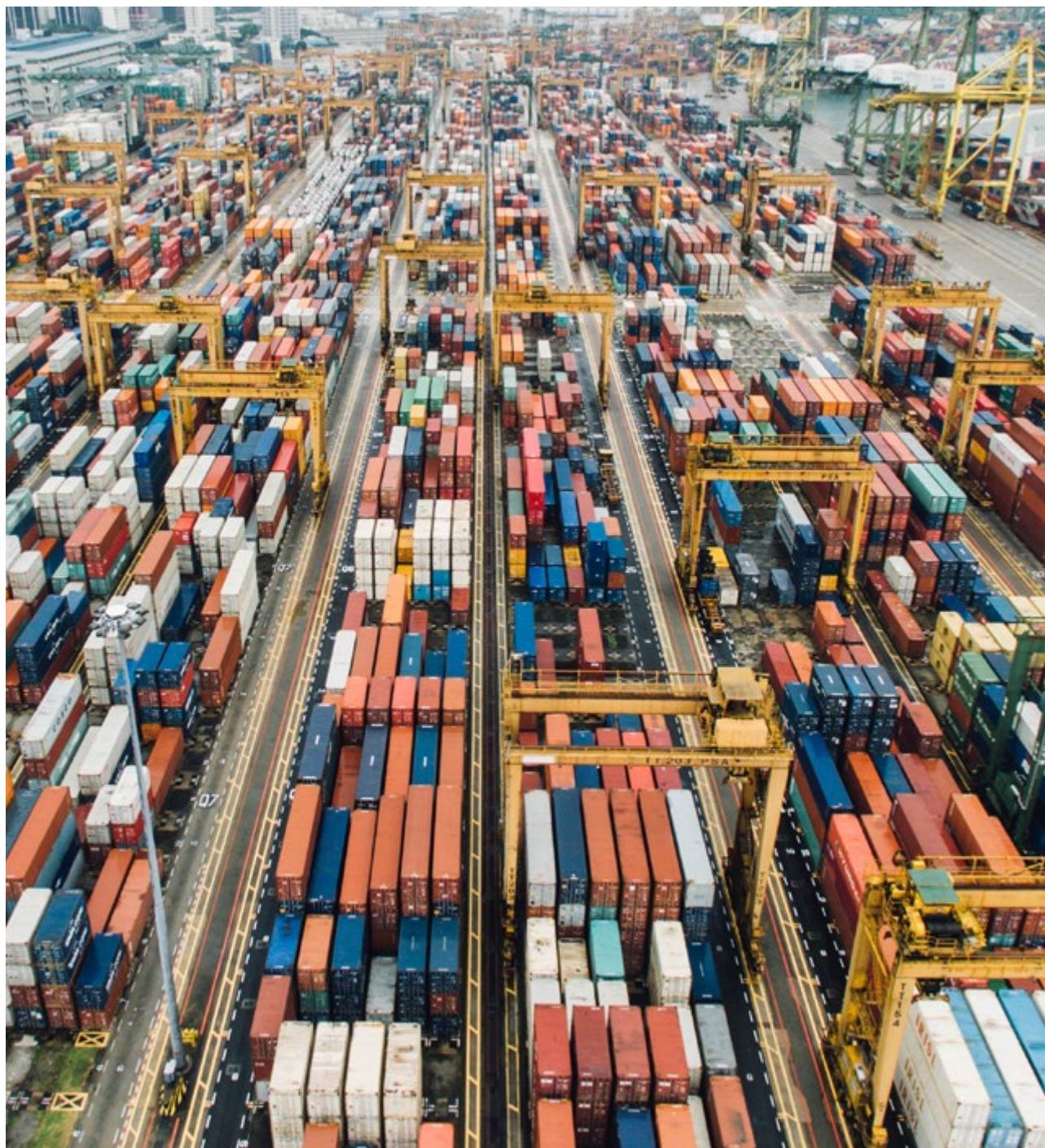


PHOTO: Unsplash

1.2. Recovering from the pandemic: Stronger social dialogue for stronger economies

Looking beyond the short-term management of the pandemic and its immediate consequences, another key challenge is to ensure labour markets not only recover in full but in a way that makes them stronger and more resilient. This is not easy. By hitting those at the bottom of the household distribution and those in a vulnerable or insecure employment the hardest, COVID-19 has intensified the already existing labour market weaknesses of high inequalities and deficits in quality jobs.

This section first describes how the pandemic has deepened the problems of inequality and vulnerable jobs and how these then feed back into an even more acute pandemic. It then argues that social dialogue, which is at the core of the Global Deal, performs well in delivering a broad and more equal sharing of economic benefits. It presents research that underscores this while spelling out the structural mechanisms at work.

1.2.1. THE PANDEMIC AND INEQUALITY

The COVID-19 pandemic started as a health crisis but has rapidly transformed into a major jobs crisis. With average total hours worked falling by 12.2% in the initial three months of the crisis in OECD countries for which data is available, the cumulated impact of the COVID-19 crisis on the volume of work is ten times greater than during the financial crisis (OECD, 2020¹⁶).

Looking ahead, the OECD in its June (2020²) Economic Outlook, takes into account the possibility of two equally likely scenarios, with one scenario being that a second outbreak occurs towards the end of 2020 and an alternative scenario that a second outbreak is avoided. In the “double-hit” scenario, unemployment in OECD countries would almost double from 5.5% to 10%, and reach almost 9% by the end of 2021. In the

“single-hit” scenario, the unemployment rate would still hit 7.7% by the end of 2021.

Broadening the focus to the global labour market, the ILO (2020³), using the OECD growth projections described above, is expecting a loss in working hours of 34 million full-time jobs by the end of 2020, compared to the fourth quarter of 2019, in the “single-hit” scenario. It is expecting a 340 million full-time jobs loss, or 11.9%, if a second wave of the virus strikes.

Moreover, the pandemic will most likely be casting a long shadow over the global economy and leaving scars in labour markets as many people risk becoming trapped in long-term unemployment (OECD, 2020²).

Going beyond these average numbers, distributional effects are at work. **Inequalities are intensified as job losses and cuts in working hours and wages disproportionately occur at the bottom of the income distribution and in non-standard forms of employment.**

Meanwhile, the informal economy is also under considerable stress. The ILO estimates that the livelihood of almost three-quarters of informal workers in the world (1.6 billion of a total of 2.2 billion workers) is being threatened as lockdown measures have reduced their revenue by 60%, with women over-represented in the most hard-hit sectors. Assuming a situation without any alternative income sources, the ILO calculates lost earnings would result in an increase in relative poverty (defined as the proportion of workers with monthly earnings that fall below 50% of the median earnings in the population) for informal workers and their families by almost 34 percentage points globally. This would be an increase in relative poverty for informal workers and their families amounting to:

- more than 21 percentage points in upper-middle-income countries
- around 52 percentage points in high-income countries
- around 56 percentage points among lower-middle- and low-income countries (ILO, 2020⁵⁴).

LOW WAGE EARNERS ARE HIT THE HARDEST

Various indications point to an unequal impact of the pandemic. Analysis from real-time surveys conducted during March and April 2020 among 20 900 respondents, finds that 40% of workers in the **United States** and 25% in the **United Kingdom** in the bottom quintile of the distribution have lost their jobs because of COVID-19 (Adams-Prassl et al., 2020⁵⁵). In **Germany**, the share of low earnings workers losing their jobs is more limited, but still relatively higher than the average reduction in jobs (5%).

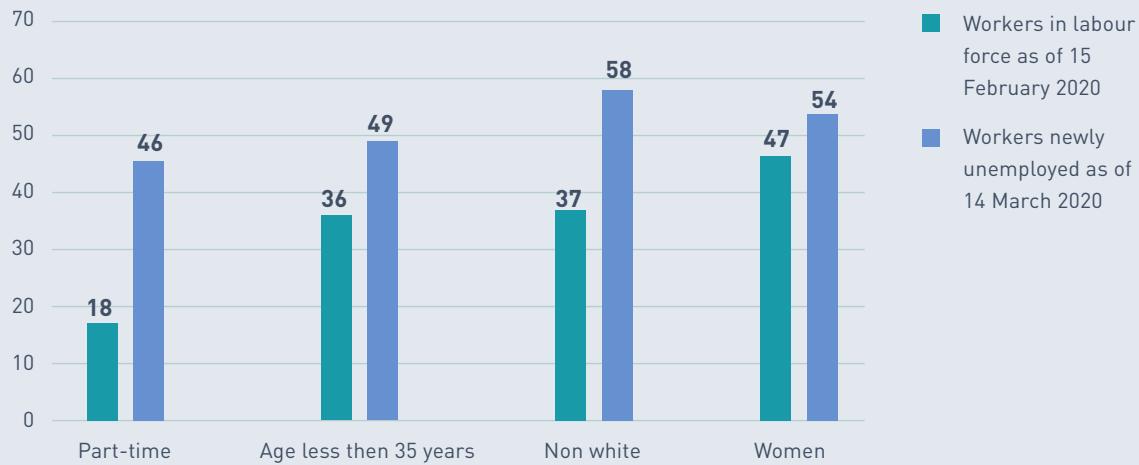
In **Canada**, job losses between February and April 2020 have been more than twice as high for low-wage employees as for all paid employees (Statistics Canada, 2020⁵⁶). This actually resulted in an increase in average hourly wages in April by 10.8% year on year in Canada because of the relatively larger employment declines in low-paying industries. In the **United Kingdom**, employees in the bottom decile of weekly earnings are about seven times as likely to work in shutdown sectors as those in the top earnings decile (Joyce and Xu, 2020⁵⁷).

Classifying jobs on the basis of whether workers are in close contact both with customers as well as with other workers, the McKinsey Global Institute estimates that 57 million jobs in the **United States** and 59 million jobs in **Europe**, the **United Kingdom** and **Switzerland** are vulnerable to layoffs, furloughs and cuts in wage and working hours, with two out of three of these vulnerable jobs being located in SMEs (McKinsey & Company, 2020⁵⁸; McKinsey & Company, 2020⁵⁹). In the United States, these 57 million jobs are heavily concentrated at the lower end of the distribution, with three out of four workers earning less than USD 40 000 annually and with four out of five workers having attained an education level lower than a bachelor's degree.

Moreover, part-time, young, non-white and female workers have suffered disproportionately more in the United States as their share in recently unemployed workers is systematically higher than their share in the workforce. This is, in particular, the case for part-time and non-white workers. While the latter group, in particular, represents 37% of the labour force, they make up 58% of workers that were being added to the ranks of the unemployed (see Figure 1.1).

Figure 1.1.

Percentage of workers in the labour force versus those newly unemployed, United States, 2020



Source: Based on McKinsey & Company (2020⁵⁸), "COVID-19 and jobs: Monitoring the US impact on people and places", <https://www.mckinsey.com/industries/public-sector/our-insights/covid-19-and-jobs-monitoring-the-us-impact-on-people-and-places>.

More indications of the disproportionate impact of the COVID-19 crisis, in particular for women, are provided by the OECD's Employment Outlook (OECD, 2020⁶⁴), which concludes that the COVID-19 crisis so far seems to have affected the labour market prospects of women more strongly than men. Meanwhile, a paper by the United Nations (UN) argues that female workers around the world are more exposed to job losses as they hold less secure jobs and are more likely to work in the informal sector. In addition, women are facing other COVID-19-related impacts, such as increased unpaid care work and the risk of gender-based domestic violence (United Nations, 2020⁶⁰).

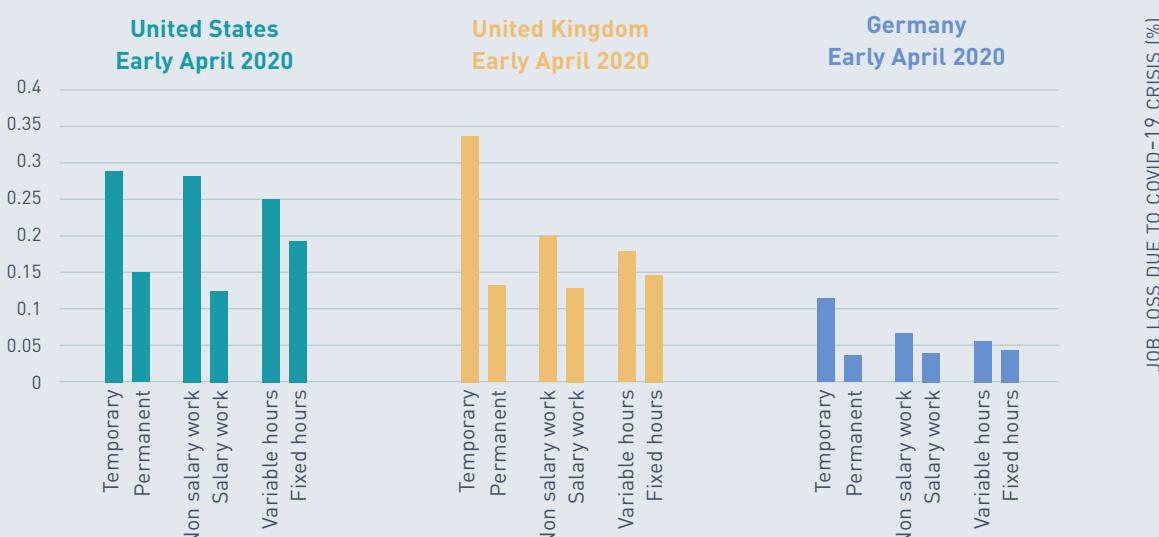
CONTRACTUAL ARRANGEMENTS

MATTER AS WELL

Looking at working arrangements, the survey used by Adams-Prassl et al. (2020⁵⁵) shows that workers in open-ended contracts, salaried workers and workers on fixed-hour contracts were less likely to be affected by job losses, compared to workers on a temporary contract and workers who are self-employed or whose hours are variable (see Figure 1.2).

Figure 1.2.

Probability of job loss due to COVID-19 by work arrangements in the United States, United Kingdom and Germany, April 2020



JOB LOSS DUE TO COVID-19 CRISIS (%)

Note: The figure shows the share of individuals who were employees four weeks before data collection who lost their jobs due to COVID-19.

Source: (Adams-Prassl et al., 2020⁵⁵)-Prassl, et al. (2020⁵⁵), "Inequality in the Impact of the Coronavirus Shock: Evidence from Real-Time Surveys", IZA Discussion Paper, No. 13183, IZA Institute of Labor Economics, <https://www.iza.org/publications/dp/13183/inequality-in-the-impact-of-the-coronavirus-shock-evidence-from-real-time-surveys>.

Workers on temporary contracts found themselves quickly out of a job as their contracts were not renewed. Both in the United States and the **United Kingdom**, around one-third of all workers on a temporary contract lost their jobs due to COVID-19 (Adams-Prassl et al., 2020⁵⁵). **Canada** also saw a decline of 30% of workers in jobs on temporary contracts and workers with a tenure of less than one year (Statistics Canada, 2020⁵⁶).

Meanwhile, 50% of self-employed workers in the **United Kingdom** and 75% in the **Netherlands** report a drop in earnings or hours worked (von Gaudecker et al., 2020⁶¹; Adams-Prassl et al., 2020⁵⁵).

Gig workers also turn out to be quite vulnerable, even if the COVID-19 shock was stimulating employment opportunities for certain platforms (deliveries, for example). In a survey by AppJobs - an online platform to search for app-based jobs around the world - over half of gig workers said they had lost their jobs while more than one-quarter had seen their hours cut (AppJobs Institute, 2020⁶²). Another survey of precarious workers in **France** – including gig economy workers such as bike couriers and drivers – arrives at a similar conclusion, with 52% of workers surveyed losing their jobs as demand for services evaporated. Another 19% of precarious workers in this survey continued to work outside their homes despite elevated health risks, with many indicating they were doing so because they had little or no access to public relief measures despite elevated health risks (Stabile, Apouey and Solal, 2020⁶³)

The significant job losses suffered by workers in non-standard contractual arrangements can be explained by the fact that non-standard work is widespread in sectors and industries where personal contacts are difficult to avoid. In Europe, for example, non-standard forms of work represent 40% of all employment in sectors most affected by lockdowns, ranging from about 20% in **Latvia** and **Lithuania** to more than 50% in **Greece**, **Italy**, the **Netherlands** and **Spain** (OECD, 2020⁶⁴). At the same time, controlling for the fact that only a small share of tasks can be done from home within certain occupations or industries confirms the role contractual arrangements play. Irrespective

of the share of tasks that can be done from home, employees with less secure working arrangements are more likely to have lost their job following the outbreak of the pandemic (Adams-Prassl et al., 2020⁵⁵). Hence, not only sectoral effects but also the fact of being in a non- standard form of employment, explains the likelihood of losing one's job.

The fact that jobs losses are considerable among workers in non-standard forms of employment adds to concerns about existing inequalities. Workers in non-standard employment are already suffering from a wage discount compared to workers in standard forms of work (OECD, 2015⁶⁴) and are now bearing the most severe burden from the crisis in terms of job losses. In addition, these forms of work arrangements provide less access to social security, in particular unemployment benefits (OECD, 2020⁶⁴) and also less access to employer-provided training. In other words, the cost of adjusting to the pandemic and its economic consequences is disproportionately borne by the most vulnerable workers. Social dialogue has a role to play as it presents a way to uphold decent work while at the same time providing business with the flexibility that it needs.

ESSENTIAL WORK, YET LOW PAY

Low-wage earners are not only suffering from the pandemic because many are losing their jobs and seeing their livelihoods threatened. A different but similarly negative impact stems from the fact that “frontline workers”, who work in essential services and production that cannot be performed from home, tend on average to be less educated and more likely to earn low wages (OECD, 2020¹⁶). This concerns healthcare workers, cashiers and workers in food processing. These frontline workers continue to work in their current jobs, but this often implies a higher risk of contracting the virus for themselves and members of their households. Numbers reflect this to an alarming degree. While the death rate from COVID-19 in England and Wales up until 20 April 2020 was on average 5.2 deaths per 100 000 for women and 9.9 for men, death rates for men working in the lowest skilled occupations were double that (21.4 deaths per 100 000). Death rates for men working as taxi drivers even reached 65.3



PHOTO: Shutterstock

per 100 000, while men and women working in social care also suffered from death rates twice as high as the average (Office for National Statistics, 2020⁶⁵). Infection and death rates from COVID-19 are thus tangibly higher for these “frontline workers”. Social dialogue, by improving bargaining perspectives for low- and middle-wage workers in particular, and/or by assisting in the setting of minimum wages, represents an important instrument for taking into account considerations about the adequacy of pay, especially for essential workers.

1.2.2. SOCIAL DIALOGUE TO BUILD BACK BETTER

The economic fallout from the pandemic risks widening existing inequalities. This conflicts with the UN 2030 Agenda and the Sustainable Development

Goals (SDGs) which, among others, aim to reduce inequalities (SDG 10), fight poverty (SDG 1), promote gender balance (SDG 5) and ensure decent work (SDG 8) (United Nations, 2015⁶⁶). Moreover, there are also strong indications that high inequality affects growth in several ways. It does so by holding back investment in education and human capital, (OECD, 2015⁶⁴; Llena-Nozal, Martin and Murtin, 2019⁶⁷), by hindering upward social mobility (OECD, 2018⁶⁸), and, as inequality breeds perceptions of unfair treatment (Wetenschappelijke Raad voor het Regeringsbeleid (WRR), 2020⁶⁹), by undermining the social trust that is necessary to agree to and implement adequate crisis responses (Stiglitz, Fitoussi and Durand, 2018⁷⁰). Moreover, in combination with a deficit in good jobs, inequality also works to weaken political institutions (Rodrik and Sabel, 2019⁷¹).



Hence, the policy responses required to ensure a strong and sustainable economic recovery from the COVID-19 crisis cannot afford to overlook the need to mitigate and address the deepening of inequalities. Social dialogue can be of great value in achieving this objective. Just as inequality can be an obstacle to growth and recovery, social dialogue and social partnership work to mobilise different mechanisms allowing for a broad sharing of the benefits of growth.

First, collective bargaining strengthens the bargaining power of low- and middle-wage workers. The background to this is the fact that power imbalances exist in the employment relationship so that when workers negotiate pay and working conditions individually, employers' buyer power is usually not compensated by sufficient bargaining power on the side of workers. By correcting this, social dialogue helps to increase earnings accruing to low- and middle-wage workers, as shown by recent empirical analyses (Jaumotte and Buitron, 2015⁷²; OECD, 2018⁷³; Hayter, 2015⁷⁴; Vaughan-Whitehead, 2018⁷⁵). There is also evidence that higher collective bargaining coverage is strongly correlated with lower wage inequality in general, accounting for 50% of the cross-country variance in wage inequality among 32 OECD countries (Visser, 2015⁷⁶). Other studies show that more centralised and more co-ordinated wage bargaining systems contribute to lower wage inequality (Blau and Kahn, 1999⁷⁷; Hayter, 2011⁷⁸; OECD, 2004⁷⁹; OECD, 2018⁷³; ILO and OECD, 2018⁷).

Besides providing the possibility to collectively bargain over wages, social dialogue can also support wages at the lower end of the pay distribution by assisting in setting and changing statutory⁸ minimum wages (The Global Deal, 2020⁸⁵). As minimum wages need to be large enough to provide for a decent job and acceptable standards of living for workers and their families, and should, on the other hand, take into account economic factors, by closely involving social partners in the policy discussion on minimum wages, both balanced, as well as realistic, decisions regarding minimum wage policy can be taken.

Shifting the focus to the top of the income distribution, social dialogue works to limit the share going to the top 10% of the income distribution. In a report on social dialogue and the SDGs, the European Commission observes that social partners are likely to be closely involved in managing welfare and social security policies in countries where social dialogue is strong (European Commission, 2019⁸⁰). This tends to deliver higher redistribution through taxes and public transfers, thus limiting the increase in the net income share of the top 10%.

Finally, social dialogue is particularly helpful in addressing issues related to non-standard forms of work, which the pandemic has brought to the forefront. For instance, sector-wide bargaining agreements and, where it exists, an extension of collective bargaining agreements to all workers in an occupation or sector is a useful tool for reducing inequalities for workers in non-standard forms of employment as well as for ensuring a level playing field among enterprises.

It is also important to acknowledge the potential of social dialogue to adjust to new challenges by seeking solutions to issues of common concern and by complementing public policies in the regulation of employment and social protection. Collective bargaining, in particular, can lead to adapting pay, working time, work organisation and jobs and employment relationships themselves to new needs and doing so in a more flexible and pragmatic – but fair – way, than by labour law rules only. In this way, the realities of global markets and increased competition can be addressed, while at the same time ensuring that all workers and companies, including SMEs, are on board to share the benefits of economic progress.

Developments on temporary work agency operations (TWA) in Europe provide an interesting example. While TWA was initially perceived as disruptive, social dialogue in combination with a specific European directive, introducing common principles to regulate the sector across the European Union succeeded in creating a new normal. In this new normal, temporary agency work is accepted as a key part of a well-functioning labour market, while

at the same time also focussing on the principles of equal treatment and the need for a level playing field. Moreover, and on the condition that the overall level of worker protection would be respected, the European directive also opened the possibility for collective agreements to diverge from a blanket equal treatment approach. This, in turn, incited social partners to engage further in collective bargaining for temporary agency workers.

For example, in **Germany**, labour law allows for derogation from the principle of equal pay when agency workers are on an open-ended contract with the agency and are paid fully in between assignments. The latter eventually led to the negotiation of sector-wide agreements on equal pay for agency workers in the steel and metal and electronics sector (Benassi, 2016⁸¹).

Collective agreements covering TWA work are also used to establish specific funds for training, pensions and sick leave (as in **Belgium, France, Italy and the Netherlands**), or to set up specific bodies to protect health and safety at work for workers in

the agency sector, such as the Dutch Stichting Arbo Flexbranche (STAF) (OECD, 2019⁴²).

In other words, the case of the temporary work agency sector in Europe shows that social dialogue does have the potential and the ability to adapt to the challenges of non-standard forms of work in ways that provide business with greater flexibility, while also respecting the principles of fairness at work and supporting a level playing field for competition.

To conclude, the policy responses taken to recover from the COVID-19 crisis will shape the future of our economies. In deciding on policy actions, policy makers must address the fact that the COVID -19 crisis has likely worsened already existing weaknesses such as excessive inequality and segmented labour markets. In building back better, social dialogue needs to be a key part of this, as it helps to ensure a strong focus on fairness and equity. In turn, more fairness and equity will result in a more resilient labour market and a stronger economic recovery. Stronger economies need stronger social dialogue.

Key messages

- By negotiating several series of short-time work arrangements, social partners together with governments have swiftly acted to strengthen labour market resilience in the face of the COVID-19 crisis. Short-time work schemes that keep workers in their jobs have prevented the initial shock from amplifying itself. They also provide the foundation of a stronger recovery by preserving efficient worker/job matches.
- The involvement of social partners in organising short-time work makes it possible to go beyond the simple act of paying benefits or subsidies to reduce working time. Social dialogue complements the latter and allows for negotiating agreements on access to training, flexibility in working time, use of leave arrangements and working time accounts or (temporary) wage moderation to sustain jobs.
- Moreover, social dialogue and collective bargaining at different levels have complemented each other. While high-level agreements, for example at the national level, provided a guiding framework, more granular and tailored approaches were negotiated at sector and/or company levels, taking into account the particular conditions and situations existing at these levels. For example, they were able to top up the wage subsidy, sometimes financing this net wage increase by reducing other benefits.
- Social dialogue has played a key role in protecting workers' health against the spread of the virus. Many agreements and protocols were negotiated to provide workers with personal safety equipment, boost sanitary provisions, reorganise workplaces and working shifts to allow for social distancing, and take extra precautionary measures for high-risk workers, such as older workers. By providing workers with a collective voice, workers are given the confidence that returning to work will be as safe as possible. This, in turn, is most helpful in keeping essential activities ongoing and in reopening business after lockdown.
- With the COVID-19 pandemic representing a global shock, social dialogue has gone global as well. Multinational corporations and global union federations negotiated global framework agreements entitling the company's global workforce to similar access to health and safety measures or social insurance. Governments, international organisations, multinational companies and trade unions partners engaged in working together for a more just and resilient global garments industry.
- The COVID-19 crisis has exposed already existing weaknesses in our economies. Those who are at the bottom of the income distribution and those who are in an insecure labour market position have been hit the hardest. This needs to be taken into account when designing policy measures to rebuild labour markets. Social dialogue needs to be a key part of this agenda of "building back better" as it works to deliver a broad sharing of the benefits of economic growth.

Notes

1. Other examples from Asia concern China, the Philippines and Sri Lanka. More information can be found at www.ilo.org/global/topics/coronavirus/country-responses/lang--en/index.htm.
2. Similar initiatives in Africa were taken in Botswana and Kenya, with Algeria and Tunisia as examples from Northern Africa.
3. Other examples in the Americas can be found in Brazil, Canada and Uruguay.
4. According to a survey held at the end of May 2020, four out of five workers in the United Kingdom were worried that returning to work would put their family at risk (The London Economic, 2020⁸³).
5. ILO (forthcoming³¹) and IndustriALL Global Union (2020⁸²) also provide relevant overviews.
6. A coalition of 380 large companies in various sectors including electronics, retail and car and toy manufacturing.
7. The pandemic has also ignited a discussion on the tension that global value chains imply between efficiency of cost of production on the one hand and resilience in terms of security and reliability of supply, especially for essential products. Here, policy considerations relate to company risk management strategies, supplier diversification as well as “just-in-case” processes for essential goods. See OECD (2020⁸⁴).
8. Seven OECD countries (Austria, Italy, Switzerland and the Nordic countries) do not have nationally applicable minimum wage set through public policies. These countries have traditionally relied on collective bargaining agreements to set wage floors, covering sectors and occupations that account for a very large proportion of the workforce.
9. This is also recognised by Principle 8 of the European Pillar of Social Rights stipulating, “Social partners shall be consulted on the design and implementation of national economic, employment and social policies according to national practices.”

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2

PROMOTING LIFELONG LEARNING AND SKILLS DEVELOPMENT:

The role of social dialogue

Skills development and lifelong learning are fundamental enablers of decent work, productivity and sustainability that can raise the value and output of labour, empower the lives of workers and enrich societies. For individuals, they provide the key to pursue their interests and aspirations, access to the labour market and escape from poverty. For enterprises, they provide a strategic and competitive advantage for productivity and innovation. For societies, they create opportunities for economic transformation, job creation, inclusiveness, democracy and sustainable growth.

The unprecedented developments in science and technology are raising fundamental questions about the position and role of human beings in the future world of work. To ensure decent work and inclusive growth, a new generation of skills and lifelong learning systems needs to be jointly developed and implemented by governments and social partners. Through tripartite and bipartite social dialogue, they can design an integrated approach to the skills development systems accessible for all, reinforcing both the supply-side needs and interventions of functioning labour markets along with the demand-side needs and interventions, with a specific focus on women, disadvantaged and vulnerable groups.

Education, training, skilling, reskilling and upskilling should take a human-centred approach. The 2019 International Labour Organization (ILO) Centenary Declaration for the Future of Work calls upon its member states to invest in human capacities and institutions of work to shape a fair, inclusive and secure future of work with full, productive and freely chosen employment and decent work for all. A human-centred approach puts the needs, aspirations and rights of people at the heart of all economic, social and environmental policies. It would mitigate the high social costs and maximise the positive impacts of that change. A human-centred approach to the future of work calls for joint efforts and shared responsibilities of governments and employers' and workers' organisations based on tripartism and social dialogue, taking into account national circumstances.

Unfortunately, the ability of lifelong learning to realise these aspirations remains difficult in many countries due to a range of factors. In many countries, it is easier to offer predominantly supply-driven education and training programmes; the quality of education may be limited; there may not be mechanisms to ensure equity and equality in training opportunities; there is insufficient involvement of social partners; and insufficient resources or financial commitment. Although the barriers vary across regions and national contexts, the economic impacts of the coronavirus (COVID-19) crisis forces all governments to reprioritise, adopt, and implement comprehensive skills development systems to accelerate “building back better”.

The terminology in the context of work-related education, training and skills have been evolving at least since the 1970s, when the ILO Human Resources Development Convention, 1975 (No. 142) was drafted, negotiated and adopted. The terms are still used by different institutions and countries differently, especially considering the variances in translation from different languages. Education and training, particularly in technical vocational education and training (TVET) systems, have evolved in response to structural changes in production systems, economies and societies. The usage and meaning of the terms “skills” and “skills development” have shifted beyond memorising knowledge and facts, towards acquiring and practising the behaviours and skills to apply knowledge to perform tasks and jobs more in alignment with work assignments (World Economic Forum, 2019¹). For the purposes of this chapter, the definitions are those used most regularly by the ILO.

Skills development describes “the full range of formal and non-formal vocational, technical and skills-based education and training for employment or self-employment. It includes: pre-employment and livelihood education and training; TVET and apprenticeships as part of secondary and tertiary education; training for employed workers, including in the workplace; employment and labour-market-oriented short courses for those seeking employment” (ILO International Labour Conference, forthcoming²).

In many countries, the terms “skills development”, “VET” and “TVET” are used interchangeably. However, for the purposes of this chapter, the term “skills development” is a broader term that refers to all formal, non-formal and informal learning that has some labour market or broader societal utility.

Lifelong learning is a subject of considerable discussion around the world. It was defined in the ILO Human Resources Development Recommendation (R.195) as “all learning activities undertaken throughout life for the development of competencies and qualifications” (ILO, 2004³). It has been defined more broadly by the United Nations Educational, Scientific and Cultural Organisation (UNESCO) as “all learning activity undertaken throughout life, with the aim of improving knowledge, skills and/or qualifications for personal, social and/or professional reasons” (UNESCO, 1984⁴). There is, however, no internationally recognised consensus. The concept has evolved and may be understood as “covering all education and training during a lifetime, including both initial education and training and adult learning” (ILO, 2019⁵).

This chapter examines how social dialogue promotes lifelong learning and skills development. It first presents the normative framework developed by the ILO over more than 50 years. It then explores the different approaches to governance using social dialogue in the design and implementation of policies related to lifelong learning and skills development at the international, regional, national, sectoral, enterprise and workplace levels. The third section then reviews the way forward that governments, workers, employers and their representatives should consider.

2.1 The ILO normative framework

International labour standards and other ILO instruments and documents recognise that education, training and lifelong learning are contributing factors in personal development, access to culture and active citizenship. Moreover, since decent work for all is a primary objective of the ILO, education and training are considered essential for all people and contribute to the achievement of full employment, poverty eradication, social inclusion and sustained economic growth in the global economy. The ILO has established a normative framework on lifelong learning and skills development that incorporates social dialogue and social partners – including employers’ and workers’ organisations – as essential components.

The primary ILO instrument is the **Human Resources Development Convention, 1975 (C. 142)**, which has been ratified by 68 countries and requires that each member shall formulate and implement policies and programmes of vocational guidance and vocational training in co-operation with employers’ and workers’ organisations. (Article 5) (ILO, 1975⁶).

Following on from this, the **Human Resources Development Recommendation, 2004 (R. 195)**, goes into considerably more detail, as can be seen in Box 2.1. It is wide-ranging and strategic and puts social partners at the centre of initiatives to promote skills development and lifelong learning. It calls upon members, to define, with the involvement of social partners, a national strategy for education and training, as well as establish a guiding framework for training policies at national, regional, local, and sectoral and enterprise levels (ILO, 2004⁷).

Box 2.1.

Human Resources Development Recommendation, 2004 (R. 195)



Members should:

- based on social dialogue, formulate, apply and review national human resources development, education, training and lifelong learning policies which are consistent with economic, fiscal and social policies (Article 1)
- recognise that education and training are a right for all and, in co-operation with the social partners, work towards ensuring access for all to lifelong learning (Article 4a)
- define, with the involvement of the social partners, a national strategy for education and training, as well as establish a guiding framework for training policies at national, regional, local, and sectoral and enterprise levels (Article 5a)
- strengthen social dialogue and collective bargaining at international, regional, local and sectoral and enterprise levels as a basic principle for systems development, programme relevance, quality and cost-effectiveness (Article 5f)
- establish, maintain and improve a co-ordinated education and training system within the concept of lifelong learning, taking into account the primary responsibility of government for education and pre-employment training and for training the unemployed, as well as recognising the role of social partners in further training, in particular, the vital role of employers in providing work experience opportunities (Article 6.1)
- recognise their responsibility for education and pre-employment training and, in co-operation with the social partners, improve access for all to enhance employability and to facilitate social inclusion (Article 8a)
- promote, with the involvement of the social partners, the ongoing identification of trends in the competencies needed by individuals, enterprises, the economy and society as a whole (Article 9.a)
- promote the development of equitable training policies and opportunities for all public sector employees, recognising the role of social partners in this sector (Article 9.k)
- adopt measures, in consultation with the social partners and using a national qualifications framework, to promote the development, implementation and financing of a transparent mechanism for the assessment, certification and recognition of skills, including prior learning and previous experience, irrespective of the countries where they were acquired and whether acquired formally or informally (Article 11.1)
- promote diversity of training provision, in co-operation with the social partners, to meet the different needs of individuals and enterprises and to ensure high-quality standards, recognition and portability of competencies and qualifications within a national quality assurance framework (Article 13)
- identify the roles of government and the social partners in promoting the expansion and diversification of training (Article 14.b)
- identify, in consultation with the social partners, roles and responsibilities of employment services, training providers and other relevant service providers with respect to vocational and career information and guidance (Article 15.c)

- support and facilitate research on human resources development and training, in consultation with the social partners, and taking into account the impact of data collection on enterprises, (Article 19), which could include:
- a) learning and training methodologies, including the use of information and communication technology (ICT) in training
 - b) skills recognition and qualifications frameworks
 - c) policies, strategies and frameworks for human resources development and training
 - d) investment in training, as well as the effectiveness and impact of training
 - e) identifying, measuring and forecasting the trends in supply and demand for competencies and qualifications in the labour market
 - f) identifying and overcoming barriers to accessing training and education
 - g) identifying and overcoming gender bias in the assessment of competencies
 - h) preparing, publishing and disseminating reports and documentation on policies, surveys and available data.

The Human Resources Development Recommendation, 2004 (R. 195) also proposes a series of measures to support social partners' engagement in lifelong learning and skills development systems and processes:

- recognising their role in training (Article 9.b)
- supporting their participation in social dialogue on training (Article 5.i)
- supporting initiatives by them in the field of training in bipartite dialogue, including collective bargaining (Article 9.c)
- assisting them in the process of skills anticipation (Article 17).

It also proposes that international co-operation programmes relating to skills development and lifelong learning should strengthen the capacity of social partners to contribute to dynamic lifelong learning policies, in particular in relation to the new dimensions of regional economic integration, migration and the emerging multicultural society (Article 21.e).

Another important piece of the ILO normative framework is the **Paid Educational Leave Convention, 1974 (C.140)**, which has been ratified by 35 countries, and which requires that employers' and workers' organisations shall be associated, in a manner appropriate to national conditions and practice, with the formulation and application of the policy for the promotion of paid educational leave (Article 6) [ILO, 1974⁸].

The ensuing **Paid Educational Leave Recommendation, 1974 (R.148)** [ILO, 1974⁹] provides more detail about the measures that should be taken to achieve the aims of any policy initiatives:

- to ascertain the current and future education and training needs of workers which may be met by paid educational leave
- to make full use of all available education and training facilities, and to establish new facilities to meet the education and training purposes of paid educational leave
- to take account in teaching methods and education and training programmes of the objects and the terms of paid educational leave, which reflect new needs

- to encourage workers to make the best use of education and training facilities available to them
- to encourage employers to grant paid educational leave to workers (Article 8).

In addition, other conventions underline the contribution that social partners should make to the design and/or implementation of training policies:

- **The Vocational Rehabilitation and Employment (Disabled Persons) Convention, 1983 (C.159)**, which has been ratified by 84 countries, requires that the representative organisations of employers and workers shall be consulted on the implementation of any ensuing policy, including the measures to be taken to promote co-operation and co-ordination between the public and private bodies engaged in vocational rehabilitation activities (Article 5) (ILO, 1983¹⁰).
- **The Promotional Framework for Occupational Safety and Health Convention, 2006 (C.187)**, which has been ratified by 49 countries, requires that each member should formulate its national policy in consultation with the most representative organisations of employers and workers, and shall develop a national preventative safety and health culture that includes information, consultation and training (Article 3.3) (ILO, 2006¹¹).

The significance of social dialogue for the promotion of lifelong learning and skills development has also been emphasised by a series

of Resolutions and Conclusions adopted by the ILO International Labour Conference.

One such example is provided by the **Resolution and Conclusions on skills for improved productivity, employment growth and development**, adopted by the 97th Session of the International Labour Conference in 2008, which highlighted a number of policy areas:

- skills development at the workplace and along value chains for sustainable enterprise and employment growth
- skills development to help manage global drivers of change
- early identification of current and future skill needs to feed into national and sectoral development strategies
- linking education, skills development, labour market entry and lifelong learning
- skills development for social inclusion of target groups.

It expressly indicated ways in which the ILO, governments and social partners should contribute to each of these different policy areas. As can be seen in Box 2.2, the level of detail for each stakeholder contribution, within, for example, the first of these policy areas, is considerable (ILO, 2008¹²).

Box 2.2.

Resolution and Conclusions on skills for improved productivity, employment growth and development, 2008



Skills development at the workplace and along value chains for sustainable enterprise and employment growth: Roles of government and social partners

The role of governments in supporting skills development at the workplace and along value chains for sustainable enterprises and employment growth should focus on providing an enabling environment for skills development, including but not limited to:

1. promotion of a positive lifelong learning culture, skills enhancement and productivity through a strong and consistent policy framework
2. quality assurance of training and certification of skills obtained, so that skills are transferable, including skills acquired through informal and on-the-job learning
3. a range of mechanisms and incentives, which may, among others, include financial incentives to encourage and enable enterprises to train their workforce as part of business development, and workers to participate in training, specifically targeting small and medium-sized enterprises (SMEs) and low-skilled workers
4. implementation and enforcement of international labour policies and standards, especially respect for freedom of association, the right to collective bargaining and gender equality
5. institutional support for effective social dialogue for skills development at the enterprise, sectoral, national and regional levels
6. identifying and utilising opportunities for public–private partnerships where these add value to meeting skills development needs of enterprises and workers, and as agreed to by the social partners
7. collection, analysis and effective dissemination of labour market information, including in-demand skills, providing timely and accessible information and a practical referral system on available funding schemes
8. governments also taking a lead by developing the skills of their own workforce
9. coherence between government policies as a particularly important basis for the provision of good early and basic education
10. alongside business, governments also having a role in providing investment for research (Article 29).

Social partners can promote skills development for sustainable enterprise and employment growth in many critical ways, including, but not limited to:

1. Engaging in effective social dialogue, which may include collective agreements signed at the national, sectoral and enterprise levels
2. providing incentives for informal economy operators to invest in skills development as an initial step to transit to the formal economy, including through improved linkages between employers' organisations and SMEs; and promoting policies that give rights to informal economy workers
3. providing, supporting and promoting workplace learning – fostering a learning culture at the workplace, which may include the provision of paid time off for training
4. promoting entrepreneurship, trade unions and workers' rights awareness in schools and vocational training institutions
5. providing apprenticeships and upgrading the quality of learning and the recognition of skills acquired by apprentices
6. making workplace training accessible to when and where workers are available and making workplace learning and apprenticeship opportunities equally accessible to women
7. leveraging community-based training to reach out to disadvantaged and marginalised groups
8. having a role in sharing information and good practices on corporate social responsibility, with respect to skills development (Article 30).

Another example would be the **Resolution and Conclusions on the youth employment crisis: A call for action** (), adopted by the 101st Session of the International Labour Conference in 2012, which included in the section on "Employability – Education, training and skills, and the school-to-work transition" that governments should give serious consideration, as appropriate, to:

"Improving the links between education, training and the world of work through social dialogue on skills mismatch and standardisation of qualifications in response to labour market needs, enhanced technical vocational education and training, including apprenticeships, other work-experience schemes and work-based learning (Article 26.b)".

A key element of the normative framework, particularly for developing countries, is the ILO (2017¹⁴) **Tripartite Declaration of Principles**

concerning Multinational Enterprises and Social Policy, which was adopted in its latest form by the Governing Body of the International Labour Office at its 329th (March 2017) session. It contains a section on training and calls on MNEs to:

→ Ensure that relevant training is provided for all levels of workers employed by them in the host country, as appropriate, to meet the needs of the enterprise as well as the development policies of the country. Such training should, to the extent possible, develop generally useful skills and promote career opportunities and lifelong learning. This responsibility should be carried out, where appropriate, in co-operation with the authorities of the country, employers' and workers' organisations and the competent local, national or international institutions.

→ Participate, along with national enterprises, in programmes, including special funds, encouraged

by host governments and supported by employers' and workers' organisations. These programmes should have the aim of encouraging skill formation, lifelong learning and development as well as providing vocational guidance, and should be jointly administered by the parties that support them. Wherever practicable, multinational enterprises (MNEs) should make the services of skilled resource personnel available to help in training programmes organised by governments as part of a contribution to national development.

Most recently, the **2019 Centenary Declaration for the Future of Work** states that the ILO must direct its efforts to, among other things: promoting the acquisition of skills, competencies and qualifications for all workers throughout their working lives as a joint responsibility of governments and social partners in order to pay particular attention to ensuring that education and training systems are responsive to labour market needs, taking into account the evolution of work (Article II.A.iii) (ILO, 2019¹⁵). The declaration also emphasises a human-centred approach, where the capacities of workers and even all people should be strengthened.

These ILO instruments, which have been adopted by ILO constituents at the International Labour Conference, demonstrate a long-term commitment to lifelong learning and skills development. However, norms and policies alone are not enough. Governance and implementation of a skills system require a shared approach by key stakeholders at the international, regional, national, sectoral and workplace levels. The ultimate goal is to ensure the delivery of training for all individuals looking for such options at all stages of their lives. Defining roles, allocating resources, and distributing tasks and functions among social partners, national institutions, local authorities, providers and learners is extremely complex, particularly in the context of a rapidly changing world. Further, skills mismatches are the result of skills developments systems failing to adapt to the needs of business and workers. The next section will explore the entry points for using social dialogue at all levels to ensure that skills development systems can adapt to today's challenges and will be prepared for the future that lies ahead.

2.2 Contributions made by social dialogue stakeholders to promote lifelong learning and skills development

As an essential part of social and economic development, lifelong learning requires multi-faceted action and a comprehensive policy response to the changing world of work. New approaches to governance and co-ordination in skills development systems are needed to effectively operationalise national lifelong learning to prepare for a dynamically changing future of work, and to respond to the current coronavirus (COVID-19) crisis. To rise to these significant challenges, skills development systems should be comprised of strong institutions with clearly defined roles and responsibilities, committed to social dialogue with the social partners.

This section reviews examples of bipartite and tripartite social dialogue for the promotion of lifelong learning and skills development, including the design and implementation of related policies and programmes. Examples come from governments and social partners working together at the international, regional, national, sectoral and enterprise levels. Some of the lists of examples may appear long, but they are not exhaustive, and represent the importance of social dialogue throughout the world.

2.2.1 SOCIAL DIALOGUE AT THE INTERNATIONAL LEVEL

The international level refers to international fora where governments co-operate and identify opportunities for policy coherence, such as the Group of Twenty (G20) and the European Union. Similarly, the business and labour communities are organised through the Business 20 (B20) and the Labour 20 (L20). As an example of international level social dialogue, the B20 and the L20 negotiated a Joint Understanding entitled Key Elements of Quality Apprenticeships, defining seven policy principles for apprenticeships (Box 2.3) (International Trade Union Confederation, 2013¹⁶) in preparation for the 2013 G20 meeting of Ministers of Employment.

Box 2.3.

Key principles for making apprenticeships work, 2013



- There must be a shared responsibility between governments and employers' and workers' organisations adequate to national circumstances.
- High-quality vocational schools, with highly qualified and motivated teachers and up-to-date equipment, are an indispensable prerequisite for effective learning.
- Effective entries into apprenticeships should be available, not only for young people but also for displaced adults who either need to move into a new industry or need to update their skills for the evolving needs of business.
- Strategies for lifting the status of apprenticeships should be developed so that they are positively seen as a pathway towards a satisfying career.
- Apprenticeship systems need their own contractual arrangements consistent with national law and practice.
- Apprenticeship systems must be workplace-centred, and apprenticeship programmes should reflect gender equity objectives.
- Apprenticeships should encourage entrepreneurship and innovation.

The labour and employment ministers used the social partners' "Key elements" document during their discussions, and some elements were employed in their Declaration of 19 July 2013.¹

BIPARTITE SOCIAL DIALOGUE

At the international level, multinational enterprises and Global Union Federations (GUFs) have negotiated Global Framework Agreements. These agreements generally promote international labour standards, particularly those related to the freedom of association and collective bargaining; the elimination of discrimination, forced labour, child labour; and the promotion of occupational safety and health standards. Although few of these agreements refer specifically to lifelong learning and/or skills development, there are notable exceptions in the financial services and automotive manufacturing sectors.

UNI Global Union has signed agreements with the banking and finance multinationals, BNP Paribas and Crédit Agricole SA. Signed in 2018, the agreement with BNP Paribas covers a number of issues, including training. Its 2020 human resources (HR) strategy focuses on improving the group's forecasting of its needs, "with the aim of adapting and creating the necessary training/development programmes, and supporting employees by giving them the necessary skills for future requirements." It also encourages both male and female employees to take part in training activities within working hours, "as far as is possible and particularly when it relates to the requirements of the position" (BNP Paribas, 2018¹⁷).

The agreement with Crédit Agricole SA, signed in 2019, commits to using social dialogue as "the best method for resolving problems or differences of position. Thus, the parties undertake to first seek



solutions through dialogue over any other form of action.” It also refers specifically to training: “The Crédit Agricole S.A. Group intends to recognise and promote the ability of its employees so that they acquire and develop the skills needed to maintain and develop their employability.” Moreover, the agreement recognises the importance of providing training for its employees throughout their professional lives, thus ensuring that they “maintain and develop cross-functional skills and competencies (cognitive, social, situational, etc.) made necessary by the increase in the rate of obsolescence of technical skills.” In addition, the agreement recommends that training is provided, during working hours, in the classroom or via e-learning, depending on the context and the objectives, so as to promote equal access to training (Crédit Agricole S.A. Group, 2019¹⁸).

In 2012, the auto industry multinational, Ford and IndustriAll, the manufacturing Global Union Federation signed a global framework agreement. As part of the agreement, Ford supports appropriate education, training and development for its employees, and underlines the significance of social dialogue on this issue – continued dialogue “between employee representatives and management assists the early identification of employee adaptation needs, ensuring appropriate skills upgrading and improved employability, to meet long-term business requirements” (IndustriALL, 2012¹⁹).

Inditex, the textiles multinational, signed an agreement with IndustriAll in 2019. They agreed to jointly develop policies and capacity-building programmes involving all workers, including suppliers. The programmes would concentrate on a variety of industrial relations issues (IndustriALL, 2019²⁰), as follows:

- work organisation
- productivity, output capacity of manufacturers
- purchasing practices and their impact on workers
- social dialogue techniques at work
- promotion of freedom of association, collective bargaining and the development of mature industrial relations
- promotion of equality between men and women
- improving reporting mechanisms and discipline at work
- rights and duties of workers and management.

The agreement signed in 2017 by the PSA Group, the auto industry multinational, and IndustriAll, devotes an entire chapter to developing skills and employability and includes a number of different issues. In the section on the management of skills, “the Group’s HR policy has as its special objective to support in their professional development employees who wish to safeguard and improve their future in all countries, in all their diversity, by assuring equal opportunity for all.” In the section on assessment, each employee has the opportunity to hold regular discussions with his/her managers on career development, leading to the establishment of a development plan. Additional information relating to access to training activities and the commitment to social dialogue for lifelong learning and skills development is found in (Box 2.4) (IndustriALL, 2017²¹).

Box 2.4.

PSA Global Framework Agreement: Extracts on access to training, 2017

Skills upgrading is key to the performance and development of the company and each employee.

The company ensures skills upgrading of employees during their entire professional lives, in collaboration with the employee, who is a player. The Group's ambition is to become a learning company. It implements a variety of means to promote increasing skills, professional development, and to assist employees in these changes. Training leading to enhanced professional skills takes place during working time. The objective is for employees to learn continuously during their entire professional lives and for each employee to take part in at least one training action every year.

The PSA Group dedicates innovative and participative initiatives such as learning breaks that can be organised on specific days and on a collective basis to promote the training of all employees as a special moment.

In 2015, 73 659 Group employees took part in at least one training initiative, for a global training access rate of 76% at the world level. The aim is to increase this figure to 85% per year beginning in 2019. To achieve this objective, it will be necessary to provide training resources for all categories of personnel, and to address situations where employees go for long periods of training.

The PSA Group implements a youth employment policy designed to make it easier for young people to enter the workplace. It is based on a responsible commitment in countries where the Group is present. This policy frequently involves local partnerships with employment services, schools or universities. The mentoring system encouraging the transmission of knowledge shall be prioritised and encouraged. In the same way, special emphasis will be placed on apprenticeship.

The arrangements for training are determined and introduced in the context of social dialogue and consultations, according to the practices and rules negotiated and in force in each country.

2.2.2 SOCIAL DIALOGUE AT THE REGIONAL LEVEL

At the regional level, social dialogue on lifelong learning and skills development policy development and planning are generally rare. Regional organisations such as the Association of Southeast Asian Nations (ASEAN), the African Union, the Southern Common Market (MERCOSUR), and the European Union tend to focus on issues related to economic integration rather than social policies. However, there are examples where governments have seen the benefit of discussing skills

development at the regional level. ASEAN member states (Cambodia, Indonesia, Japan, Lao People's Democratic Republic, Malaysia, Myanmar, Thailand and the Philippines), with support from the ILO, held a Tripartite Regional Seminar, to discuss the importance of skills development as a key subject of social dialogue in the context of the future of work (ILO, 2019²²). The 9th Tripartite Regional Seminar agreed on a series of recommendations for the promotion of sound industrial relations through social dialogue on skills development, as found in Box 2.5 (ILO, 2019²²).

Box 2.5.

Skills for employability, decent work and productivity in the workplace

Recommendations from the 9th Tripartite Regional Seminar on Industrial Relations in the ASEAN Region “Promoting sound industrial relations through social dialogue on skills development in the context of future of work”, 18-19 September 2019, Chiba Prefecture, Japan

The governments and social partners shall harness the fullest potential of technological progress, productivity growth and better social protection through social dialogue to achieve decent work for all and sustainable development by:

1. actively involving workers' and employers' representatives, especially the ASEAN Trade Union Council (ATUC) and the ASEAN Confederation of Employers (ACE), in the dialogue with respect to revising the legal framework, vocational training policy formulation, skills standards development, assessment, job creation, etc.
2. implementing effective policy measures to support the workforce through the transition they will face in the future of work
3. developing advanced TVET systems to meet the needs of enterprises and to reduce the costs and duration of training for new entrants in the labour market
4. developing or improving policy and institutional framework in promoting reskilling, upskilling and lifelong learning
5. developing a mechanism that helps match skills demand and supply, by way of enhancing the capacity of employment/job centres and flexible skills training (or mobile training or on-the-job training)
6. improving the quality of TVET through quality assurance, TVET programme registration and accreditation system, and enhanced public-private partnerships including TVET institution-industry partnerships
7. facilitating enterprises to engage more actively in skills development through incentives such as income tax exemption for the costs of vocational education and training
8. involving multinational enterprises (MNEs) and relevant stakeholders on reskilling and upskilling efforts in the context of future of work
9. providing skills training for marginalised groups, such as people with disabilities, women, youth, and migrant workers, as well as platform workers and informal economy workers who have limited access to TVET opportunities
10. including skills-related issues in collective bargaining agreements and social dialogue at the workplace
11. recognising skills certification and experience of the retrenched workers and enhance their employability in order to support their transition
12. organising regular tripartite seminars and/or activities to exchange experiences and good practices in response to challenges posed by the future of work
13. enhancing co-operation and partnerships within ASEAN member states (AMS) and ASEAN development partners to share information on TVET programmes
14. encouraging MNEs to provide training to workers throughout the supply chain
15. improving inter-ministerial collaboration and co-ordination at the national level of the respective AMS on skills development.

In 2019, the Africa Union Council established a Skills Initiative for Africa (SIFA) to strengthen the occupational prospects of young people in Africa. It finances skills development projects contributing to employment-oriented skills development for young people. Currently, the projects are focused on eight pilot countries: Cameroon, Ethiopia, Ghana, Kenya, Nigeria, South Africa, Togo and Tunisia.²

TRIPARTITE SOCIAL DIALOGUE WITH THE EUROPEAN UNION

The basis for EU tripartite social dialogue is found in the Treaty establishing the European Community provided for the consultation of management and labour at the European Community level before submitting proposals in the social policy field (Article 138), and “should management and labour so desire, the dialogue

between them may lead to contractual relations, including agreements” (Article 139) (European Union, 2002²³). EU tripartite social dialogue produced agreements on several issues, including fixed-term work, part-time work, working time and parental leave.

In 2002, the European Union formally launched tripartite social dialogue on education and training. Its initial aim was to enhance European co-operation in vocational education and training. The initial actors were ministers of education. They were subsequently joined by the European social partners, including the European Trade Union Confederation, BusinessEurope, SME United, and the European Centre of Employers and Enterprises providing Public Services. The meetings became known as the Copenhagen Process (Box 2.6).

PHOTO: Aurore Martignoni



Box 2.6.

The Copenhagen Process

The Maastricht Communiqué (CEDEFOP, 2004²⁴) aimed to strengthen co-operation with a view to:

- modernising their vocational education and training systems in order for Europe to become the most competitive economy
- offering all Europeans, whether they are young people, older workers, unemployed or disadvantaged, the qualifications and competencies they need to be fully integrated into the emerging knowledge-based society, contributing to more and better jobs.

Other agreements followed on a regular basis, including the Helsinki Communiqué (2006), the Bordeaux Communiqué (2008) and the Bruges Communiqué (2010).¹

The most recent, the Riga Conclusions (2015) (Latvian Presidency of the Council of the European Union, 2015²⁵), agreed five priority areas, aiming to:

- promote work-based learning in all its forms, with special attention to apprenticeships, by involving social partners, companies, chambers and vocational education and training (VET) providers, as well as by stimulating innovation and entrepreneurship
- further develop quality assurance mechanisms in VET in line with the European Quality Assurance in VET Recommendation and, as part of quality assurance systems, establish continuous information and feedback loops in initial VET and continuing VET systems based on learning outcomes
- enhance access to VET and qualifications for all through more flexible and permeable systems, notably by offering efficient and integrated guidance services and making available validation of non-formal and informal learning
- further strengthen key competences in VET curricula and provide more effective opportunities to acquire or develop those skills through initial VET and continuing VET
- introduce systematic approaches to, and opportunities for, initial and continuous professional development of VET teachers, trainers and mentors in both school and work-based settings.

¹. For the corresponding communiqués, see https://www.cedefop.europa.eu/files/helsinkicom_en.pdf, <https://www.cedefop.europa.eu/en/content/bordeaux-communique> and <https://www.cedefop.europa.eu/en/content/bruges-communique>.

In 2013, another EU initiative, the European Alliance for Apprenticeships, was launched by the Presidency of the European Union (on behalf of all member states), the European Commission and the European Social Partners. They pledged to contribute to the access to, supply, quality and attractiveness of apprenticeships across the European Union by encouraging the setting up, reviving or modernising of apprenticeship schemes that reflect the following principles (European Commission, 2013²⁶)

- effective partnerships between education and training institutions and enterprises, and the recognition of their respective roles
- involvement of social partners, and, as appropriate, intermediary bodies such as chambers of commerce, industry and crafts, professional organisations, sectoral organisations in the governance of apprenticeship systems

→ high quality of the qualifications and learning process
 → integration of apprenticeship schemes into national/regional education and training systems and a clear regulatory framework, clarifying the responsibilities, rights and obligations of each party involved, in the context of national practices, labour law and collective agreements.

Within the context of the European Alliance for Apprenticeships, the social partners published the Advisory Committee for Vocational Training (ACVT) opinion – “A Shared Vision for Quality and Effective Apprenticeships and Work-based Learning” as a joint statement. The social partners agreed to focus on six different fields of action (Box 2.7) (BusinessEurope, 2016²⁷).

Box 2.7. European Alliance for Apprenticeships: European social partners – fields of action



Fields of action include:

- undertaking “capacity building” in their own constituencies, spreading experience and good practice among the national member organisation
- motivating, advising and challenging member organisations to support the aims of the European Alliance for Apprenticeships by getting involved in the establishment and improvement of apprenticeship systems
- motivating, advising and challenging enterprises to support the aims of the European Alliance for Apprenticeships
- raising the awareness of employers and young people of the benefits of apprenticeships
- disseminating information and supporting social partner action to ensure more attractive conditions for enterprises and apprentices and proper use of apprenticeships in compliance with applicable rights and obligations
- promoting the use of the EU funds, in particular the European Social Fund, to introduce or improve member states’ dual-learning apprenticeship systems.

Another mechanism for EU tripartite social dialogue is the EU Advisory Committee for Vocational Training (ACVT), as mentioned above, which is composed of three representatives from each member state – one each from the government, employers’ organisations and trade unions. It is tasked with assisting the European Commission in implementing a Community vocational training policy.³ In 2018, for example, it produced an Opinion on the Future of Vocational Training post-2020.⁴ Its 2016 Opinion entitled “A Shared Vision for Quality and Effective Apprenticeships and Work-based Learning” acted as a fundamental stepping stone in the preparation of the EU Recommendation on European Framework for Quality and Effective Apprenticeships.⁵

BIPARTITE SOCIAL DIALOGUE WITHIN THE EUROPEAN UNION

The provisions of the Treaty establishing the European Community also facilitate the development of bipartite social dialogue, leading to joint initiatives on a wide range of topics, including lifelong learning and skills development.

At the sectoral level, the EU social partners have signed a limited number of collective agreements that address skills development. One such example would be the European Framework for Competence Profiles in 2011, and then again in 2015, in the chemical sector.⁶ They also agreed a joint Recommendation on Digital Transformation in the Workplace, which emphasises the importance of lifelong learning for dealing with digital transformation. Lifelong learning “should be understood as a must-have and not as an

available option: both for companies, which need an adequately trained/skilled workforce, and employees, to remain employable and reduce their vulnerability to the risk of automation” (European Chemical Employers Group and IndustriAll European Trade Union, 2019²⁸).

Collective agreements have also been signed by multinational enterprises, such as Schneider Electric and Safran, and European Industry Federations. The Schneider Electric agreement, signed with IndustriAll Europe in 2017, builds a proactive employment policy ensuring the employability of the Group’s employees based on three objectives (IndustriAll European Trade Union, 2017²⁹):

- to maintain career development throughout the entire time spent by employees
- in the company to enable them to adapt to changes made in accordance with its strategy
- to ensure that the key skills in the enterprise are preserved and adapted to changes.

The European Framework Agreement for Developing Skills and Career Paths, signed by the aerospace multinational Safran and IndustriAll in 2015, is particularly detailed and wide-ranging. It outlines the common principles that serve as a framework for all European subsidiaries to develop adaptability in the workplace and help employees cope with change. It also provides for a review of the framework agreement (Box 2.8) (IndustriAll European Trade Union and Safran Aerospace Defence Security, 2015³⁰).

Box 2.8.

The European Framework Agreement for Developing Skills and Career Paths, Safran, 2015

The key to developing skills and securing career paths for Group employees lies in factoring in the following main focus areas: anticipating future changes to professions; developing and securing career paths for employees; and encouraging and guiding professional mobility as a means of developing employees' skills.

Anticipating future changes to professions

Group companies rely on a common reference system describing all Group professions. It may, where appropriate, be applied inside the companies and shared with local representative bodies. (Section 3. Article 3.1)

In order to achieve a common vision at Group level, the parties agree that, once a year, a presentation will be made to the Safran European Works Council. (Section 3. Article 3.2)

To ensure that this vision is also shared in terms of each company, the parties agree that, once a year, a presentation and discussion will be held with the existing employee representative and/or union bodies. (Section 3. Article 3.3)

Developing and securing career paths for employees

Safran intends to give all employees the opportunity to regularly discuss their professional development with their manager [...]. The development interview is used particularly to:

- assess the career path and skills acquired
- define, if appropriate, a career plan and/or any other form of development enabling the employees to develop in the Group
- assess the skills that need to be developed in the current position
- identify the levers to progress in the position or a future position, training or professional mobility. (Section IV. Article 4.1)

The Group aims to guarantee access to training for every employee, regardless of their occupational group.

The parties of the agreement agree to gradually set up a training "passport" for each employee. The system aims to provide a better way of formalising the knowledge and skills acquired. The implementation of this training passport will be monitored through the committee supervising the agreement. (Section IV. Article 4.2)

The parties wish to encourage the sharing and transmission of skills, knowledge and best practices between employees by:

- encouraging discussion between employees
- ensuring co-operation between the generations
- presence and spotlighting of mentors to encourage integration in the company. (Section IV. Article 4.3)

Safran needs to harness a highly efficient technical branch made up of specialists who have demonstrated solid experience, high-level expertise recognised in their field and an ability to resolve difficult technical problems. Their missions consist of cultivating and transferring the most in-depth knowledge and developing new concepts and applications. (Section IV. Article 4.4)

Encouraging and guiding professional mobility as a means of developing employees' skills

Safran undertakes to foster professional mobility by guiding employees according to their needs and supporting their career advancement goals. (Section V)

Agreement monitoring

To monitor progress and the implementation of the agreement, the parties agree to set up a committee to monitor this agreement.

The committee members shall include representatives of Safran Senior Management and all members of the Bureau of the European Works Council, who may be represented. Three representatives of IndustriAll will be invited to the committee's meetings. It will meet once a year and carry out a progress review of the local action plans and a review of the indicators to make way for any changes and improvements. (Article 6.4)

EU social partners at the sectoral level regularly discuss issues related to skills development.

To address these issues in more detail, several initiatives have been established. They include: a skills observatory in the commerce sector;⁷ Creative Skills Europe in the audio-visual and live performance sectors;⁸ or other alliances for sectoral co-operation to develop and implement strategies to address skills gaps, by:

- gathering data
- developing a sector skills strategy
- developing occupational profiles, vocational programmes and qualifications
- designing a long-term action plan to be rolled out at the national and regional levels (European Commission, n.d.³¹).

Development and Research on Innovative Vocational Education Skills (DRIVES) is an alliance for sectoral co-operation for skills in the automotive industry. It aims to modernise skills frameworks to cope

with future automotive trends, to enable mutual recognition of qualifications across Europe, to implement a common European automotive skills umbrella and to integrate existing skills frameworks.⁹

2.2.3 SOCIAL DIALOGUE AT THE NATIONAL LEVEL

National approaches are significant because they provide an opportunity for the co-ordinated and coherent design and implementation of policies and programmes for lifelong learning skills development for the country as a whole. They are particularly important for the development of lifelong learning, which embraces different types of educational opportunities, acquired at different stages of life, in different environments. For example, a national qualifications framework could connect different stages in the development of lifelong learning – primary education, secondary education, tertiary education and adult education – with technical vocational education and training. Only a national approach could bring all these elements together and link them together with the world of work.

TRIPARTITE SOCIAL DIALOGUE AT THE NATIONAL LEVEL

Tripartite social dialogue was defined in the first Global Deal Flagship Report as the “interaction of government, employers and workers (through their representatives) as equal and independent partners to seek solutions to issues of common concern” (ILO and OECD, 2018³²). In the context of skills development, the most common form of tripartite social dialogue can be found in national agreements and TVET regulatory and/or consultative committees.

National tripartite agreements

National tripartite agreements on lifelong learning and skills development are rare, but examples can

be found in Germany, Spain and South Africa. The agreements are political statements of intent to support policy development and implementation as well as the mobilisation of resources.

In **South Africa** in 2011, the Ministry of Higher Education and Training, three trade union confederations, Business Unity SA, as well as certain community groups, signed the National Skills Accord pledging to combine their “efforts in order to strengthen skills development as a crucial pillar of the New Growth Path” based on eight commitments (Box 2.9) (Republic of South Africa, 2011³³).

Box 2.9. South Africa: National Skills Accord

The parties have identified a number of commitments they each can make on training and skills development, and which is set out in this Accord. These commitments are in eight key areas and are to:

- expand the level of training using existing facilities more fully
- make internship and placement opportunities available within workplaces
- set guidelines of ratios of trainees: artisans as well as across the technical vocations, in order to improve the level of training
- improve the funding of training and the use of funds available for training and incentives on companies to train
- set annual targets for training in state-owned enterprises
- improve sectoral governance and financial management as well as stakeholder involvement to improve Sector Skills Plans
- align training to the New Growth Path
- improve the role and performance of TVET colleges.

In 2014, the relevant ministries in **Germany** and the social partners agreed to an Alliance for Initial and Continuing Vocational Training 2015-2018. It was then renewed for 2019-21. The latest version aims to bring more young people and enterprises together to ensure the continuity of apprenticeships; to continue to enhance the attractiveness and quality of apprenticeship training; and to reinforce advanced vocational training schemes.¹⁰

More recently, in 2020, social dialogue is promoting the acquisition of skills in **Spain** in light of the COVID-19 pandemic. The main actions carried out by Fundae, a foundation to promote employment with a tripartite structure, in recent months are described in Box 2.10.

Box 2.10. Spain: Promoting the acquisition of skills in light of the COVID-19 pandemic



In view of COVID-19, Spain has acted in the following ways to promote building skills among its workers:

- **Digitise yourself:** This website is a collaboration framework in which large leading technological companies provide free training in digital skills to all workers, and particularly those working in small and medium-sized enterprises, as well as the unemployed. In 2020, more agreements have been signed to increase available training resources, currently reaching 566 courses, with more than 800 000 entries.
- The Government of Spain has called for greater flexibility in training conditions due to the difficulties in continuing face-to-face training.
- Detection of training needs through joint work with joint sectoral structures will be carried out.
- Upcoming state responses will meet newly detected labour market demands (e.g. in tourism, digital transformation, training with a hiring commitment, social dialogue training and collective bargaining).
- The role and performance of TVET colleges will be improved.

Source: Spanish State Public Employment Service (SEPE), Ministry of Labour and Social Economy, Spain

National tripartite bodies

In the context of skills development, national tripartite bodies are the most prevalent example of social dialogue. Many governments have seen the value of establishing a forum to ensure that TVET

policy and programmes respond to the needs of the labour market. They were first established in countries with mature industrial relations. Today, the institutions exist all across the world, as can be seen, from this non-exhaustive list, in Table 2.1.

Table 2.1.
Examples of national tripartite bodies for TVET

Region	Country	Tripartite social dialogue body for TVET
Africa	Kenya	Office for Vocational Training and Labour Promotion
	Morocco	National Office for Vocational Training
	South Africa	National Skills Authority
	Tanzania	Vocational Education and Training Authority
Americas	Argentina	National Board of Employment, Productivity and Minimum, Vital and Mobile Wages
	Canada	Future Skills Council
	Colombia	National Apprenticeship Service
	Mexico	Council for Standardisation and Certification of Labour Competences
	Peru	National Council for Labour and Job Promotion
	Uruguay	National Institute of Employment and Vocational Training
Asia and the Pacific	Papua New Guinea	National Training Council
	Philippines	Technical Education and Skills Development Authority
Europe and Central Asia	Austria	National Agency for Vocational Education and Training
	Belgium	Flemish Agency for Education and Training French-speaking Office for Dual Training
	Denmark	National Council for Education and Training
	Finland	Finnish National Board of Education
	France	National Council for Employment, Vocational Training and Guidance
	Germany	Federal Institute for Vocational Training
	Greece	National Organisation for the Certification of Qualifications and Career Guidance
	Hungary	National Council for Vocational and Adult Training
	Ireland	Apprenticeship Council Expert Group on Future Skills Needs
	Italy	Technical Body for Apprenticeships
	Luxembourg	Committee for Vocational Training
	Netherlands	Co-operation between Vocational Education and Training and the Labour Market
	Norway	National Council for Vocational Education and Training
	Portugal	Institute for Employment and Vocational Training Monitoring Board of Accreditation of VET providers
	Slovenia	Expert Council for Vocational Education and Training
	Spain	General Council for Vocational Training
	Switzerland	Federal Commission for Vocational and Professional Education and Training

Source: Author's own work.

As can be seen from the following examples chosen from different geographic regions, the missions, functions and tasks of these national tripartite bodies are wide-ranging and varied. Stakeholder

representation is also variable, sometimes with a majority for social partners – including employers' and workers' organisations (Box 2.11).

Box 2.11.

Government-led inter-sectoral TVET committees with social partner representation: Examples of missions, functions and tasks

Technical Education and Skills Development Authority (TESDA) (Philippines)

Its mission is to:

- promote and strengthen the quality of technical education and skills development programmes to attain international competitiveness
- focus technical education and skills development on meeting the changing demands for quality middle-level human resources
- encourage critical and creative thinking by disseminating the scientific and technical knowledge base of middle-level workforce development programmes
- recognise and encourage the complementary roles of public and private institutions in technical education and skills development and training systems.

The TESDA Board is made up of 13 members – 6 from the government, 2 from employers' associations, 3 from labour organisations and 2 from TVET institutions.

National Office for Vocational Training (Senegal)

Its mission is to:

- contribute to the implementation of the government's sectoral objectives and assist public and private organisations in carrying out their activities
- undertake studies on employment, vocational qualifications and quantitative and qualitative means of carrying out initial and continuing vocational training
- prioritise sectoral activities based on structures that exist already or need to be created
- co-ordinate the vocational training activities of bilateral or multilateral aid organisations.

The Management Board of the National Office for Vocational Training is made up of 12 members – 4 from the government, and 4 each from employers' and workers' organisations.

General Council of Vocational Training (Spain)

Its functions include:

- preparing and proposing a national professional training programme for the approval of the government
- evaluating and overseeing the implementation of the national professional training programme and proposing its modernisation, where necessary
- advising on curricula and qualifications corresponding to the various levels and specialisations of vocational training
- issuing proposals and recommendations to the public authorities responsible for vocational training, particularly with regard to the implementation of the national vocational training programme
- proposing activities to improve vocational guidance
- evaluating and monitoring the activities carried out in the field of vocational training.

The Permanent Committee of the General Council of Vocational Training is made up of 72 members – 17 from the government, 17 from the autonomous communities, and 19 each from employers' and workers' organisations.

National Institute for Employment and Vocational Training (Uruguay)

Its tasks include:

- managing the Labour Reconversion Fund
- advising the government on employment policies, training and vocational training
- creating Tripartite Departmental Committees for Employment and Vocational Training
- creating Sectoral Committees on Employment and Vocational Training
- designing and managing professional training programmes
- promoting continuing training and the standardisation of skills in the framework of collective bargaining
- analysing developments in the labour market, disseminating the results and contributing to effective career guidance.

The Management Board of the National Institute for Employment and Vocational Training is made up of six members – two from the government and two each from employer's and workers' organisations.

Source: Philippine Commission on Women [1994³⁴], "Republic Act 7796 - TESDA Act of 1994", <https://www.pcw.gov.ph/law/public-act-7796>; Office National de Formation Professionnelle (2020³⁵), "Qui sommes-nous", <http://www.onfp.sn/a-propos/qui-sommes-nous/>; Agencia Estatal Boletín Oficial del Estado (1997³⁶), "Real Decreto 1684/1997, de 7 de noviembre", <https://www.boe.es/boe/dias/1997/11/18/pdfs/A33668-33672.pdf>; Instituto Nacional de Empleo y Formación Profesional [n.d.³⁷], "Quiénes somos", <http://www.inefop.org.uy/institucional/quienes-somos-uc38>, accessed on 27 July 2020.



PHOTO: Christina Wocintechchat

In addition to, or instead of national bodies, some countries have decentralised responsibility for TVET to regional committees to ensure that training policies can be tailored to the needs of specific regional labour markets. For example, in **Austria, France, Germany and Norway**, there are some regional committees composed of representatives of regional authorities and social partners.

Canada has also devolved responsibility for TVET to the provincial level. The Province of Quebec has a long history of both independence and social dialogue on training issues to promote workforce development and employment matters. Its tripartite Commission for Labour Market Partners is not a regional representative of a national body, but a separate entity in its own right. Its mission (Commission des partenaires du marché du travail, 2020³⁸) is to:

- guide workforce and employment interventions, particularly those promoting the relationship between the supply of training, the skills of the workforce and the needs of the labour market

- contribute to the development, recognition and enhancement of workforce skills based on current and future labour market needs.

BIPARTITE SOCIAL DIALOGUE AT THE NATIONAL LEVEL

Bipartite dialogue was defined in the first Global Deal Flagship Report as involving “employer(s) and/or employers’ organisations, and workers’ organisations (i.e. trade unions) that agree to exchange information, consult each other or negotiate together” and is central to the promotion of lifelong learning and skills development (ILO and OECD, 2018³²). It may take the form of negotiating collective agreements, either at the national or sectoral level or participation in regulatory and/or consultative bodies – rarely at the national level, but more often at the sectoral level.

Collective agreements

In some countries, with a tradition of collective bargaining at the national level, social partners may also negotiate collective agreements, including TVET issues.

In **France**, social partners negotiate a specific National Inter-sectoral Agreement on Vocational Training regularly. The 2013 Agreement (Ministère du travail, de l’emploi et du dialogue social conventions collectives, 2013³⁹) aimed to enhance the skills and qualifications of employees so as to:

- support their own professional development and to boost the competitiveness of enterprises
- develop the skills and qualifications of their employees
- maintain lifelong learning pathways through a personal training account
- increase the number of beneficiaries of the individual time off for training initiatives
- improve career guidance
- finance vocational training
- improve the governance of skills development.¹¹

This agreement was particularly significant, as it constituted the basis for the Law on Vocational Training, Employment and Social Democracy, adopted the following year.¹²

In Norway, the national social partners regularly negotiate wide-ranging national collective labour

agreements. In the basic agreement, the social partners include a specific section on TVET issues that:

- Recognise how highly important wider education is for the individual, for development of the enterprise, and for the community as a whole. This applies to general education, vocational training, courses of adult education, advanced studies and rehabilitation.
- Wish to emphasise the great value that lies in stimulating employees to increase their knowledge and improve their qualifications, and attaching great weight to planned courses of education and training for employees, within the enterprise itself or at outside educational establishments. (Article 18.1) (LO-NHO, 2018⁴⁰).

They also signed a general agreement on technological development and computerised systems, which contained an entire section on training (Box 2.12).

Box 2.12.

General Agreement on Technological Development and Computerised Systems (Norway)

The central organisations emphasise the importance of making active use of systematic training in connection with the use of new technology. It is recommended that parties at individual enterprises discuss training needs at an early planning stage. Enterprises shall ensure that shop stewards receive the training necessary to enable them to perform their duties satisfactorily.

In consultation with the shop stewards, enterprises shall also assess the training needs of other employees who become engaged in specific projects within the scope of the agreement.

Examples of such training are courses in work on systems and project management that are of a sufficiently high standard to equip them with the competence they need to be able to take an active part in designing the system.

The nature and scale of the training provided shall be assessed according to the needs of the individual enterprise. The assessment shall comprise general training of an informative nature aimed at meeting the need to improve the general level of knowledge in the enterprise, necessary training in project and system work for those participating actively in projects, and training in the operation and use of systems and equipment.

Enterprises may provide the training internally or avail themselves of external training courses or use a combination of both, depending on circumstances at the individual enterprise (Section IV) (LO-NHO, 2018⁴⁰).

2.2.4. SOCIAL DIALOGUE AT THE SECTORAL LEVEL

TRIPARTITE SECTORAL SOCIAL DIALOGUE

Sectoral approaches provide an opportunity for the design and implementation of more targeted and more specific policies and programmes for skills development. They complement discussions and policies made at the national level. They provide a framework for sectoral stakeholders to discuss the unique challenges regarding the employment and skill needs of particular sectors, including the chemical, construction, metalworking/engineering and automotive sectors. In this context, technical experts can have more detailed discussions and shared motivations for addressing skills challenges.

Sectoral collective agreements

Tripartite sectoral agreements are rare. However, in the light of the coronavirus (COVID-19) crisis, the Danish Agency for Labour Market and Recruitment and the social partners in the tourism industry – the trade union 3F and the employers' organisation HORESTA – concluded a tripartite agreement on temporary wage compensation in 2020. The agreement included an innovative clause, “upgrading instead of dismissal”, relating to lifelong learning and skills development: “Instead of dismissal, the employers can offer 30 days of targeted online training. The company will receive a reimbursement of the salary through different funds, and the only expense for the company is the participation fee” (Fagbevægelsens Hovedorganisation, 2020⁴¹).

PHOTO: Monty Rakusen



The main conduit for social dialogue at the sectoral level is to be found in sectoral tripartite TVET bodies, often known as sector skills councils. Examples of tripartite social dialogue – based on representatives

of governments, employers' organisations and trade unions – at the sectoral level are also to be found throughout the world (Table 2.2).

Table 2.2.
Examples of sectoral tripartite bodies

Region	Country	Body
Africa	Ghana	Sector Skills Councils
	Kenya	Sector Training Committees
	South Africa	Sectoral Education and Training Authorities
Americas	Argentina	Sector Councils
	Brazil	Serviço Nacional de Aprendizagem Industrial (SENAI) Sectoral Technical Committees
	Colombia	Servicio Nacional de Aprendizaje (SENA) Sectoral Committees
	Mexico	Consejo Nacional de Normalización y Certificación de Competencias (CONOCER) Competency-Based Management Committees
Asia and the Pacific	Australia	Training Advisory Councils, such as the National Meat Industry Training Advisory Council Limited (MINTRAC)
	Bangladesh	Industry Skills Councils
	New Zealand	Industrial Training Organisations, such as Connexis ¹
	Sri Lanka	Skills Councils
Europe and Central Asia	Denmark	Trade Committees
	Estonia	Professional Councils
	Finland	National Education and Training Committees
	France	Future Trends in Occupations and Qualifications Skills Operators
	Italy	Joint Interprofessional Funds for Continuing VET
	Netherlands	O&O (training and development) Funds Sector Chambers
	Portugal	Sector Councils for Qualifications
	Norway	Vocational Training Councils

Note: For more information, see www.connexis.org.nz/about/. At the time of writing, it seems that the newly established Workforce Development Councils, which will take on the role of setting standards from the Industrial Training Organisations, will not have trade union representation.

The functions, roles and tasks of these sectoral tripartite bodies are wide-ranging and varied, as can be seen from the following examples chosen from each of the geographic regions [Box 2.13]. These examples provide only a snapshot; other committees

will conduct similar activities and/or more specific activities to suit the needs of the sector and the local labour market. The types of worker and employer organisations involved also vary in different contexts.

Box 2.13. Government-led sectoral TVET bodies with social partner representation



Sector education and training authorities (SETAs) (South Africa)

The sector education and training authorities were established in South Africa on the basis of the 1998 Skills Development Act. Following the launch of the National Skills Development Plan 2030, which was approved in 2019 for implementation in 2020, their tasks have been redefined.

Their tasks, 21 in number, are, among others (Ministry of Higher Education and Training, 2019⁴²), to:

- support the process of determining and outlining the demand for occupations in their sector
- steer the system to respond to skills supply, by ensuring that funding concentrates on driving the provision of quality qualifications and/or workplace-based experience; target the existing workforce, pre-employed (students) and the unemployed; and inform their career guidance processes
- support the development of the institutional capacity of public and private education and training institutions.

The Minister of Higher Education and Training is the main stakeholder on behalf of the Government and is defined as the Executive Authority. The Governing Board of Merseta, the SETA for the Manufacturing, Engineering and Related Services Sector, has six members representing organised labour and six representing organised employers; three members are independent (merSETA, n.d.⁴³).

Sector chambers (Netherlands)

The vocational training system was reformed in 2015, and the Ministry of Education, Culture and Science handed over a central advisory role to a new organisation – the Foundation for Co-operation on Vocational Education, Training and Labour Market (SBB in Dutch).

Reduced from 15 to 8 in number, as part of the reforms, their functions, among others (SBB, n.d.⁴⁴), are to:

- advise, accredit and coach companies that provide on-the-job training
- develop and maintain the qualification structure
- provide research and information on the labour market, work placements and efficiency of VET programmes.

The Governing Board of the Mobility, Transport and Water Logistics Sector Chamber, for example, includes five members representing social partners and four members representing TVET institutions (SBB, n.d.⁴⁵).

Sectoral organisations for vocational competencies (Chilevalora) (Chile)

The functions of the sectoral organisations for vocational competencies in Chile are 22 in number and are, among others (Chilevalora, n.d.⁴⁶), to:

- define and integrate their sector into the National Competency Certification System
- detect mismatches in human capital and define sectoral priorities via the preparation and validation of occupational profiles, training plans, the qualifications framework for the design of vocational training pathways
- identify the priority occupational profiles for the sector, validate them, request their accreditation from ChileValora and ensure that they are validated and updated, when appropriate
- identify vocational training pathways that indicate the appropriate level for the profile within the qualifications framework and the mobility options for the skilled worker.

The Governing Board of the Sectoral Organisations for Vocational Competencies is tripartite; the number of members varies according to the sector (Chilevalora, n.d.⁴⁶).

Industry skills councils (Bangladesh)

The main functions of the industry skills councils in Bangladesh are to:

- monitor and review skill development practices in industry sectors
- provide leadership and strategic advice to government on skill development needs
- support the delivery of industry-relevant training and/or professional development programmes for instructors and trainers
- improve partnerships between industry and public and private training organisations.

Tripartite Industry Skills Councils have been established in five industry sectors: agro-food processing; transport equipment; leather and leather goods; hospitality and tourism; and information technology.

In practical terms, they arrange specialist training courses for workers, organise public-private-donor partnerships and develop curriculum material for new occupations (ILO, 2013⁴⁷).

There is a certain ebb and flow to the activities of tripartite social dialogue committees at the national and sectoral levels, and indeed on occasions to their very existence. The ebb is often linked to changes in government policies and the withdrawal of funds, while the flow, particularly in developing countries, is dependent on the level of support provided by the ILO and donor organisations.

Some countries have decided to move away from a tripartite social dialogue approach. In March 2017, in the **United Kingdom**, the tripartite UK

Commission for Employment and Skills was closed (UK Government, 2017⁴⁸). Employer-led sector skills councils, which were set up to develop occupational standards and approve qualifications underpinning vocational training programmes, were required to appoint at least one trade union representative to their boards. However, ‘there has been minimal union involvement in skills formation such as determining occupational standards and the qualifications on which they are based’ (Clough, 2012⁴⁹). In 2013, employer-led “trailblazer” apprenticeships were launched. Since



then, there is no formal provision for trade union participation in the design and implementation of apprenticeships (ILO, 2017⁵⁰). The Institute for Apprenticeships and Technical Education, set up in 2017, oversees the development, approval and publication of apprenticeship standards and assessment plans. It also does not include any trade union representatives on its board (Institute for Apprenticeships and Technical Education, 2020⁵¹).

However, at the time of writing, the UK Government is developing, along with the Confederation of British Industry and the Trade Union Congress, a National Retraining Partnership, which aims to:

- support people already in work to move into better jobs through training and tailored advice
- complement existing training programmes for adults

→ encourage people to develop their flexibility and resilience in the world of work so that they can take advantage of new opportunities.

The scheme would include a range of services to support people while they train and look for jobs (UK Government, 2019⁵²). It would provide:

- tailored advice and guidance from a qualified adviser
- functional skills training, initially focusing on English and maths
- flexible online and blended learning, a mix of online and face-to-face provision, enabling more adults to access training
- in-work vocational training, learnt on the job.



PHOTO: Filip Bunkens

In **Australia**, the Australian Industry and Skills Committee (AISC) was established in 2015 to give industry a formal, expanded role in policy direction and decision making for the VET sector. It provides industry advice to Commonwealth, and State and Territory Skills Ministers on the implementation of national VET policies, and approves nationally recognised training packages for implementation. The AISC takes into account advice from 67 Industry Reference Committees (IRCs) in considering the needs of particular sectors, the synergies between sectors, economy-wide issues and emerging skills needs (Australian Industry and Skills Committee, 2020⁵³). Although the AISC has no trade union members on its committee, trade union representatives may become members of IRCs (Oliver, 2018⁵⁴).

On the other hand, there has been interest in setting up tripartite social dialogue bodies at the sectoral level: five, in **Bangladesh** (as mentioned in Box 1.12). Other examples include **Ghana**, as the government has plans to establish 22 sector skills councils, with 3 initially, in agriculture, tourism and hospitality and the construction sectors (ILO, 2019⁵⁵); **Jordan**, where the first meeting of the sector skills council for chemical industries took place in 2019 (ILO, 2018⁵⁶); and **Sri Lanka**, with four skills councils established in construction, tourism, ICT and manufacturing and engineering service industries between 2015 and 2019 (ILO, 2016⁵⁷).

BIPARTITE SECTORAL SOCIAL DIALOGUE

In some countries, bipartite dialogue at the sectoral level, without the participation of government agencies, is an accepted form of governance for some aspects of lifelong learning and skills development.

Bipartite sectoral agreements

In some countries, social partners at the sectoral level have a direct interest in negotiating bipartite agreements that regulate workers' terms and conditions and may include aspects of lifelong learning and skills development.

In the Americas, there are numerous examples of bipartite sectoral agreements dealing with

technical vocational education and training in Latin America. In **Brazil**, for example, social partners have negotiated agreements in the following sectors: retail; food; construction; and textiles. In Uruguay, social partners have negotiated agreements in most sectors, including refrigeration, fishing, textiles, leather and footwear, paper, chemical, engineering, construction, retail, hostelry and tourism, transport, finance, health, education, graphical, sport and agriculture (OIT/Cinterfor, 2020⁵⁸).

In North America, in **Canada**, there are regional agreements for certain sectors, with provision for the establishment of a local joint apprenticeships council and pre-apprenticeship programmes, as in the agreement signed by the International Brotherhood of Electrical Workers (IBEW), the IBEW Construction Council of Ontario and the Electrical Trade Bargaining Agency of the Electrical Contractors Association of Ontario.¹³

In Europe, **France** has a tradition of negotiating agreements at both national and sectoral levels. In 2018, for example, social partners negotiated 1 297 agreements, among them 954 agreements at the national level, and 6 at the sector or cross-sector level. Some 203 sectoral agreements explicitly dealt with vocational training, one-fourth of which related to a series of different issues related to apprenticeship training (Ministère du Travail, de l'Emploi, de la Formation professionnelle et du Dialogue social, 2019, pp. 383-398⁵⁹), including:

- the nature of the apprenticeship agreemen
- the obligations of the apprentice and the enterprise
- the choice, role and tasks of the in-company trainer, the number of apprentices they can supervise, and their training – some agreements provide, in this respect, an appropriate workload and an allowance for the in-company trainer
- prospects for collecting qualitative and quantitative data on apprentice numbers, early termination, successful completion and transition to permanent agreements

- financing apprenticeships, and, more specifically, ways of ensuring that enterprises pay their apprenticeship tax
- the possibility of sharing learning pathways between two enterprises
- the responsibilities of the apprenticeships centres and, where appropriate, their accreditation by the sector.

In Italy in 2016, social partners in the metalworking sector negotiated a wide-ranging collective agreement, which included clauses on continuing TVET, an individual right to training and time off for training (Federmeccanica, 2016⁶⁰), and an entire section on apprenticeships.

In some countries, social partners at the sectoral level negotiate collective agreements that address apprenticeships, including wages and working conditions. There are examples from Germany in the iron, steel, wood and plastic industries, and from Ireland covering electrical contractors.¹⁴

Bipartite sectoral bodies

In some countries, bipartite dialogue in TVET regulatory and/or consultative committees are essential for the promotion of lifelong learning and skills development. For example, in Denmark, there are 50 trade committees, for each sector or occupation. The committees have extensive core responsibilities (Box 2.14). They usually have 10-14 members from social partner organisations with equal representation for employers' and workers' organisations.

Box 2.14.

The core responsibilities of Denmark's trade committees

Among their core responsibilities, Denmark's trade committees:

- perform a central role in the creation and renewal of VET courses by closely monitoring developments in their particular trade and have a dominant position in formulating learning objectives and final examination standards, based around the key competencies deemed as required in the labour market
- conduct relevant analyses, development projects, etc., and maintain close contact with relevant stakeholders
- decide the regulatory framework for individual courses within boundaries set by the legislative framework; they decide which trade is to provide the core of the training, the duration of the programme, and the ratio between college-based teaching and practical work in an enterprise
- approve enterprises as qualified training establishments and rule on conflicts that may develop between apprentices and the enterprise providing practical training
- function as gatekeepers to the trade as they are responsible for issuing journeyman's certificates, both in terms of the content, assessment and actual holding of examinations.

Source: Andersen, O. and K. Kruse (2014⁶¹), Denmark – VET in Europe Country Report, Cedefop, Luxembourg, p. 37, https://cumulus.cedefop.europa.eu/files/vetelib/2014/2014_CR_DK.pdf.



PHOTO: Shutterstock

In Italy, Joint Inter-professional Funds for Continuing VET operate in 18 sectors. They may be administered by the social partners, with a board composed of an equal number of representatives of employers' and workers' organisations. These funds are financed by contributions from employers, on the basis of a levy of 0.30% of their total wage bill. The funds are then used to finance sectoral, regional or individual training plans for workers' retraining and/or upskilling (Fondi Interprofessionali, 2020⁶²).

2.2.5. WORKPLACE CO-OPERATION

Workplace co-operation was defined in the first Global Deal Flagship Report as "consultation and cooperation between employers and workers at the level of the undertaking on matters of mutual concern not within the scope of collective bargaining machinery, or not normally dealt with by other machinery concerned with the determination of terms and conditions of employment" (ILO and OECD, 2018³²). It may take the form of skills development policies based upon company or learning agreements and/or the activities of works councils.

The first Global Deal Flagship Report, *Building Trust in a Changing World of Work*, noted that "workplace co-operation can be an important means to elicit the voice and commitment of workers in the day-to-day operations of the enterprise and develop high-trust

models of employment relations" (ILO and OECD, 2018, p. 29³²). This may have positive effects on increased investment in apprenticeship and in-house training.

COMPANY AGREEMENTS

Although company agreements are generally not publicly available documents, some company agreements have been published by firms based in the Americas. In Brazil, the multinational Mercedes-Benz signed an agreement with the ABC Metal Workers Trade Union for the factory of São Bernardo do Campo, in the state of São Paulo. The aim was to train workers on collective contracts, trade union policy, job security, wage expenditure calculations and other matters related to individual and collective relations (Barreto Ghione, 2015⁶³).

In 2019, Walmart Chile and the Sindicato Interempresas Líder de Trabajadores del Holding Walmark signed an agreement to train cashiers in the use of new self-scanning devices, during working time without loss of pay (ILO/Cinterfor, 2019⁶⁴).

In Canada, there are other types of localised agreements that may include provision for training and apprenticeships: project labour agreements, for major projects (for example, major energy or infrastructure projects) (Muskratt Falls, 2016⁶⁵), as well as community benefit agreements with local authorities (Crosslinx Transit Solutions, 2015⁶⁶).

In Europe, the energy company, ENEL, and three sectoral trade unions in Italy signed an agreement in 2014 to establish an experimental programme combining on- and off-the-job training leading to a “technical diploma with theoretical contents more in tune with industrial needs and a practical technical training characterised by a better linkage to the needs of the world of work.” The agreement covered a series of issues, including the duration of the apprenticeship, remuneration, holidays, sick leave, termination, the role of in-company trainers and health and safety (ENEL, 2014⁶⁷).

WORKS COUNCILS

Works councils have been created in some countries to enable elected workplace representatives to be informed and/or consulted on certain issues pertaining to company employment issues that may be involved in skills development issues.

They are prevalent in Europe (Austria, Belgium, Denmark, France, Germany, Italy, Luxembourg, the Netherlands, Norway and Spain).

In two countries, Chile and Italy, some committees or councils deal specifically with skills development. In Chile, bipartite committees, which include trade union (and non-union) representatives, are compulsory for companies with 15 workers or more. They are tasked with agreeing on the company’s occupational training programme or programmes and their assessment, and with advising company management on training issues.¹⁵

In Italy, employers’ and workers’ organisations in the metalworking sector signed a national agreement that provides for the establishment of works councils for TVET, which carry out a number of functions (Box 2.15).

Box 2.15. The functions of Italy’s works councils for TVET

Italy’s works councils for TVET are responsible for:



- monitoring the number of continuing TVET initiatives carried out, the types of initiatives, the number of training days and the total number of employees involved
- improving access to training by evaluating the feasibility of training projects for workers not involved in previously organised TVET initiatives
- disseminating information about continuing TVET training initiatives offered locally among workers
- examining the specific training needs of workers in line with technological developments within the enterprise
- reporting training needs and the numbers of potentially interested workers to the competent local committees at the enterprise level.

Source: Confederazione Italiana Sindacati Lavoratori (2018⁶⁸), Sostenere l’anticipazione del cambiamento e lo sviluppo delle competenze - coinvolgere i rappresentanti sindacali nelle procedure di informazione, consultazione e partecipazione sul posto di lavoro, Rome, <https://www.centrostudi.cisl.it/attachments/article/321/8.%20TOOLKIT%20SACADOS%20progetto%202017-2018.pdf>.

2.2.6 SOCIAL PARTNERS' VIEWS ON THEIR ABILITY TO PROMOTE LIFELONG LEARNING AND SKILLS DEVELOPMENT VIA SOCIAL DIALOGUE

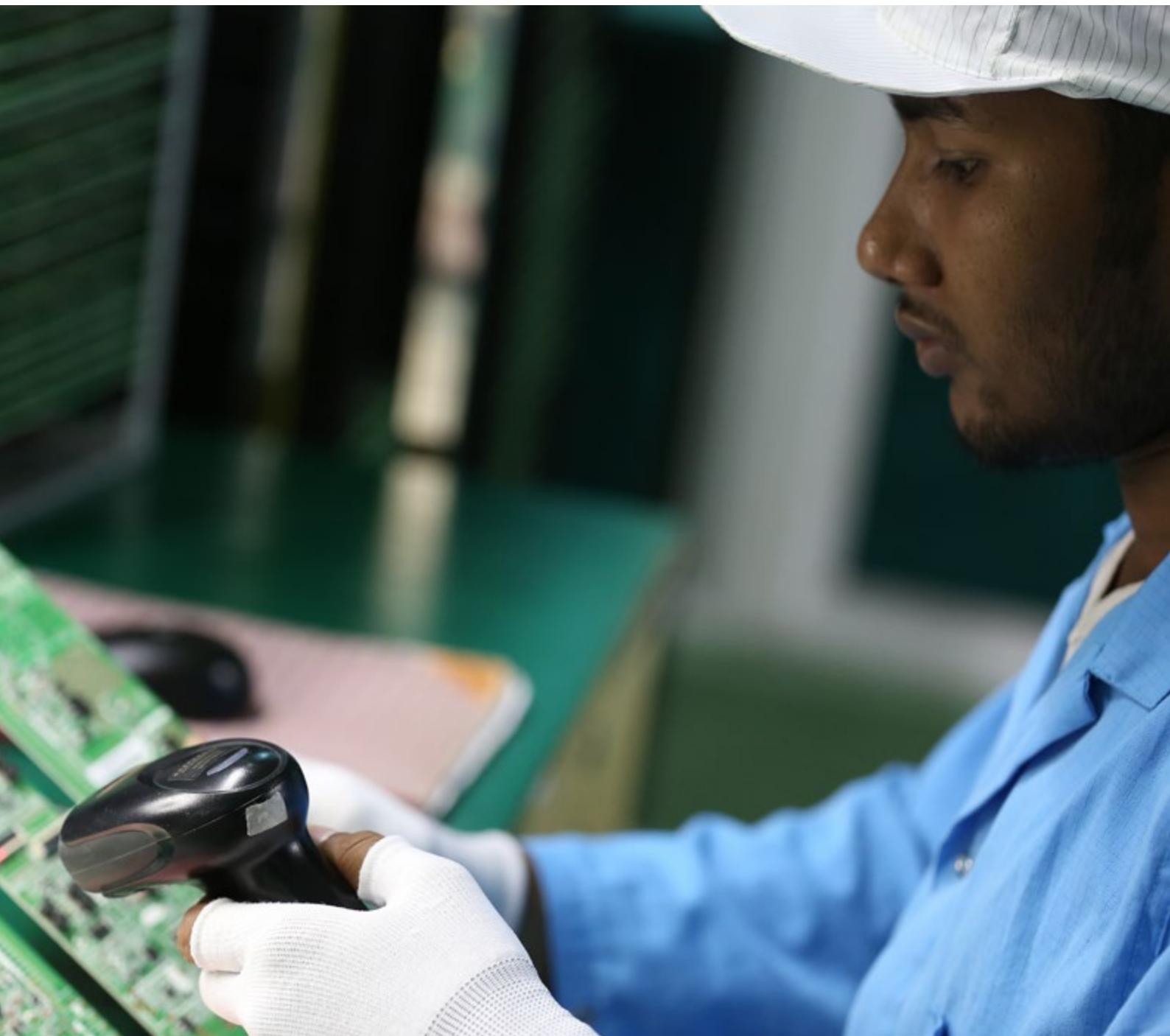
How do stakeholders view their experience of engaging in different forms of social dialogue activities to promote lifelong learning and skills development? Some evidence can be found in a survey carried out in 2018 by the ILO, concerning national initiatives to promote quality apprenticeships in G20 countries (ILO, 2018, p. xv⁶⁹).

The survey shows that G20 governments engage with social partners – workers' and employers'

organisations – in the design, development and delivery of apprenticeship training by involving them in the policy-making process. Moreover, the majority of governments plan to strengthen the involvement of social partners further.

As to the social partners themselves, over 70% of national workers' and employers' organisations are represented in some form of national body that discusses topics related to apprenticeships, and just over half of them are also involved in sectoral skills councils.

PHOTO: Shutterstock



"It is noticeable that countries with well-established systems of apprenticeships tend to report a higher engagement of social partners in social dialogue (i.e. the social partners are more likely to be negotiating with the government, rather than simply being consulted on the issues of skills development). (ILO, 2018⁶⁹)".

A substantial majority of workers' and employers' organisations consider engagement in social dialogue with regard to apprenticeships as their responsibility, but their roles and responsibilities differ. The majority of employers' organisations consider that their mandate consists of informing, encouraging and advising member enterprises. Workers' organisations, on the other hand, tend to consider that they have a broader mandate, which also includes negotiating working and training conditions for apprentices, advising and building the capacity of workers' representatives on apprenticeships and monitoring and evaluating apprenticeship systems.

A substantial majority of workers' and employers' organisations are actively involved in raising awareness of the benefits of apprenticeships among their members and the general public, including young people and their parents.

While workers' organisations are more active in promoting inclusiveness in apprenticeships, just over one-half of workers' organisations and just over one-third of employers' organisations, have encouraged women to undertake apprenticeships for occupations in which women are under-represented (ILO, 2018, pp. xii-xv⁶⁹).

However, there are countries where the potential for using social dialogue in the promotion of lifelong learning and skills development is limited due to the lack of enabling conditions required for social dialogue (Box 2.16).

Box 2.16.

Summary of enabling conditions required for social dialogue based on international labour standards

According to the ILO (n.d.⁷⁰), enabling conditions required for social dialogue based on international labour standards include:

- strong, independent workers' and employers' organisations with the technical capacity and access to relevant information to participate in social dialogue
- political will and commitment to engage in social dialogue on the part of all the parties
- respect for the fundamental rights of freedom of association and collective bargaining
- appropriate institutional support.

Two recent and forthcoming ILO publications shed some light on the views of the social partners concerning their ability to promote lifelong learning and skills development via social dialogue.

The first publication (ILO, 2020⁷¹) is a survey of 27 employers' organisations involved in skills system governance arrangements, such as:

- policy and co-ordinating TVET bodies in the skills development system
- regulatory bodies related to the quality assurance of training organisations and the development and recognition of skill standards, curriculum and qualifications
- apprenticeship councils or boards
- councils or boards of national or sectoral training funds
- national labour market observatories or other fora involved in skills anticipation.

Employers' organisations contribute to strategy and policy areas by contributing to national skills strategies, developing quality assurance systems and national qualifications frameworks. Their level of engagement tends to depend upon the extent to which they feel that they are taken seriously as partners in policy formulation, or whether they act in an advisory capacity only. Although most organisations had a moderate to significant advisory role, few employers' organisations felt they operated "as true equal partners" in a tripartite system.

When asked about effective policy making at the national level, employers' organisations were often faced with a number of government agencies dealing with different aspects of skills development systems, and they "most often referred to poor system co-ordination as the most significant obstacle" (ILO, 2020⁷¹). However, they also believed that more effective system co-ordination existed at the sectoral level, where they were well-represented.

In countries that have national training funds, employers' organisations often had some impact on the design of skills funding schemes. However,

they had less influence on oversight, as they generally considered that they did not have much influence over how the funds were allocated. Their "assessment of funding scheme performance, and of scheme management by governments, was poor to adequate" (ILO, 2020⁷¹).

All employers' organisations were generally dissatisfied with the mismatch between the needs of the labour market, the types of skills that were being developed, and the lack of reliable labour market information. Very few employers' organisations were involved in the governance of labour market information systems, and their main activity was to collect data and/or to commission ad hoc research activities. There were also concerns about the quality of off-the-job training, vocational education and training in general. Only a few countries have established apprenticeship systems that the employers' organisations assess as effective. However, only a few of those rare examples include employers' organisations within the governance structures.

Other adjacent issues have undermined employer engagement in skills development initiatives. Newly elected governments and the ensuing changes in ministry personnel have resulted in the frequent need to establish or re-establish working relationships and undermined reform processes. Funding issues are another source of continuing problems. The incomplete reform of skills programmes, in developing economies, has been linked to the inconsistency of development programmes and availability of support from international donors. In some countries, long-term sustainability and consistent resource allocation are major challenges. Under these circumstances, it is difficult to maintain employers' engagement (ILO, 2020⁷¹).

The second publication (ILO, forthcoming⁷²) highlights, in more general terms, three sets of issues that affect the engagement of workers' organisations in lifelong learning and skills development:

- competing priorities
- limited access to the governance structures
- limited human resources and technical capacity.

In terms of competing priorities, trade unions may have to address the existential threats of dissolution, violence, detention, discrimination, or damage to premises and property. Since its establishment in 1951, the ILO Committee on Freedom of Association has examined more than 3 300 cases covering violations to workers' organisations (ILO, 2019⁷³).

Moreover, their membership rightly prioritises wages, working conditions and occupational safety and health, which is particularly important, given that every year, over 2.3 million women and men die at work from an occupational injury or disease (ILO, 2015⁷⁴).

An ILO (2017⁷⁵) review, *Trade Union Involvement in Skills Development*, has shown that in some countries skills development had been an important issue but has slipped down the (long) list of priorities. In Morocco, for example, workers' organisations tended to prioritise industrial relations questions in general – freedom of association, social dialogue and social protection – rather than TVET and skills development (ILO, 2017, pp. 26-27⁷⁵).

Second, in many countries, there may be a lack of political will and commitment to enable workers' organisations to engage in social dialogue. Laws at the national level may make no provision for the involvement of workers' organisations in skills development and lifelong learning, on the basis of formal representation in regulatory and/or consultative bodies. In other countries, there may be no legal obligations on employers and employers' organisations to develop workers' skills and thus to consult and/or negotiate with workers' organisations on achieving this.

Third, workers' organisations often do not have enough staff or representatives to participate in regulatory and/or consultative bodies, so they cannot take full advantage of their access to governance structures. In addition, effective participation in regulatory and/or consultative bodies requires specific technical knowledge and experience. Some workers' organisations

may be able to obtain the support of other bodies that can provide this level of expertise. Workers' organisations in the **Netherlands** can call on the services of the Foundation for Co-operation on Vocational Education, Training and Labour Market, for example. However, this is not the norm, and the vast majority of workers' organisations have limited, or more likely, very limited, resources and technical capacity (ILO, 2017, p. 118⁵⁰).

2.3. The way forward

Successful, contemporary skills development systems and lifelong learning policies use social dialogue to build bridges connecting education and training to the world of work. Shifting to a knowledge- or skills-based economy and fostering productive activities will accelerate the creation of more and better jobs, improve social cohesion and contribute to sustainable development. Investing in skills development creates a virtuous cycle in which sought-after, higher skills boost productivity and help to modernise the economy, increase employability, and ensure social inclusion and better work and life situations.

This chapter has presented the international normative framework developed by the ILO over the last 50+ years, which provides the legal foundation for the bridges between lifelong learning and work. The framework is based on the principle that decisions affecting the world of work must be made jointly through social dialogue by the stakeholders who will be most directly involved in their implementation, namely workers, employers and their representatives. This is important for issues such as wages and labour market policies, but also for skills development, and its role in supporting the employability of individuals and the growth of enterprises across the world.

The commitment to a human-centred approach to lifelong learning and skills development was most recently reaffirmed in 2019 in the ILO Centenary Declaration. It states that promoting the acquisition

of skills, competencies and qualifications for all workers throughout their working lives is a joint responsibility of governments and social partners in order to:

- address existing and anticipated skills gaps
- pay particular attention to ensuring that education and training systems are responsive to labour market needs, taking into account the evolution of work
- enhance workers' capacity to make use of the opportunities available for decent work.

The second part of the chapter explored governance arrangements in skill development systems through many rich examples of the different mechanisms and institutions using social dialogue at the international, regional, national, sectoral, enterprise, and workplace levels. In the context of industrial relations, we have seen that the inclusion of skills and lifelong learning provisions in collective agreements are more common today than in the past. However, skills development issues are still a lower priority during collective negotiations in many countries and sectors, particularly in less developed economies. Although some employers were reluctant to discuss skills, training and workforce development in the past, today employers more frequently see the value in negotiating with trade unions about how to develop, utilise and retain the skills of workers for everyone's benefit. As a result,

social partners are involved in the governance of skills development systems in diverse and complex ways, and with varying degrees of success, depending upon the maturity of industrial relations systems, the degree of political commitment to social dialogue, and the sufficiency of time and resources allocated to skills developments systems in any given community.

There are many challenges for governments to develop and maintain effective and efficient skills development systems. Their design and implementation require a broad perspective that sets education and training priorities in a coherent, cross-sectoral and interconnected way. In 2018, the ILO and UNESCO published research about different types of governance structures for skills development systems.¹⁶ They concluded that while there was no single governance model that delivered the best results, to fully integrate skills development into the economic and social development agenda of the country, the governance model should adopt a whole-of-government approach and incorporate strong partnerships at all levels with social partners. This integrated and coherent approach to lifelong learning policies and skills development systems also contributes to the achievement of the 2030 Development Agenda, particularly Sustainable Development Goal (SDG) 4 on ensuring quality, equitable and inclusive education for all, and SDG 8 on inclusive growth and decent work for all.

Key messages

To enhance government's contribution to the promotion of skills development and lifelong learning through social dialogue, governments should consider:

- Ratification and implementation of the ILO Human Resources Development Convention, 1975 (No. 142) and the ILO Paid Educational Leave Convention, 1974 (C.140); and implementation of the ILO Human Resources Development Recommendation, 2004 (No. 195) and the ILO Paid Educational Leave Recommendation, 1974 (R.148) to provide a clear legal framework for a whole-of-government approach involving social partners.
- Development of a comprehensive framework for skills anticipation that responds to the current and future needs of the national economy, enterprises and workers, and feeds directly and swiftly into decision making for lifelong learning and skills development.
- That national policies and strategies will be better designed and easier to implement when developed through social dialogue with employers' and workers' organisations. This will ensure a well-coordinated regulatory framework that clearly defines the roles and responsibilities of those involved with implementing the strategy, including the social partners, as well as mechanisms for financing and funding, and arrangements for the delivery, assessment and recognition of skills and qualifications.
- An enabling environment for meaningful tripartite social dialogue, with social partners – employers' and workers' organisations – includes mechanisms at the national and sectoral levels. It would also encourage the social partners to engage in bipartite social dialogue, collective bargaining and workplace co-

operation at the enterprise level so that skills are put into action where they are needed most. Social partners also need practical support, including funding and technical assistance to ensure their representatives have the technical capacity to effectively engage in discussions, negotiations and decision making on skills development and lifelong learning.

To enhance the contribution of workers, employers, and their representatives in social dialogue on skills development and lifelong learning, employers' and workers' organisations should consider that:

- Lifelong learning and skills development issues are important organisational priorities that directly affect the well-being of their members.
- Clear policies and mechanisms and incentives for engagement are needed at the sectoral and enterprise levels to promote lifelong learning and skills development.
- Both tripartite and bipartite social dialogue are needed to design and implement policies and programmes, at both the national or sectoral levels. Bipartite social dialogue and collective bargaining are needed at the sectoral and enterprise levels, and workplace co-operation can be used to implement programmes at the enterprise and workplace levels.
- Practical support, including information and training activities, for their own representatives, enables more effective participation in discussions, negotiations and decision making about skills and lifelong learning.
- Awareness-raising activities for employers, workers, and young people and their families, demonstrate the economic and social benefits of investing in skills development and lifelong learning.

Notes

1. See www.g20.utoronto.ca/2013/2013-0719-labour-declaration.html for the full declaration.
2. For more information, see <https://skillsafrica.org/>.
3. For more information, see <https://ec.europa.eu/transparency/regexpert/index.cfm?do=groupDetail.groupDetail&groupId=1803>.
4. For more information, see <https://ec.europa.eu/social/main.jsp?langId=en&catId=1146&newsId=9263&furthNews=yes>.
5. For more information, see <https://ec.europa.eu/social/main.jsp?langId=en&catId=89&newsId=2691&furthNews=yes>.
6. For more information, see <https://ec.europa.eu/social/BlobServlet?mode=dsw&docId=8936&langId=en> and https://news.industriall-europe.eu/content/documents/upload/2019/3/636891094668216983_20151014_eceg_addendum.pdf.
7. For more information, see www.eurocommerce.eu/media/113775/European%20Commerce%20Skills%20Council%20Report%202014.pdf.
8. For more information, see www.creativeskillseurope.eu.
9. For more information, see www.project-drives.eu/en/objectives.
10. For more information, see www.bmas.de/SharedDocs/Downloads/DE/allianz-aus-weiterbildung-2015-18.pdf?blob=publicationFile&v=3 and www.bmas.de/SharedDocs/Downloads/DE/allianz-aus-weiterbildung-2019-21.pdf?blob=publicationFile&v=6 (in German).
11. Social partners negotiated further national inter-sectoral agreements, for example, in 2018, for professional development, investment in skills and the development of work-based learning. See www.legifrance.gouv.fr/affichIDCC.do;jsessionid=40A744ADE28DB2A09DBF58818662E8A2.tplgfr38s_2?idConvention=KALI-CONT000039063641&cidTexte=KALITEXT000039049855&dateTexte=_
12. See www.legifrance.gouv.fr/affichTexte.do?cidTexte=JORFTEXT000028683576&categorieLien=id.
13. See [https://www.ecao.org/media/documents/2016%20-%202019%20Agreement.pdf](http://www.ecao.org/media/documents/2016%20-%202019%20Agreement.pdf) for the agreement.
14. For the German iron, steel, wood and plastic industries, see www.igmetall.de/jugend/auszubildende/tarifvertrage-fuer-auszubildende/wer-hat-wie-viel-in-der-tasche. For the Irish electrical contracting industry, for example, see Article 15 in www.connectunion.ie/wp-content/uploads/2019/08/19-09-Updated-National-Collect-Agreement-pad.pdf.
15. See Barretto Ghione (2015, p. 39⁶³). For more direct information, see [https://www.cbc.cl/ppicbc/](http://www.cbc.cl/ppicbc/).
16. This concept is further developed in World Economic Forum (2015⁷⁴); see also (ILO and UNESCO, 2018⁷⁵).
17. Also see (OECD, 2019⁵⁶).

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3

PROVIDING WORKERS WITH THE RIGHT SKILLS FOR THE FUTURE:

The role of social partners

The skills workers have and use at work are key drivers of labour market and social outcomes in both advanced and emerging economies. Returns to skills not only show up in the form of higher wages (Fialho, Quintini and Vandeweyer, 2019¹), but also in terms of a higher likelihood of employment, better health outcomes and strengthened social engagement (OECD, 2016²). The skills acquired during initial education are crucial at labour market entry. However, many skills are subsequently acquired or deepened on the job while some skills depreciate over time, and some become obsolete. Their relative importance in the labour market is bound to change regularly as technology, demography and globalisation affect the way work is organised and jobs are carried out. Evidence from the 2007–08 global financial crisis suggests that the current coronavirus (COVID-19) crisis may accelerate some of these changes, raising skill demands across the board (Blair and Deming, 2020³).

Given these changes, adult learning is increasingly important to help individuals maintain and upgrade their skills throughout their working lives, allowing them to perform effectively on the job, progress in their career and, more generally, remain employable. Beyond their instrumental role, training and learning opportunities also have an intrinsic value as they provide workers with a chance to fulfil their ambitions, to feel useful in society and to build self-esteem.

Public policies that are developed through social dialogue and with the participation of social partners are important to promote adult learning. Social partners also play a major role on their own account, since most adult learning takes place at work.

Employers' and workers' organisations are therefore key to ensure that enough time and resources are devoted to training in all companies irrespective of the type of firms or workers' contract.

This chapter explores the role that social partners play in adult-learning systems. In particular, it looks at the role that unions and employers' associations play in anticipating skill needs; in establishing joint priorities in adult-learning

strategies; in facilitating access to lifelong learning (including by fostering learning environments at work); in financing training; and in ensuring training quality. The chapter combines quantitative and qualitative evidence and presents examples of programmes and initiatives where social partners have played a central role.

3.1 Existing and emerging challenges for adult-learning systems

The so-called megatrends – technological progress, globalisation, environmental change and population ageing – are altering the skills required to enter and progress in the labour market. In parallel, developments such as rising levels of educational attainment, higher labour market participation of women, and greater migration flows are altering the supply of skills.

Adult learning can support workers in adapting to these changes and reaping the benefits they can bring about, either by enabling internal moves with their current employer or by facilitating transitions to new jobs in the wake of plant closures and sectoral shifts. Yet, training participation remains low for workers most at risk of being left behind by these changes, and not all the training provided is aligned to emerging labour market needs.

Social partners stand to play a crucial role in increasing training participation, making adult learning more inclusive and improving its quality and relevance.

3.1.1. CHANGING DEMAND FOR SKILLS

Technological progress is reshaping the content and tasks of many occupations. In 2013, Frey and Osborne (2017⁴) interviewed experts to identify occupations that were at high risk of automation based on their task content over the following two decades. Highlevel cognitive tasks, as well as complex social interaction skills, were found to be

crucial bottlenecks to automation. Looking at the presence and frequency of these bottleneck tasks in individual jobs, Nedelkoska and Quintini (2018⁵) find that, on average across OECD countries, over the next 15-20 years, about 14% of jobs could change so dramatically as to disappear entirely, and an additional 32% could change significantly.

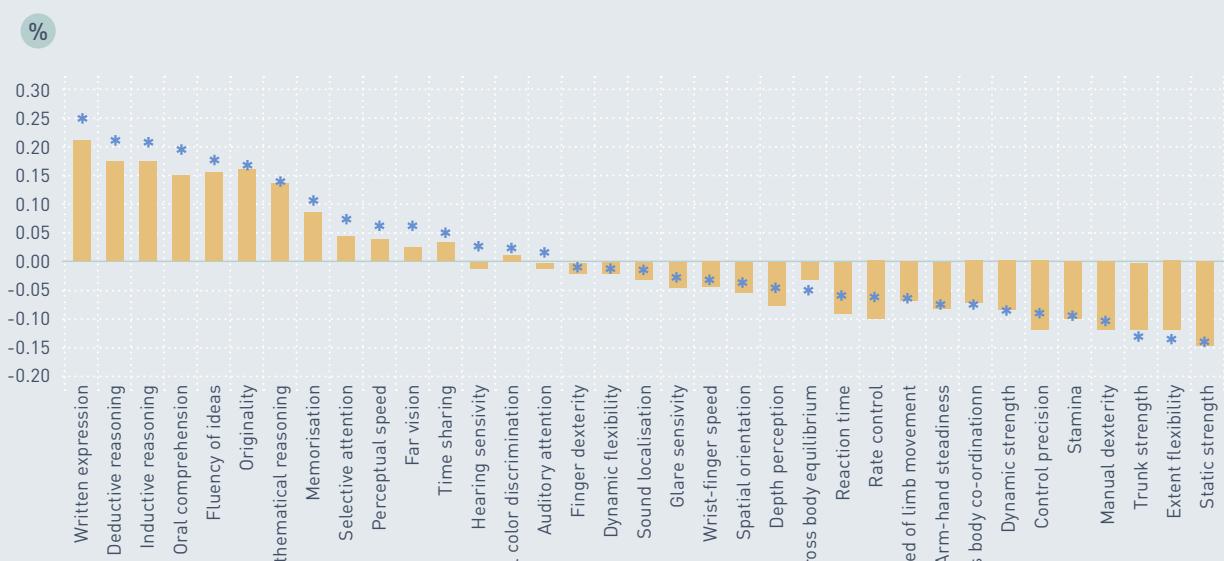
Shortages in bottleneck skills and surpluses in skills that are highly automatable are already emerging

(Figure 3.1.). Exploiting detailed information on skill requirements, the OECD Skills for Jobs database shows rising shortages in highlevel cognitive skills (e.g. reasoning, fluency of ideas and originality) and the skills needed in complex social interactions (e.g. written and oral communication and time-sharing skills) over the past decade.

Figure 3.1.

Trends in skill shortages and surpluses, 2004 and 2017

OECD UNWEIGHTED AVERAGE



Notes: Positive values on the skill needs index represent shortages, while negative values correspond to surpluses. The index varies between 1 and +1. The maximum value represents the strongest shortage observed across OECD (31) countries and skill areas.

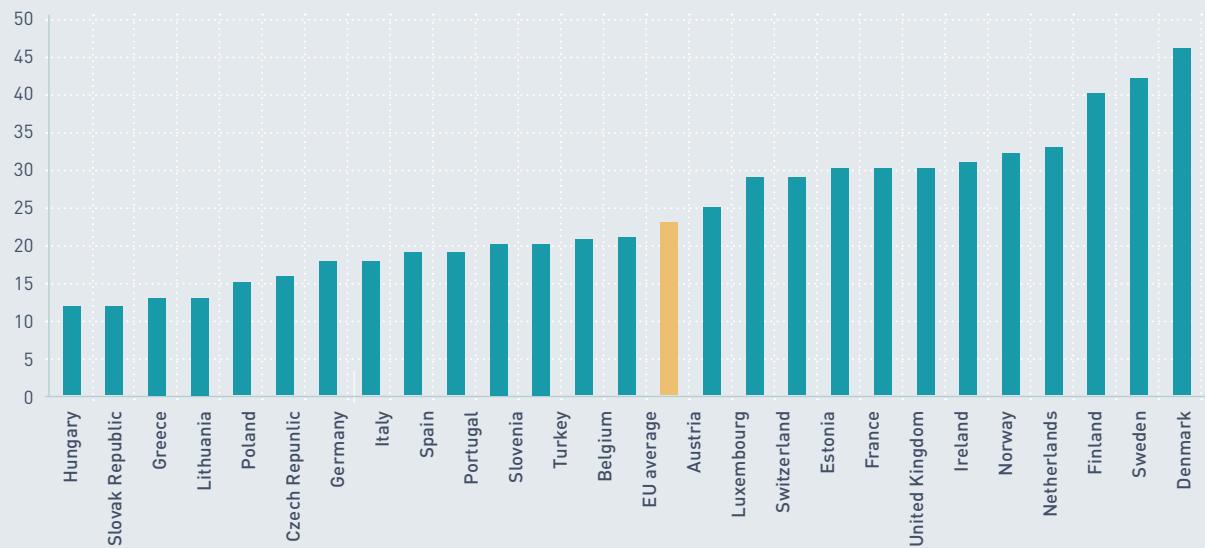
Source: OECD (2020⁶), OECD Skills for Jobs (database), www.oecdskillsforjobsdatabase.org.

Technological change is also leading to substantial adjustments in how work is organised and new business models are adopted. Across OECD and EU countries, a significant proportion of workers are in

workplaces that have introduced new technologies and/or undergone significant restructuring in the way jobs and tasks are carried out (Figure 3.2).

Figure 3.2.
Share of workers in changing workplaces, EU countries, 2015

PERCENTAGE OF WORKERS IN WORKPLACES THAT HAVE INTRODUCED NEW TECHNOLOGIES AND/OR UNDERGONE SIGNIFICANT RESTRUCTURING IN THE WAY JOBS AND TASKS ARE CARRIED OUT



Notes: Share of working answering affirmatively to the following question: During the last three years, has there been a restructuring or reorganisation at the workplace that has substantially affected your work?

Source: Eurofound (2015⁷), Sixth European Working Conditions Survey: 2015, European Foundation for the Improvement of Living and Working Conditions, <https://www.eurofound.europa.eu/surveys/european-working-conditions-surveys/sixth-european-working-conditions-survey-2015>.

Similar changes in skill requirements are brought about by globalisation. Evidence suggests that moving up global value chains raises the demand for highlevel skills that are crucial for countries to specialise in the most technologically advanced industries and complex business services (OECD, 2017⁸). For instance, Becker, Ekholm and Muendler (2013⁹) find that offshoring firms have relatively more domestic jobs involving non-routine and interactive tasks.

Finally, population ageing means that individuals will need to maintain and update their skills over longer working lives. It is also likely to lead to a change in skill needs due to the associated shifts in demand for goods, services and qualified labour – notably healthcare professionals and elderly care personnel. Policies to mitigate the harmful effects of climate change and transition to greener economies will also change the skills needed in the labour market.

3.1.2. PREPARING ADULTS FOR THE CHANGES AHEAD

Adult-learning systems that allow individuals to maintain and upgrade their skills are essential to harness the benefits that the megatrends will

bring about by preventing skills depreciation and obsolescence and facilitating transitions from declining jobs and sectors to those that are expanding.

Yet, adult-learning systems are often inadequately prepared for the challenges described above (OECD, 2019¹⁰). Every year, 40% of adults, on average in countries for which data is available, participate in formal or non-formal training – i.e. training activities that are institutionalised and organised with the specific purpose of providing training (Figure 3.3). In addition to significant variation across countries, participation is especially low among those most in need of new or additional skills and among the rising number of workers in non-standard employment arrangements. Participation in formal and non-formal training by low skilled adults is a staggering 40 percentage points below that of high-skilled adults, on average in OECD countries.¹¹ Older adults are 21 percentage points less likely to train than 25-34 year-olds. Workers whose jobs are at high risk of automation are 30 percentage points less likely to engage in adult learning than their peers in less exposed jobs. The unemployed are also less likely to train than workers, with the average difference standing at about 18%.

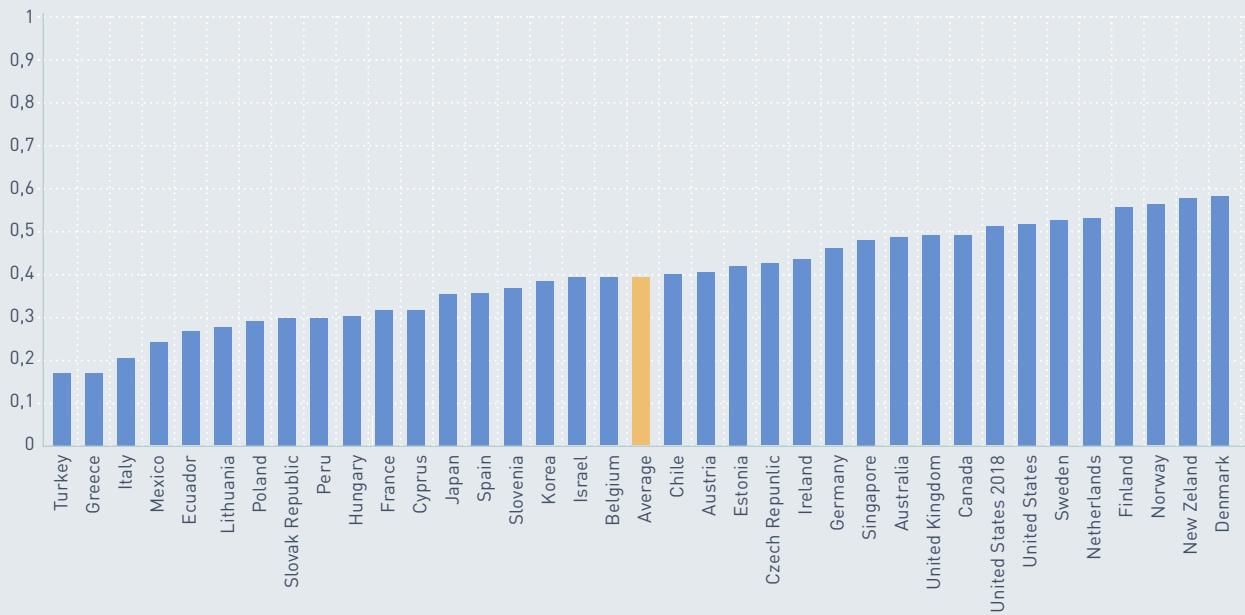


PHOTO: Unsplash

Figure 3.3.

Adult participation in job-related training, selected countries, 2012-17

PERCENTAGE OF ADULTS PARTICIPATING IN JOB-RELATED TRAINING OVER A 12-MONTH PERIOD



Notes: Share of adults participating in formal and non-formal training over a 12-month period. Average refers to the unweighted average of the countries shown. See Fialho, Quintini and Vandeweyer (2019¹) for an operational definition of formal and non-formal training.

Source: OECD calculations based on the Survey of Adult Skills (PIAAC, 2012, 2015, 2017), <https://www.oecd.org/skills/piaac/>.

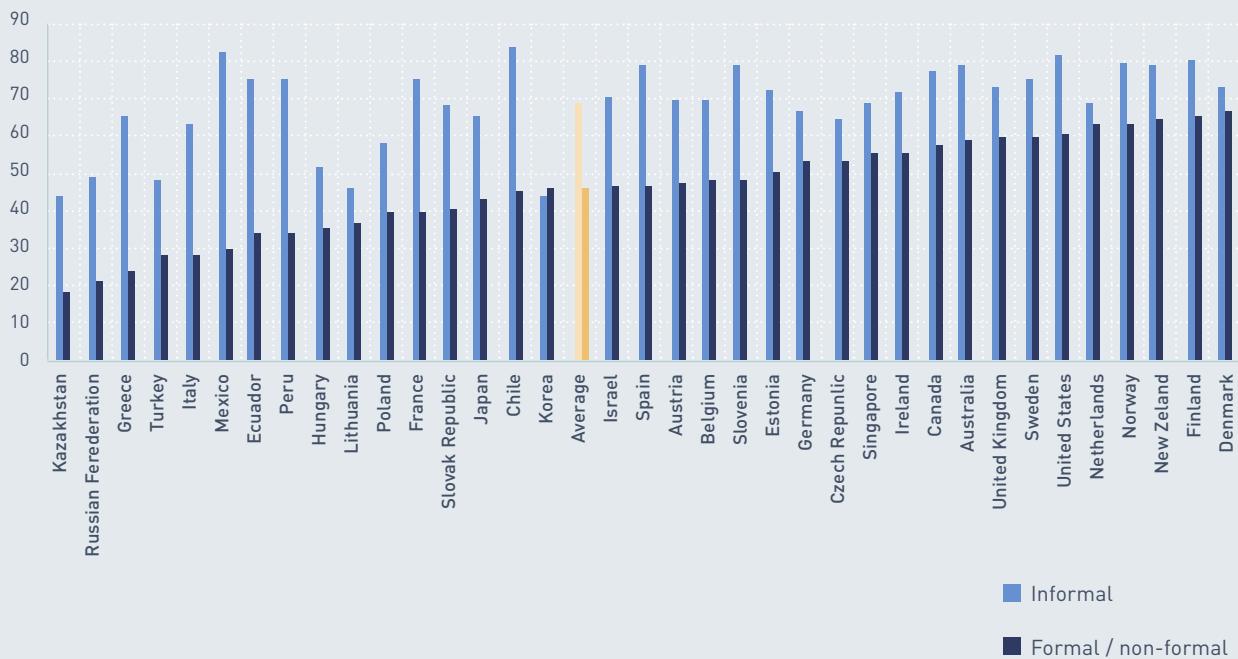
Working adults train more than average, with 46% participating in either formal or non-formal training activities over a 12-month period (Figure 3.4). In addition to attending training courses, working adults also learn informally by experimenting with new ways of carrying out their tasks or by exchanging with colleagues. The share of workers learning informally at work is much higher than that involved in more formalised training activities, involving 70% of workers on average, across the countries covered (Fialho, Quintini and Vandeweyer, 2019¹). Social partners have a particularly important role to play in leveraging and recognising informal learning, as this occurs primarily at the workplace and is less directly influenced by public policies.

Many of those who do not participate in training face several barriers to doing so (OECD, 2019¹¹). The Survey of Adult Skills (PIAAC, Programme for the International Assessment of Adult Competencies) asks adults who did not participate in training over the previous 12 months, but would have liked to, about the reasons that prevented them from training. Lack of time for personal or work reasons is by far the main barrier cited by adults who would like to participate in training but do not. Time constraints are a significant impediment for highly skilled adults and own-account workers. However, they are also a significant barrier for other groups, except for the unemployed and displaced workers, who presumably have more time on their hands. Financial constraints are the main barrier for these two groups.

Figure 3.4.

Workers' participation in formal and non-formal training and informal learning, selected countries, 2012-17

PERCENTAGE OF WORKERS PARTICIPATING IN EITHER FORMAL/NON-FORMAL TRAINING OR LEARNING INFORMALLY AT WORK, EVERY YEAR

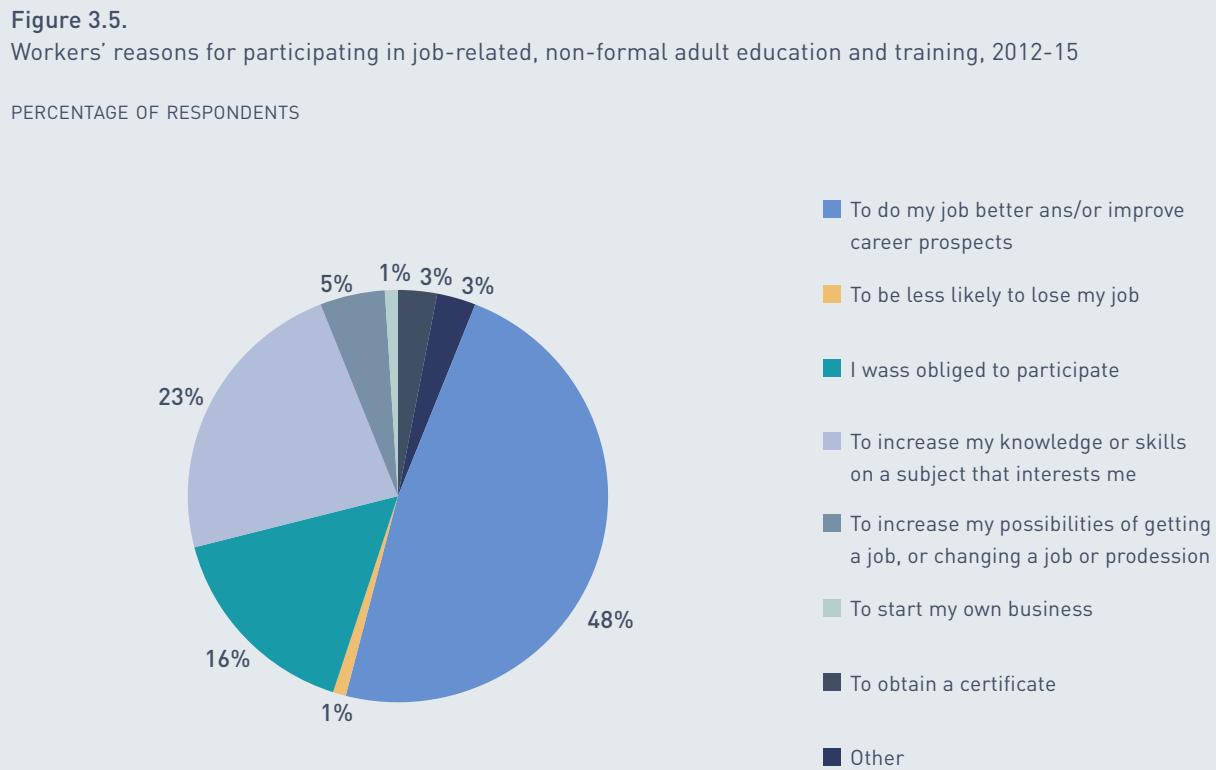


Notes: The share of workers learning informally at work is derived using information on the extent to which workers learn by doing, learn from co-workers or have to keep up to date about products and services. More details are available in Fialho, Quintini and Vandeweyer (2019¹). Average refers to the unweighted average of countries shown.

Source: OECD calculations based on the Survey of Adult Skills (PIAAC, 2012, 2015, 2017), <https://www.oecd.org/skills/piaac/>.

More generally, adult-learning systems often do a poor job of taking into account the changing skill needs of the labour market. Adults participate in training to gain relevant labour market skills that could help them progress in their careers or to increase knowledge or skills on a subject of interest or as a protection against job loss (Figure 3.5). However, the amount of training provided at work that goes beyond what is required by law to comply

with health and safety regulations is limited. Despite improvements in recent years, occupational health and safety (OHS) remains by far the most common type of training programme, representing over 30% of all training hours in the **Czech Republic, Ireland and Italy**. Even firms that assess their skills priorities fail to invest in training that tackles those priorities (Figure 3.6).



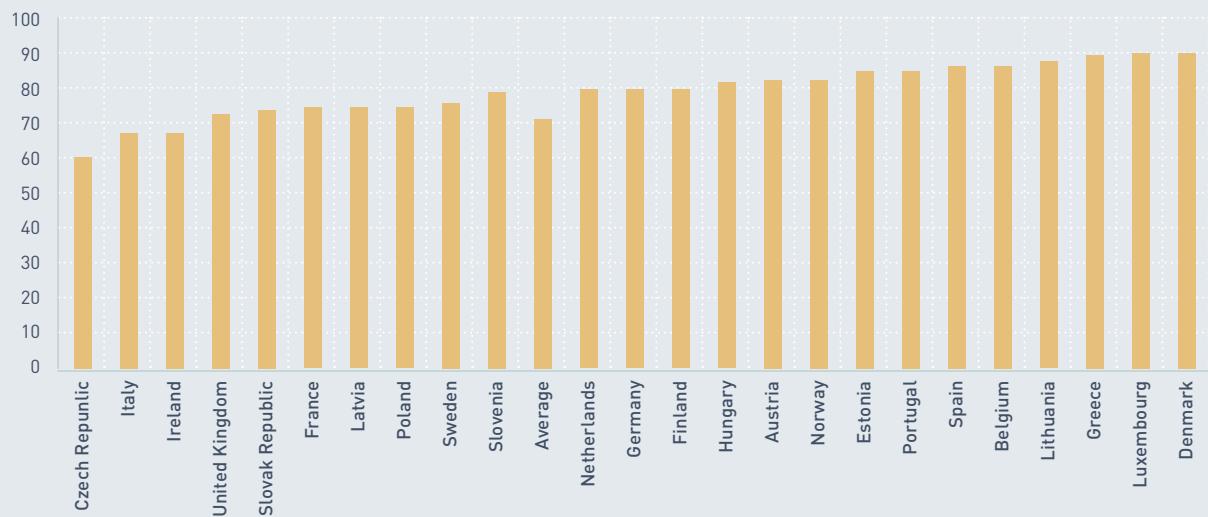
Notes: Average of OECD countries participating in PIAAC; non-formal job-related education and training only.

Source: Survey of Adult Skills (PIAAC, 2012, 2015), <https://www.oecd.org/skills/piaac/>.

Figure 3.6.

Training for strategic development in selected countries, 2015

PERCENTAGE OF TRAINING HOURS OUTSIDE COMPULSORY TRAINING



Notes: Percentage of continuous vocational training hours not devoted to compulsory training. Average refers to the unweighted average of countries shown.

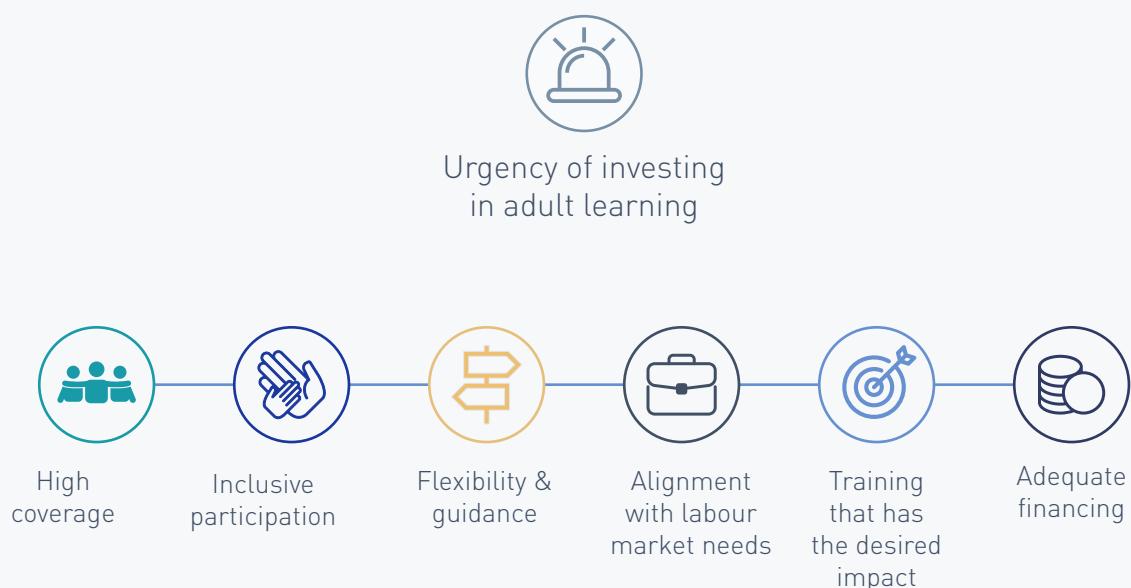
Source: OECD (n.d.¹²), Priorities for Adult Learning Dashboard, <https://www.oecd.org/employment/skills-and-work/adult-learning/dashboard.htm>. Based on Eurostat (2015¹³), European Continuing Vocational Training Survey, <https://ec.europa.eu/eurostat/web/microdata/continuing-vocational-training-survey>.

3.2. The role of social partners in helping adult-learning systems be future-ready

A recent report by OECD (2019¹⁰) defines future-ready adult-learning systems along seven dimensions. In addition to the urgency to scale up adult-learning opportunities, the study looks at the overall incidence of adult learning; the extent to which training is equally distributed among different sociodemographic groups and firm types;

the alignment of training to emerging labour market needs; the flexibility and the quality of learning; and the adequacy of financial investment in training (Infographic 3.1). The study also stresses the importance of having effective governance structures, given the large number of actors involved in adult learning.

Infographic 3.1.
Future-ready adult-learning systems



Source: OECD Secretariat based on OECD (n.d.¹²), Priorities for Adult Learning Dashboard, <https://www.oecd.org/employment/skills-and-work/adult-learning/dashboard.htm>.



PHOTO: Pexels

Social partners have a crucial role to play in each of these key dimensions, from the development of adult-learning policy to its implementation. Employers, for example, have a strong interest in ensuring that adult learning is aligned with their needs and will work towards this goal when involved, while recognising the value more generally of training for keeping their employees engaged and motivated. Trade unions, in turn, represent workers' interests and strive for an adult-learning system that gives equitable access to learning opportunities and equips individuals with skills that are beneficial for them, including transferable skills (TUAC, 2020¹⁵; TUAC, 2016¹⁶; OECD, 2006¹⁴). Throughout the worker lifecycle, social partners work alongside other actors such as at different levels of government, with training providers, public employment services and civil society organisations.

Social partner involvement in the adult-learning system varies significantly across countries. While in some countries, social partners are heavily involved in the definition and management of the training system, they have a limited consultative role in others.

An example of strong social partner involvement is **Iceland**, where social partners jointly define and manage the training system through the Education and Training Centre (*Fræðslumiðstöð atvinnulífsins*). Since 2003, they jointly own and manage the centre together with the Ministry of Finance and the Association of Local Authorities in Iceland. The centre identifies training needs, develops training programmes and curricula, develops and monitors the validation of non-formal and informal learning, supervises career guidance, develops quality assurance measures and collects data on the target group. It also administers the Education Fund (*Fræðslusjóð*), which is funded through a levy paid by employers.

In contrast, social partners in **New Zealand** have a more limited role in running the training system. Governments typically consult them on different issues of adult-learning policy, such as literacy and numeracy strategies.

Table 3.1 summarises the involvement of social partners in the training systems of their respective countries. While countries are classed into four

broad categories, it is important to keep in mind that the degree of involvement is indeed a continuum.

Table 3.1.
Social partner involvement in training systems in OECD countries

Level of involvement	Country	
Social partners define and manage the training system	Austria	Iceland
	Denmark	Italy
	Germany	Netherlands
Social partners contribute to the definition of the training system	Belgium	Mexico
	Canada (AB)	Norway
	Canada (BC)	Poland
	Finland	Slovenia
	France ¹	Switzerland
	Japan ²	Turkey
	Luxembourg	
Social partners play a consulting role	Canada (ON)	Latvia
	Canada (QB)	Lithuania
	Czech Republic	New Zealand
	Estonia	Portugal
	Greece	Slovak Republic
	Ireland	Spain
	Israel	Sweden
Other	Australia	United Kingdom
	Hungary	United States

Notes: AB: Alberta; BC: British Columbia; ON: Ontario; QC: Québec. Social partners play a limited role in Chile and Korea. No information is available for Colombia.

1. Social partners in France define and manage the training system at the sectoral level, contribute to the definition of the training system at national/cross-sectoral levels, and play a consulting role at the company, sectoral and national/cross-sectoral levels.

2. Social partners in Japan contribute to the definition of public training systems through the Labour Policy Board.

Source: OECD policy questionnaires 2018.

A strong role played by social partners does not alone guarantee that the country's system will be future-ready. **Denmark** and **Norway**, two countries where social partners are closely involved in the adult-learning system, are top performers in most of the dimensions shown in Infographic 2.1. However, the link is weaker for other countries. For instance, **Germany** performs rather poorly in terms of future-readiness despite the strong role of social partners in defining and managing the training system. In contrast, **New Zealand** performs well across all adult-learning dimensions despite social partners having only a consultative role. Attitudes to learning, the skill level of the general population, the

existence of a private market for training provision adapted to the needs of adults may influence the future-readiness of the systems but be beyond the scope of social partners' involvement.

Informality and new forms of work also challenge the effectiveness of social partners' involvement. Informal, own-account and platform workers are rarely covered by interventions initiated by employers' and workers' organisations. While the issue of informality is particularly relevant when looking at the role of social partners in developing countries (Box 3.1), the increasing share of own-account and platform worker limits has the potential to limit the effectiveness of social dialogue in more developed economies.



PHOTO: Shutterstock

Box 3.1.

The role of social partners in broadening informal workers' training opportunities



The organisation and representation of informal workers is a major challenge. In most countries, informal economy workers and entrepreneurs are either excluded or under-represented in both employers' and workers' organisations. In some cases, this is because they are considered neither as employers nor employees. In others, legal restrictions apply as organisations of workers in the informal economy may sometimes not even be allowed to operate under national legislation. This serious representation gap reinforces the disadvantage of informal workers and limits their opportunities to acquire the skills needed to move to the formal sector.

Adapted adult-learning opportunities should be part of a broader package of incentives to support the move out of informality, and better organisation and representation could help achieve this goal. Informal workers often lack the basic skills to access existing programmes. For instance, public vocational education and training (VET) systems have often been established to serve the needs of the formal economy. They tend to require significant prior education, including literacy, numeracy and upper secondary education, thus marginalising a large share of informal workers from entry. Private sector training providers often offer courses complementary to public providers, including office skills, entrepreneurial skills and information technology (IT) skills. However, the fees structure and entry requirements often make them inaccessible to the informal economy, though the content of the courses is highly relevant for the self-employed and entrepreneurs. Finally, while informal apprenticeship training is one of the largest sources of skills acquisition in the informal economy, it tends to focus primarily on youth.

Some policy innovations involving informal entrepreneurs and informal workers' unions, co-operatives or networks¹ are making training possible in the informal sector:

- In **Jamaica**, the National Development Plan has sought to address the country's low skill base, lack of technological uptake, poor quality education, a large informal economy and little diversification in economic activities. To do so, it has created incentives for enterprise development and a national qualifications framework. Social dialogue plays a key role, particularly in the functioning of the Jamaica Productivity Centre – a tripartite body which helps diagnose productivity and competitiveness gaps and design effective solutions.
- In **Ghana**, tripartite structures have been developed through the Ghana Decent Work Pilot Programme. The structures have put in place local economic development plans with the aim to upgrade the informal economy. Skills training formed a central plank within the overall strategy to assist small enterprises to upgrade their businesses and expand into the formal economy. Public-private partnerships have facilitated more relevant training, which in turn, had an even greater impact through an integrated strategy that included infrastructural investment, linkages to health insurance, savings and credit, as well as pensions.
- In **Honduras**, the National Commission for the Development of Alternative Non-formal Education (CONEANFO) designs training policies for the non-formal sectors. Several employers' organisations are part of the commission.

Note: 1. Over the last two decades, there has been significant growth in autonomous organisations of informal workers. According to their objectives and needs, some have opted to register as trade unions, others as co-operatives, while others remain as associations or loose networks.

Source: ILO (2013¹⁷), Enhancing Skills and Employability: Facilitating Access to the Formal Economy, International Labour Organization, Geneva, http://www.ilo.org/emppolicy/pubs/WCMS_210464/lang--en/index.htm.

3.3 The role of social partners throughout the adult-learning policy cycle

3.3.1. ASSESSING CHANGING SKILL NEEDS

Sound skills assessment and anticipation (SAA) exercises are essential for adult-learning systems to adapt to emerging skill needs. A study conducted by OECD shows that just under 50% of OECD countries use information from these exercises to decide on course provision for adult learning and slightly more than 50% use it to improve career guidance. Yet, many countries fail to make optimal use of SAA information in policy making (OECD, 2016¹⁸).

A lack of stakeholder involvement in the planning and development of SAA is seen as a barrier to the use of SAA information in policy making, by both government bodies and the social partners themselves. About 75% of the social partners and 30% of ministries ranked the lack of consultation with all relevant stakeholders as a significant barrier (OECD, 2016¹⁸). The involvement of social partners in the development of SAA exercises can ensure that the design of the instruments meets their needs and that the information produced is suited for its intended use.

Several governments have recognised the role employers' and workers' organisations can play in the development of skills assessment and anticipation exercises, as well as in the development and implementation of policies to respond to changing skill needs. For example, some countries have exploited skills councils to monitor labour market developments in the relevant sector and forecast which skills will be needed. In Canada, human resources and skills-focused industry partnership organisations, including more than 20 sector councils (linking stakeholders from the business, labour and education communities, among others) examine current and projected skill needs. These organisations then help in the design and implementation of policies to assist firms and workers in adjusting to current and future skill needs. Box 3.2 provides more details on the role of skills councils and further country examples.

Box 3.2.

The role of skills councils in skills assessment and anticipation exercises

Skills councils are employer-led or tripartite organisations involving representatives from employers, workers and government or educational institutions. They are generally publicly funded but can receive some additional funding from their private sector members. Several countries have established such sectoral councils (either national or regional), commissions or committees.

Skills councils are usually independent organisations that provide a platform to discuss the skills-related challenges of specific sectors or regional areas, as well as to develop joint policy responses. They provide recommendations on education and labour market policy, which can be general in nature, or specific to a certain region, sector or individual education and training institution and its programmes. One of their tasks is to monitor the labour market in the relevant sector and forecast which skills will be needed. These councils are generally involved in the provision of training, thus translating their sector-specific knowledge into education and training.

In **Finland**, there are 26 National Education and Training Committees, representing different sectors of economic activity. They are tripartite bodies established by the Ministry of Education and Culture for a term of three years. Each committee acts as an expert body to anticipate skills and competence needs for the Ministry of Education and Culture and the Finnish National Board of Education.

In **South Africa**, the Sector Education and Training Authority (SETAs), which bring together the social partners within sectors, identify the skill needs in their sectors. As part of their Sector Skills Plan, SETAs identify which skills or occupations are in shortage in their sector. For this, the SETAs use information from employers, mainly from their Workplace Skills Plans and Annual Training Report. Employers are required to develop a Workplace Skills Plan that assesses the type and amount of training needed in the coming year based on current and future skill needs. Methods for assessing which occupations to include in the scarce skills list of their Sector Skills Plans differ widely across SETAs and use both quantitative and qualitative techniques.

In **Korea**, the Regional Skills Councils (RSCs) and Industry Skills Councils (ISCs) aim to make the adult-learning system more responsive to business needs and to introduce more flexibility in the delivery and implementation of vocational training programmes. For example, the two councils support drafting human resource development (HRD) plans, administer skills surveys and deliver training programmes.

RSCs are led by relevant stakeholders in each region, while ISCs are led by business associations/organisations and trade unions representing each industry. RSCs conduct an annual survey on training and skills demands for each region and sector of the economy, on around 2 500 companies. The results of the analysis are published in an annual report, are made available on a dedicated website and are used to develop region/industry-customised training programmes. This information is also used by the Ministry of Employment and Labor to shape public adult-learning programmes (e.g. Work-Study Dual System) and by the Public Employment Services to identify their training offer.

Fifteen RSCs are cochaired by employers' organisations and local government. Trade unions, on the other hand, cochair two RSCs. The Korean Government has announced a plan to increase the share of trade union skills councils representatives from 56% (as of the first half of 2019) to 10% (MoEL, 2019¹⁹).

Source: OECD (2016¹⁸), Getting Skills Right: Assessing and Anticipating Changing Skill Needs, Getting Skills Right, OECD Publishing, Paris, <https://doi.org/10.1787/9789264252073-en>; OECD (2017²⁰), Getting Skills Right: South Africa, Getting Skills Right, OECD Publishing, Paris, <https://doi.org/10.1787/9789264278745-en>; OECD (2020²¹) Enhancing Training Opportunities in SMEs in Korea, Getting Skills Right, OECD Publishing, Paris, <https://doi.org/10.1787/7aa1c1db-en>.

In other countries, the skills assessment and anticipation exercises are led and carried out by independent agencies. They are commonly the statistical office or universities/research institutes. In Norway, Statistics Norway leads and carries out two exercises. Agencies and stakeholders who finance or use the information from these exercises are members of the advisory board (e.g. ministries, employer organisations, trade unions). In Malaysia, since 2016, the Critical Skills Monitoring Committee, comprised of the Institute for Labour Market Information and Analysis (part of the Ministry of Human Resources) and TalentCorp, publishes a list of Malaysian critical occupations annually (OECD, 2019²²). The occupations on the list are those that are considered to face significant labour market shortages that could be alleviated through government interventions. The criteria for being included in the list are that the occupations are skilled, in high demand and are of strategic importance to economic

development. To identify the occupational shortages, the Critical Skills Monitoring Committee combines top-down quantitative analysis with bottom-up qualitative evidence from stakeholders (Critical Skills Monitoring Committee, 2019²³).

Finally, in some cases, employer organisations have taken the lead in developing their own SAA exercises, particularly where national-level assessments are missing. In Brazil, given the lack of regular and consistent SAA exercises, some regional offices of SENAI – Serviço Nacional de Aprendizagem Industrial, or National Service for Industrial Training, a network of not-for-profit secondary level professional schools established and maintained by the Brazilian Confederation of Industry (a patronal syndicate) – have developed their own SAA methods (OECD, 2018²⁴). Such methods have been very effective in identifying skill needs in the manufacturing sector and aligning SENAI's training offer to the needs of local labour markets (ILO, 2017²⁵) (Box 3.3).

Box 3.3. SENAI's skills assessment and anticipation exercises in Brazil



SENAI developed a framework called “Mapa do Trabalho Industrial” (Map of Manufacturing Work) that tries to anticipate what skills will be most important in the manufacturing sector. This framework uses mixed methods and combines information from interviews with senior managers and local policy makers, as well as data on employment creation per sector. The information gathered is then analysed and translated into a list of training needs across different geographic areas.

SENAI also has a national platform to track their former students, called “Sistema de Acompanhamento de Egressos do SENAI” (SAPES), or SENAI's Graduates Tracking System (<http://sapes.senai.br/>). Through this platform, SENAI units in each state collect data on employment rates, occupational patterns and earnings for graduates from all of SENAI's training courses. The platform also allows SENAI to identify former students' current employers so that they can be contacted and asked to participate in regular satisfaction surveys. The information collected is used by SENAI to evaluate the quality of their training courses, as well as to understand which graduates are more easily absorbed in the labour market and enjoy better employment conditions. The results from such analyses can feed back into training courses' planning and content development.

Besides the nation-wide “Mapa do Trabalho Industrial” and the management of the SAPES platform, some state-level SENAI offices have also developed their own SSA exercises. In fact, SENAI branches in each state have some autonomy to decide which training courses to open, allowing them to adapt to local demand for skills, although they usually try to keep their activities aligned to national guidelines.



PHOTO: Shutterstock

3.3.2 PARTICIPATING IN SETTING ADULT-LEARNING STRATEGIES

Adult learning encompasses a broad range of learning opportunities. It includes provision as diverse as literacy courses for adults who are struggling to read or write; second-chance education courses for people who dropped out of school before obtaining a qualification; work-based training for workers who need to become familiar with new technology; and short information and communication technology (ICT) courses to help unemployed people get back into employment.

Consequently, the many actors involved in adult learning typically do not perceive themselves as being part of a cohesive “adult-learning system”. Rather, they are part of fragmented subsystems, each with their own objectives, target groups, financing mechanisms and governance structures (Desjardins, 2017²⁶). Adult-learning strategies, however, can provide an overarching framework for all actors. The strategies must be developed jointly by key actors of the adult-learning system to ensure everyone’s buy-in.

Virtually all OECD member countries have developed strategies in the area of adult learning (OECD, 2019²⁷). They typically set out high-level strategic objectives and policy priorities for adult learning, but range greatly in scope and focus, falling under three categories:

- The adult-learning strategy is included in a **wider strategy**, such as the Swedish National Strategy for Education, which covers all areas of education and is implemented in the School Act.
- There are **standalone strategies** for adult learning, such as the 2019 National Skills Strategy - Continuing education and training as a response to digital transformation (Nationale weiterbildungsstrategie) in Germany.
- **Specific strategies** exist for one aspect of the adult-learning system, such as the Dutch Approach to Low-Literacy in 2020-2024 (Maatregelen voor de aanpak van laaggeletterdheid 2020-2024) as part of the Count on Skills programme (Tel mee met Taal).

Involving social partners in the drafting of adult-learning strategies can make reaching an agreement more time-consuming as many different perspectives will need to be accommodated and reconciled. For this reason, in most countries, social partners are consulted but are not actively involved in the design process. Consultation allows social partners to influence adult-learning strategies directly, but the extent to which their views must be taken into account is generally limited. The more direct involvement in the design and decision-making process ensures better buy-in and easier implementation of what is agreed.

The effectiveness of social partner consultation in the development of adult-learning strategies depends on the stage/s at which the consultation takes place: early inputs into the process tend to be more effective at gathering support. This attenuates the lack of direct involvement.

Malaysia and **South Africa** provide good examples of early consultation. In Malaysia, the broad strategic

plan for adult education is included as a chapter in the Malaysia Education Blueprint 2015–2025 (Higher Education). A process of public consultation was conducted to develop this blueprint, gathering input from key stakeholders through town-hall meetings, focus groups and surveys. In total, more than 10 500 people were engaged for over two years (Ministry of Education Malaysia, 2015²⁸). In South Africa, the SETAs are consulted in the development of the National Skills Development Strategy, which includes several goals aimed at strengthening the adult-learning system in the country. The goals range from improving its governance and institutional structure, to raising skill levels, to providing second-chance education and improving career guidance.

While social partner consultation is widespread, some countries have gone beyond simple consultation, choosing more active engagement with social partners, making for adult-learning strategies that are indeed the result of joint efforts (Box 3.4).

Box 3.4. Actively involving social partners in setting adult-learning strategies

In **Norway**, a wide range of stakeholders jointly developed the Norwegian Strategy for Skills Policy 2017–2021. “Strategy partners” include five different ministries, the Sami parliament, the Norwegian Association of Local and Regional Authorities, three employer associations, four trade union associations and one organisation representing civil society. The inclusive approach taken to the development of the strategy was based on the research finding that the co-ordination between stakeholders in the area of skills should be improved (OECD, 2014²⁹). An expressed aim of the development process was that strategy partners not solely provide input, but that the strategy was truly worked out together. The strategy sets out priorities in three areas: 1) informed choices for the individual and society; 2) promoting learning in the workplace and effective use of skills, 3) enhancing skills among adults with weak labour market attachment. A Skills Policy Council composed of the strategy partners monitors the implementation of the strategy (Ministry of Education and Research, 2017³⁰).

Some processes for developing adult-learning strategies in other countries build on earlier co-operation between stakeholders. In **Estonia**, in 2013/14, the Ministry of Education and Research, the Estonian Education Forum and the Estonian Cooperation Assembly (including representatives from trade unions, employer organisations and civil society) developed the Estonian Lifelong Learning Strategy. The involved

stakeholders had co-operated previously in the development of the Estonian Education Strategy 2012–2020. The strategy sets five strategic goals for lifelong learning: 1) change towards an individual approach to learning; 2) competent and motivated teachers and school leadership; 3) alignment of learning opportunities with labour market needs; 4) digital focus in lifelong learning; 5) equal opportunities and increased participation. To monitor the implementation of the strategy, quantitative key indicators were set, and an implementation plan was developed (Ministry of Education and Research, 2014³¹).

Strategies can also be drawn up by social partner collaboration at the sectoral level. In the **Netherlands**, employer organisations and trade unions jointly develop sector plans (sectorplannen). Some involve additional stakeholders, such as education providers and local authorities. The plans set out measures that aim to improve the functioning of the labour market in the short and medium terms. Measures generally fall into six areas: 1) transition support for individuals who want to switch jobs; 2) wage subsidies to promote the inclusion of young people and vulnerable groups in the labour market; 3) education and training; 4) knowledge transfer from the older to the younger generation; 5) health-at-work measures; and 6) improving the evidence base. Sector plans are part of a social agreement from 11 April 2013, which aims to make the Dutch labour market resilient to the challenges of the future. The government co-finances the implementation of the plans with EUR 600 million (OECD, 2017³²).

Source: OECD (2019³³), Getting Skills Right: Making adult learning work in social partnership, www.oecd.org/employment/emp/adult-learning-work-in-social-partnership-2019.pdf.

3.3.3 NEGOTIATING COLLECTIVE AGREEMENTS FOR ADULT LEARNING

The increasing importance of adult learning is also being reflected in the explicit inclusion of training and lifelong learning provisions in collective agreements. In many OECD countries, collective agreements have started addressing issues related to the future of work and their implications for the organisation of work as well as the quality of the working environment (OECD, 2019¹¹).

Making long-term commitments and agreements concerning adult learning can increase each partner's ownership in providing adult-learning opportunities. Moreover, agreements on training rights and duties send a strong message about the value employers put on lifelong learning. This can motivate people to seek training actively. Collective agreements in the area of adult learning can also foster constructive cooperation between employer (organisations) and trade unions on this topic.

Collective agreements concerning adult learning primarily determine training leave arrangements, employment protection during or after training, and training rights and duties for personal or public health and safety reasons (OECD, 2018³⁴).

On the downside, reaching agreements in collective bargaining negotiations can take a long time and can involve significant compromise, whereby training rights are granted in exchange for other concessions by workers' organisations. In addition, despite the increasing importance of training provision in collective bargaining agreements, the share of employees covered by collective agreements, in general, has been declining in many OECD countries (OECD, 2018³⁴). This can lead some countries to choose legislated training rights as opposed to relying on collective bargaining. Box 3.5 presents some examples where the collaboration between employers and unions was instrumental to the success of the bargaining process.

Box 3.5. Successful negotiation of training rights in collective agreements



In October 2017, in **Denmark**, the Danish Confederation of Trade Unions, the Confederation of Danish Employers and the Danish Government concluded a tripartite agreement on adult and continuing training for the period 2018-21. This agreement was part of a three-stage plan, including the integration of refugees in the labour market, and the improvement of working conditions for apprentices. It includes a wide variety of initiatives, such as the creation of funds for employees to undertake training on their own initiative; awareness-raising activities; courses to improve basic literacy and numeracy skills; skill recognition and improved advice and guidance. The individual social partners and most political parties (including the opposition) positively received the tripartite agreement, leading to optimism about future tripartite agreements.

Collective agreements may require mutual concessions. In **Italy**, the four-year collective agreement for the metalworker industry (CCNL Metalmeccanici) was renewed in 2016 after a long-standing dispute. Unions and employers agreed on a new right to training, in exchange for a minimal wage increase (OECD, 2019¹¹). On top of the already existing right for employees to request up to 150 hours of training per capita over three years, employers are now required to provide a training budget of up to EUR 300 per employee and 24 (additional) hours of paid leave for vocational training. However, the new training rights only apply to permanent workers in companies covered by the agreement.

Collective agreements can also cover individuals in non-standard forms of work who often have limited access to training opportunities. In 2009, in **Switzerland**, the employers' association, Swiss staffing, and four trade unions signed the Collective Bargaining Agreement Staff Leasing for temporary agency workers, which became applicable to all employer organisations in 2012. Over 300 000 people are subject to the agreement, making it the largest collective bargaining agreement in Switzerland. By contributing 1% of the wage bill to the further education fund Temptraining, all lease workers can ask for a contribution to participate in further vocational training (Tempservice, 2016³⁵). Available courses recognised by Temptraining vary from work and safety courses to job-specific training and language courses (for migrants), which are provided by education and training institutions. The collective agreement has recently been renewed for the period 2019-20.

Source: OECD (2019³³), Getting Skills Right: Making adult learning work in social partnership, www.oecd.org/employment/emp/adult-learning-work-in-social-partnership-2019.pdf.

3.3.4 PROVIDING TRAINING

The ongoing rapid changes in skill needs underscore the need to increase efforts to reach out to those who currently train the least. Activating the majority of adults (54%) who do not currently participate in any job-related learning activity will require a

significant scaling up of training opportunities. This, in turn, increases the pressure on education and training providers, who will need to serve an increasing number of individuals and broaden their training offer.

To be future-ready, governments will need to draw on the strengths of all actors, notably by making greater use of the capacity of trade unions and employers to develop and deliver training.

Most adult learning takes place in the workplace, rather than in a classroom. Only one in five (20%) of those who participate in a job-related learning activity follow training in an educational institution to obtain a nationally recognised certificate (formal education), while the remainder take part in non-formal learning opportunities (Fialho, Quintini and Vandeweyer, 2019¹). Two-thirds (66%) of job-related learners participate in on-the-job learning activities to help them do their job better or to introduce them to new tasks. Furthermore, 46% of learners attend seminars or workshops, 18% follow open or distance education and 14% participate in other non-formal learning activities.

In this context, employers are well placed to deliver training, as they understand the skills that are needed in the labour market to stay productive and competitive. As discussed above, SENAI in Brazil provides a good example of employers in related sectors coming together to set up high-quality training centres that respond directly to their skill needs. In Korea, large companies and small and medium-sized enterprises (SMEs) that are part of the supply chain as suppliers and contractors jointly develop and provide training through the CHAMP programme. Financed by the Ministry of Employment and Labour, CHAMP is a leading vocational education and training programme in Korea, with 161 training centres in 2015 (OECD, 2020²¹). It has been recognised as one of the key policy measures that address skills mismatches in the local labour market (OECD/ILO, 2017³⁶).

Trade unions are also an important partner for training delivery as they understand employees' needs and are well-positioned to develop and deliver training that also includes transferable skills. There is evidence that trade unions can provide a bridging function between employers and employees with low skills (Stuart et al., 2016³⁷; Parker, 2007³⁸). Unionlearn (United

Kingdom) supports workers in acquiring skills and qualifications to improve their employability, for example. One of its key activities is the training of Union Learning Representatives (URLs), who encourage the take up of learning in the workplace, help workers identify their training needs and arrange learning opportunities within their companies. Since its inception in 2006, Unionlearn has trained more than 40 000 URLs. It provides learning opportunities to about 250 000 workers per year, including disproportionately high numbers of workers with no or low qualification levels, according to independent evaluations (Stuart et al., 2016³⁷; Stuart et al., 2013³⁹).¹⁷

An example of unions joining forces to provide training that is not only job-related but also more general is the School of Tourism and Hospitality (Escola de Turismo e Hotelaria - Canto Da Ilha) in Brazil, which is run by the three largest union federations (Smith, 2014⁴⁰; CUT, 2020⁴¹). Its training programmes not only focus on skills for jobs in the sector (e.g. courses on cutting techniques or planning menus), but also address more general knowledge and skills, such as courses on gender, ethnic-racial and generational relations, computers and digital technologies and Spanish language courses. Training is accessible for employed as well as unemployed workers (Escola de Turismo e Hotelaria - Canto da ilha, 2020⁴²).

Several barriers prevent a more widespread role for employers' and workers' organisations in providing training. SMEs may find it difficult to organise training directly or to get involved in setting training content. Public funding is then essential to support their direct involvement or help them organise into group training organisations. In addition, trade unions mostly provide training and outreach support in unionised workplaces, leaving a significant share of workers uncovered by their initiatives.

Joining forces across social partners can increase the capacity to deliver training to all and reduce its financial burden (Box 3.6).

Box 3.6.

Joint employer and union initiatives for training provision

Employers and/or unions working together can help decrease the financial and administrative burden and thereby increase the capacity to deliver training to all. Several examples of successful co-operation include the following:

- In **Sweden**, supporting employees at risk of dismissal is the purpose of the Swedish Job Security Councils (*Trygghetsråden*). The councils target workers at risk of collective dismissals, providing a range of early re-employment services. Job Security Councils are based on sectoral or cross-sectoral collective agreements (*omställningsvtal*), are run by the social partners and exist in all sectors of the Swedish economy. They are financed through an employer levy of 0.3%.
- In **Ireland**, Skillnet is an interesting example of enterprises joining forces to deliver adult learning together, which may not have been possible if each firm acted on its own. Groups of employers in the same sector or region who have similar training needs, promote and facilitate workplace training together. Skillnet is funded through training levies and governed by a board consisting of employer and employee representatives and the Department of Education and Skills. Skillnet expanded in 2010 to provide training for jobseekers as well. It currently consists of 66 learning networks, which include over 15 000 companies, most of which (94%) are SMEs in the agricultural or services sector. In 2017, over EUR 30.2 million was invested in 6 000 upskilling and training programmes for almost 50 000 people (Skillnet Ireland, 2017⁴³).

Source: OECD (2019³³), Getting Skills Right: Making adult learning work in social partnership, www.oecd.org/employment/emp/adult-learning-work-in-social-partnership-2019.pdf; (OECD, 2019⁴⁴), Getting Skills Right: Creating responsive adult learning systems, <https://www.oecd.org/els/emp/adult-learning-systems-2019.pdf>.

3.3.5 FINANCING ADULT LEARNING

Employers benefit from job-related learning activities because they increase productivity and employee retention, and they can improve engagement as well as management-worker interactions (OECD/ILO, 2017³⁶). Yet, some employers are reluctant to invest in training out of concerns that they might not see any return on their investment, e.g. when workers change jobs. Other reasons for low training investments may be a lack of information, capacity and/or resources. This is particularly true for small and medium-sized enterprises.

To incentivise training investment, many countries use payroll taxes, also known as training levies. These not only ensure that employers pay their fair

share for adult learning, but the financial contribution can also encourage employers to put greater emphasis on upgrading the skills of their workforce and making them more competitive (Dar, Canagarajah and Murphy, 2003⁴⁵). Moreover, the levies can be used to redistribute money from firms who train very little to firms who train the most, thereby mitigating the free-riding problem. However, this can perversely result in smaller firms who face non-financial obstacles to training their workers subsidising larger firms who are better able to provide training.

The three major types of training levy schemes are: 1) revenue-generating schemes, also called revenue-raising schemes; 2) levy-grant schemes, also known as levy-rebate schemes; and 3) levy-exemption or train-or-pay schemes, as described below:

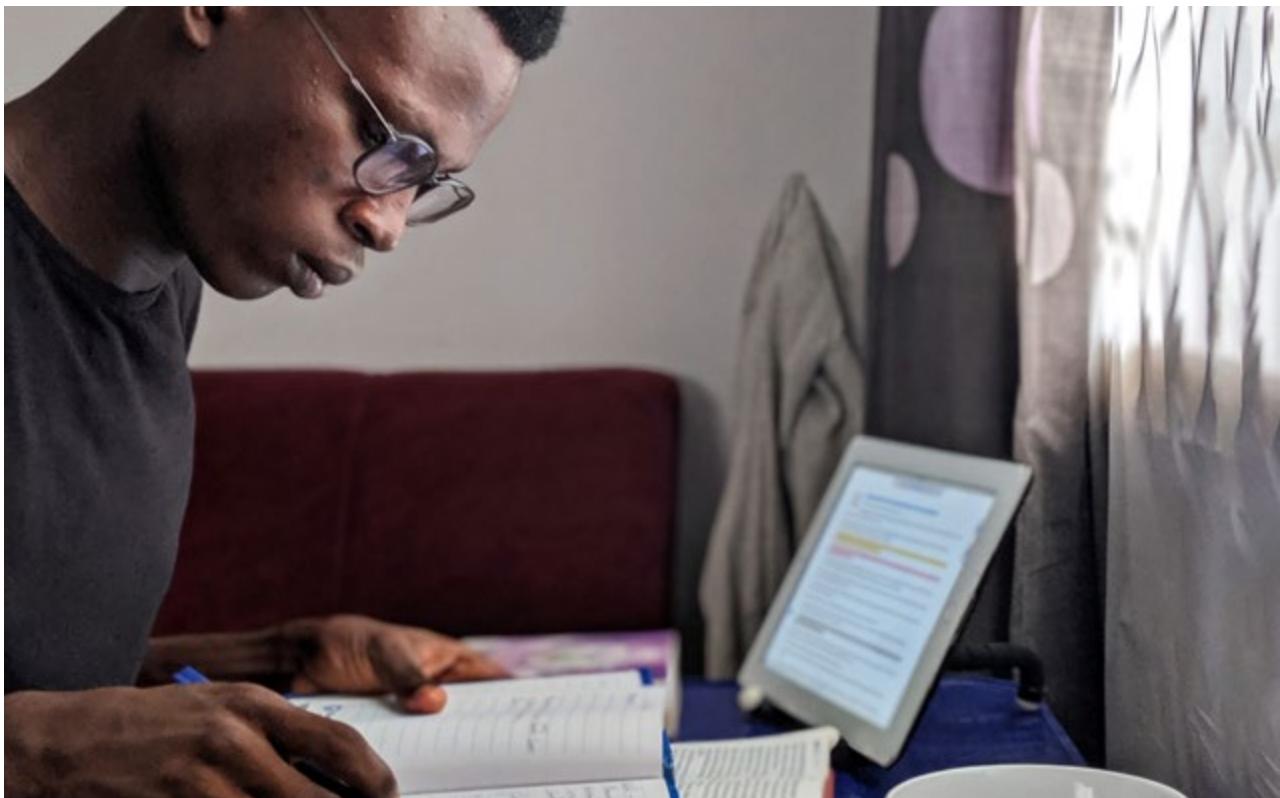


PHOTO: Pexels

→ **Revenue-generating schemes:** Firms are taxed to generate revenues for publicly provided training, such as vocational schools. This type of training levy, therefore, does very little to incentivise employers to provide additional training. Small firms are usually exempt from participating in this scheme. Brazil's S-system (Sistema-S) is a classic example of a revenue-generating scheme (OECD, 2017³²). Training provided through S-system is financed through 1-2.5% levies on enterprise payroll, which are collected through the social security system (OECD, 2006⁴⁶).

→ **Levy-grant schemes:** Levies are collected by training funds that focus on certain types of skills (related to labour market needs). Firms can “earn back” their levy contributions by providing training that meet the funds’ criteria. The grant can sometimes even be larger than the levy paid. This creates an incentive for employers to provide training in pre-decided areas and skills. However, the disadvantage of this scheme is the high administrative costs for the firms, especially smaller firms. The Interprofessional Training Funds in Italy are an example of levy-grant schemes. The funds are financed through obligatory employer contributions,

equal to 0.3% of their wage bill. Employers who want to run vocational training projects must apply to the relevant training fund, where a technical team evaluates the application (Box 3.7).

→ **Levy-exemption schemes:** Firms can either deduct all training costs from their training levy obligations (also known as the cost-reimbursement scheme), or they can reduce their taxes by the amount spent on allowable training activities. This scheme has a lower administrative burden than the levy-grant scheme, but it assumes that firms know what their (and society’s) training needs are. Moreover, it may subsidise training that employers would also have provided without the levy-exemption (“deadweight loss”). An example is France’s Contribution to Continuing Vocational Training (Contribution à la formation professionnelle continue), in which firms are reimbursed for any training activity they financed during the year. Sector training funds consisting of employer and trade union representatives collect training levies equal to 0.55-1.3% of payroll, depending on firm size. Unused funds from firms who spent less on training than their levy contribution are redistributed towards firms

who incurred the most training costs. This stimulates training intensive firms to continue training people even when the levy contribution has been exhausted (OECD, 2017³²). Similarly, in **Malaysia**, firms with more than ten employees contribute to the Human Resource Development Fund (HRDF) through a 1% levy on their total payroll. Employers who contribute to the fund can apply for training grants to defray all or a significant portion of the “allowable costs” of training their employees. Training must be in the area of direct benefit to their business or support, for example, recognition of prior learning, joint training provision across multiple firms and the purchase of training equipment.

In practice, countries often have hybrid schemes.

Although firms are the ones who pay the training levies, the real financial burden may fall on employees, through lower net-of-tax wages. Who “really” pays for the training depends on the elasticity of the demand and supply and the bargaining power of different stakeholders such as trade unions.

In several countries, once collected, the levies are managed by funds governed by the social partners (Box 3.7).

Box 3.7. When social partners manage training levy funds



In several countries, social partners manage the funding collected through levies schemes.

In **Italy**, social partners manage Interprofessional Training Funds (Fondi paritetici interprofessionali per la formazione continua). These funds finance workers’ training using resources collected through a training levy imposed on employers. Since their introduction in 2004, they have risen to cover almost 1 million firms and over 10 million workers and manage over EUR 600 million a year. As firms typically have a great deal of autonomy in deciding who gets training, they often end up targeting training efforts to groups for which training yields the highest returns: the most skilled, those in high-skilled occupations, or younger workers with longer career prospects. In addition, SMEs remain to a large extent excluded and, when they supply training, they use available funds much less than larger companies.

In **South Africa**, the Skills Development Levy (SDL) is also managed by tripartite bodies. The South African Revenue Service (SARS) collects 1% of payroll from employers in skill levies, of which they allocate 69.5% to Sector Education and Training Authorities to finance training. Small employers are exempted. Employers can claim back (part of) their levy contribution from the relevant SETAs when they assess skill needs and provide training opportunities. SETAs are tripartite bodies that can assist employees in identifying skill and training needs, and who monitor the quality of training.

Source: OECD (2019⁴⁷), Adult Learning in Italy: What Role for Training Funds?, Getting Skills Right, OECD Publishing, Paris, <https://doi.org/10.1787/9789264311978-en>; OECD (2017²⁰), Getting Skills Right: South Africa, Getting Skills Right, OECD Publishing, Paris, <https://doi.org/10.1787/9789264278745-en>.

3.3.6 ENCOURAGING A LEARNING ENVIRONMENT AT WORK

The way work is organised and people are managed matters for turning a workplace into a learning organisation. An enabling workplace environment amplifies the returns to adult learning by creating opportunities for adults to apply their newly acquired skills. Giving workers opportunities to use a broader set of skills – including creative, cognitive and social skills – also helps them to adapt to an environment where robots ably perform routine tasks. High-performance work practices – e.g. teamwork, task and working time discretion, mentoring, job rotation, incentive pay and training practices – are all strongly associated with the use of a broad set of skills and informal learning (OECD, 2016⁴⁸; Fialho, Quintini and Vandeweyer, 2019¹).

High-performance work practices are common in larger firms but are extremely rare in more traditional SMEs. To develop practices that encourage learning at work, the organisation has to evaluate its employees' knowledge and skills and determine potential training needs; this is more easily implemented if the firm has a dedicated human resources (HR) department. Similarly, job rotation and job flexibility may be difficult to achieve in the absence of effective communication between the HR department and managers. Finally, in unionised workplaces, there might be tension between the union's position and individual workers' voice in directly influencing key work organisation choices that affect their day-to-day work.

Programmes to help develop learning environments at work exist in many countries, and a central feature of successful programmes is the commitment of social partners (OECD, 2020⁴⁹). A Unionlearn research report found that in firms where industrial relations are good, union officials exercise greater influence over practices such as job design, progression and redeployment (Jameson, 2012⁵⁰). Working together with employers and unions to promote better HR and management practices helps governments overcome resistance by presenting the change as a win-win option for both employers and workers.

Engaging social partners is an essential part of building a broad coalition of support, which helps to sustain programme duration. Successful programmes are often co-ordinated within the social partnership framework, usually involving government, employers and unions, and sometimes research institutes. For instance, in **Germany** and **Sweden**, codetermination laws promote employee participation in decision-making on employment and working conditions. These codetermination laws require employers to negotiate with unions before making major changes to business strategy or practice (OECD, 2016⁵¹). However, even in countries where social partnership arrangements are not as developed, efforts are made to draw social partners into the policy process (Box 3.8).

Box 3.8.

Involving social partners in workforce innovation that fosters learning at work



In several countries, collaboration between employers and unions in promoting innovative workplace practices is helping to foster learning at work:

- In **Denmark**, trade unions play a significant role in promoting employee-driven innovation in private and public sector workplaces. In 2007, the Danish Confederation of Trade Unions (Landsorganisationen i Danmark, LO) – which merged with the Confederation of Professionals in Denmark (Funktionærernes og Tjenestemændenes Fællesråd, FTF) in 2019 to form the Danish Trade Union Confederation (Fagbevægelsens Hovedorganisation, FH) – compiled a report and pamphlet of the best workplace practices to support employee-driven innovation as a source of inspiration for Danish companies and political decision makers (LO, 2007⁵²). The Danish Government also concluded a tripartite agreement on adult and continuing training for the period 2018-2021, together with LO, and the Confederation of Danish Employers. The agreement includes the creation of funds for employees to undertake training on their own, awareness-raising activities, courses to improve basic literacy and numeracy skills, skill recognition and improved training guidance.
- In **Australia**, the Best Practice Demonstration Programme (BPD) was organised through a tripartite structure established by the Australian federal government in 1991. It aimed to develop “best practice firms” to serve as demonstrations to other organisations of ways to implement new approaches to working (Healy, 2003⁵³). Financial support was given to firms willing to adopt best practice principles. Some 43 medium and large enterprises were selected from diverse industry sectors and regions. One of the criteria for selection was previous good relations with labour groups. The programme included a media campaign of successful case studies as well as a requirement that firms network with non-funded firms.
- **New Zealand** developed specific tripartite arrangements to support high-performance work practices, including the Workplace Productivity Agenda and the Workplace Productivity Reference Group. The purpose of the working group is to advise the government on workplace productivity issues and to help implement its high-performance work practices strategy. Joint responsibility for action among industry, firms, unions, employees and government is also a vital component of the Department of Labour’s Workplace Productivity Agenda.
- In the **United States**, the implementation of the World Class Manufacturing (WCM) at Fiat Chrysler Automobiles plants was made possible by close collaboration with the United Auto Workers union who helped management get workers fully on board and increase their active participation. A key strength of the WCM is that it gives more responsibility and autonomy to the workers by asking them to think about their own work and to provide suggestions. The WCM concept calls for employees to learn multiple job skills, data collection duties, and diagnosis and problem-solving talents. Workers are asked to play a more active role by providing feedback and suggestions related to work organisation and the experimentation of new methods.

Source: OECD (2020⁴⁹), Workforce Innovation to Foster Positive Learning Environments in Canada, Getting Skills Right, OECD Publishing, Paris, <https://doi.org/10.1787/a92cf94d-en>.

3.3.7 FOSTERING QUALITY ASSURANCE IN ADULT LEARNING

As discussed above, most adults train to advance their careers. Yet, not all training helps them achieve this goal. Data from the European Adult Education Survey (AES), shows that one in three adults who participate in training do not think it helped them achieve positive employment outcomes (OECD, 2019¹⁰)

Information on the outcomes of training participation is an important indicator of the quality of training. Yet, rigorous evaluations of training programmes are rare, and few providers follow participants after the completion of training. Social

partners have a crucial role to play in this context, as discussions about quality always contain value judgements about what adult learning is trying to achieve. Including social partners in this decision-making process ensures that their views are appropriately represented.

Social partners can be involved in quality assurance at different levels, be this through providing oversight on boards of education providers, being part of local or sectoral quality assurance bodies or having representation on national agencies responsible for the quality assurance of adult learning (OECD, 2019³³) (Box 3.9).

Box 3.9. Social partners and quality assurance in adult learning

Social partners in several countries play a crucial role in ensuring the quality of adult-learning provision. In some countries, they have a role in agencies that ensure the quality of (parts of) the adult-learning system. In others, they support complex multi-level quality assurance systems. Examples include the following:

→ In **Sweden**, social partners are involved in the analysis of the labour market demands carried out by the National Agency for Higher Vocational Education (NAHVE). Higher vocational education (HVE) is a post-secondary form of advanced vocational training aimed at meeting labour market needs and designed and delivered in close co-operation with employers and industry. HVE is tailored to suit an evolving labour market situation. The NAHVE is responsible for analysing the labour market demand for skills, for the annual selection of programmes that qualify as HVE, for the allocation of government grants as well as for quality assurance and development. In addition to working directly with the NAHVE, social partners are represented in the Council for Labour Market Issues related to HVE, which assists the NAHVE with information in their task to design the training offer in HVE. Social partners and industry representatives also take part as members of the programme steering committees, which are compulsory for each HVE training programme and play an important role in the quality assurance for each HVE training programme.

→ In **Denmark**, social partners are involved in the 11 continuing training and education committees that monitor adult vocational training in different sectors of the labour market. One of the key inputs to the monitoring of programmes and providers is information produced through the system VisKvalitet. As discussed above, this system collects data from each participant about their satisfaction with the training via a questionnaire, as well as data from a sample of companies whose employees have attended training. Results are used by the committees to identify quality issues and develop remedial action.

→ In **Flanders (Belgium)**, social partners are involved in the certification of adult-learning providers. There are three certification streams for adult-learning programmes, two of which involve social partners directly. Social partners are part of Paritaire Comités, who are in charge of certifying training organised at the sector level; for all other training, social partners are also part of the Flemish certification commission (Vlaamse erkenningscommissie).

→ In **Germany**, certification of training programmes in the context of active labour market policies is conducted by certifying bodies (Zertifizierungsstelle). One of the better-known certifying bodies, CERTQUA, is run by the leading German employer organisations. Certifying bodies, in turn, need to be accredited by the German Federal Public Employment Agency (Bundesagentur für Arbeit). Trade unions and employer organisations are part of the agency's advisory council, along with government representatives.

Source: OECD (2019³³), Getting Skills Right: Making adult learning work in social partnership, www.oecd.org/employment/emp/adult-learning-work-in-social-partnership-2019.pdf.

3.4. The role of social partners in supporting displaced workers

Many low-skilled workers who become unemployed today would have difficulties finding sustainable employment opportunities in the same occupation and industry. Skill requirements in emerging jobs and sectors are rising, with an increased focus on high-level cognitive and social interaction skills in addition to strong professional knowledge. Without retraining and upskilling opportunities, the low-skilled unemployed may not be able to re-enter jobs that provide long-term prospects in the labour market.

Workers who are victims of economic dismissals are particularly susceptible to re-employment difficulties, as their sector is often undergoing significant structural change. Constructive engagement of employers and unions is of great value in providing prompt and effective re-employment assistance to these workers (Box 3.10).

Often such engagement is already well-rooted in national industrial relations institutions and practices. Where this is not the case, governments promote it through: 1) legal compulsion via dismissal rules that require employers to facilitate the retraining of workers who are victims of economic dismissals and to coordinate these measures with union representatives; and 2) a softer touch approach relying on incentives and moral suasion. These two approaches can also be used in combination. For example, there is a requirement in the Quebec province (**Canada**) that employers organise outplacement services for displaced workers in the form of an outplacement assistance committee (Comité d'aide au reclassement, or CAR). It is combined with a 50% subsidy of the cost of those services (OECD, 2018³⁴).

Box 3.10.

Social partners' involvement in early retraining services for collective dismissals

In some countries, social partners play a key role in providing targeted services. They are either in charge of providing support or collaborating with local government in identifying feasible job transitions. Examples include the following:

- **Sweden's** Job Security Councils (Box 3.6) specifically target workers at risk of collective dismissals, which means their company or part of their company is closing down or has to restructure for technological or economic reasons. In this case, the councils provide a range of services, including advice and guidance, training, financial support and business start-up support. They typically intervene before a dismissal has taken place to manage the transition to other jobs for between six to eight months. Workers have a dedicated coach and receive personalised services. Workers do not have to be a trade union member to benefit from its services. The councils have a relatively high success rate: 74% of workers go on to employment or further training, and 70% of those who find work manage to maintain or increase their salaries in the process.
- The **Australian** Structural Adjustment Packages (SAP) target workers in industries where expectations of future employment opportunities are low or where large-scale closures may have an impact on the local labour market. Examples include the automotive manufacturing industry or the forestry industry in Tasmania. Each SAP is tailored to its context, but typically includes skill development measures and the close involvement of local employers.
- The Change Security programme in **Finland** represents a close partnership between the public employment services (PES), employers and unions in managing displacements.

Source: OECD (2018³⁴), OECD Employment Outlook 2018, OECD Publishing, Paris, https://doi.org/10.1787/empl_outlook-2018-en.

3.5 The way forward

As countries look to scale up training provision to address the challenges brought about by megatrends and magnified by the coronavirus (COVID-19) crisis, social partners have a central role to play in improving and increasing adult-learning provision.

At the governance level, they bring valuable perspectives to the development of skill strategies, and their involvement helps ensure broad buy-in into policies and programmes affecting adult-learning systems. Social partners are also instrumental in drawing up collective agreements that explicitly include provisions for training and lifelong learning. Additionally, employers and unions are well placed to help assess skill needs in the labour market. Skills assessment and anticipation systems that involve social partners in the planning of data collection and its dissemination are more likely to lead to effective policy making to promote better learning outcomes.

More concretely, social partners are well placed to provide training based on business

and employees' needs and to promote HR and management practices that encourage learning in the workplace. Both employers and unions have a strong interest in training being effective, which puts them in an excellent position to play an active role in quality assurance.

This chapter presents many examples of successful co-operation between unions and employers' organisations and between social partners and other stakeholders in the adult-learning system. In several cases, this fruitful co-operation is the result of a long history of constructive social dialogue; thus, its replication in other countries may be difficult. However, this stocktake of cross-country experiences yields several important messages of how countries could plan a more direct and active involvement of social partners in the planning, delivering and monitoring of adult learning. It also points to the wider benefits that can be achieved through effective social partnership in the provision and take-up of adult learning.

Notes

1. Formal courses are held at a recognised education or training institution and lead to a qualification. Non-formal training does not lead to a recognised qualification but is organised and scheduled. For example, it takes the form of workshops, employer-provided on-the-job training, courses, seminars and distance learning. Informal learning is intentional but it is less organised and less structured – it does not have a formal setting, an official schedule or an instructor – but consists of learning that takes place anywhere, including the workplace but also in daily life (Eurostat, 2016⁵⁵).
2. Also see (OECD, 2019⁵⁴).

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4

GLOBAL DEAL PARTNERS IN ACTION

4.1. The Global Deal: Voluntary commitments to promote social dialogue for decent work and inclusive growth

The Global Deal is a multi-stakeholder partnership, which focuses on understanding, developing and harnessing the potential of sound industrial relations and social dialogue as an instrument for achieving decent work and inclusive growth. As such, it constitutes a concrete input to the United Nations 2030 Agenda for Sustainable Development and, in particular, to Sustainable Development Goal (SDG) 8 on decent work and economic growth.

Partnership in the Global Deal is open to a broad range of actors, including governments, businesses, employers' organisations, trade unions, international and civil society organisations, as well as local and regional administrations (see [Annex II](#) or the list of Global Deal partners, as of September 2020). Partners are asked to associate themselves with the [Declaration of Support](#), which forms the basis of the Global Deal, and to make voluntary commitments that either initiate new actions to promote sound industrial relations and social dialogue or reinforce existing ones. The Declaration of Support calls on stakeholders to state their approval of the Global Deal as a shared vision for promoting decent work, quality jobs and inclusive growth through enhanced social dialogue and sound industrial relations. Moreover, the Global Deal provides a set of broad principles, which partners pledge to uphold and advance through their voluntary commitments.

For **governments**, this includes recognising social dialogue and facilitating a policy and institutional environment that can enable it, ratifying (or making sustained efforts towards ratification of) and respecting the International Labour Organization's fundamental Conventions. For **employers' organisations and businesses**, this means acting in a way that is socially responsible, by committing to respecting fundamental principles and rights at work and promoting social dialogue within their own operations and throughout their supply chains. It also

implies, as responsible social partners, a willingness to engage with relevant stakeholders locally, nationally, regionally or globally. For **trade unions**, this means fulfilling their social responsibilities when they negotiate as well as contributing as responsible social partners to the development of the company or organisation of which they are part. For **all partners**, this means recognising inclusive growth and sustainable development as shared objectives and acting through the Global Deal to move together towards their realisation.

Partners recognise the importance of the Global Deal as a platform for accelerating action through voluntary commitments; increasing the knowledge base on social dialogue and sound industrial relations; and facilitating the exchange of experiences and good practices.

Voluntary commitments are concrete actions by partners that contribute to realising the objectives of the Global Deal. Commitments can cover a number of different actions, areas and levels, taking into account partners' differing capacities and the respective contexts in which they operate.

Commitments can be made at the local, national and international level. The Global Deal does not impose any new reporting requirements and bases its follow-up of commitments on the existing reporting processes used by partners. The translation of commitments into concrete, tangible outcomes is central to the Global Deal's objectives.

Each edition of the biennial Global Deal Flagship Report looks at the commitments made and actions taken by partners with a view to highlighting areas of progress and showcasing good practices that could inspire reforms or improvements, based on the needs, practices, and traditions of different stakeholders.



4.2. Overview of the commitments received

As of September 2020, 64 Global Deal partners have made 99 voluntary commitments to promote social dialogue as a means for achieving decent work and inclusive growth (see Figure 4.1). For the purposes of this chapter, partners have been classified along the following lines:



Governments
(Section 4.3.1)



Trade unions
(Section 4.3.3)



Businesses, business organisations and employers' organisations
(Section 4.3.2)



Other Stakeholders
including international organisations, civil society and multi-stakeholder organisations, as well as local and regional administrations
(Section 4.3.4).

Figure 4.1.
Number of commitments made by Global Deal partners, September 2020

BY TYPE OF ACTOR





The voluntary commitments have been formulated in a way that reflects the partners' own institutional context and capacity. These commitments fall into six broad categories:



1) Advocacy



2) Corporate practice



3) Knowledge development and research



4) Knowledge sharing and capacity building



5) Partnerships



6) Policy development



Advocacy:

Many partners have committed to promoting sound industrial relations and social dialogue through campaigns that raise awareness of the value of these institutions and structures. For example, the **Federation of Somali Trade Unions (FESTU)** launched an advocacy campaign to promote a culture of tripartism and social dialogue at the national level. As part of its voluntary commitment, FESTU worked with the **Somali Chamber of Commerce and Industry (SCCI)** and the Federal Government of Somalia to establish the Somali National Tripartite Consultative Committee (SNTCC), the first permanent platform of social dialogue on all employment and labour related issues in the country.



Corporate practice:

A number of companies have made pledges that contribute to promoting social dialogue as a means of ensuring decent work and quality jobs within their own operations as well as throughout their supply chain. This includes measures such as improving workplace safety, wages and other conditions for workers and providing the necessary capacity building and training to staff and management. For example, the telecommunications multinational **Telia Company** has committed to improving its responsible sourcing practices throughout its supply chain, with a special emphasis on tackling bribery and corruption, including through social dialogue. As part of its Global Deal commitment, Telia has the ambition to streamline the existing supplier base and to screen all supplier contracts, in line with its due diligence strategy. Within the framework of the Joint Audit Cooperation, an industry-wide audit mechanism involving a growing number of telecommunications companies, Telia is contributing to ensuring the implementation of sustainability principles across the manufacturing centres of suppliers of the information and communication technology (ICT) industry.



Knowledge development and research:

Some partners have committed to undertaking additional research, often with the practical goal of contributing to building the capacity of social dialogue actors and institutions. For example, in 2019, the **Fair Wear Foundation**, together with Cornell University and other partners initiated a two-year project entitled “Social Dialogue in the 21st Century”. Through research and stakeholder consultations, the project aims to create a root-cause analysis of barriers to impactful social dialogue and develop concrete recommendations for overcoming those barriers in the global garment industry. In partnership with member brands, the Fair Wear Foundation will test some interventions in selected countries, with the view of developing strategies to strengthen social dialogue and deliver better working conditions, social stability and a level playing field.



Knowledge sharing and capacity building:

A number of partners have committed to organising conferences, meetings and other events as channels for exchanging and disseminating good practices, experiences and information on social dialogue and sound industrial relations. For example, the **United Nations Global Compact (UNG)** launched the Decent Work in Global Supply Chains Action Platform, a forum of companies committed to enhancing social dialogue between management and workers in global supply chains through learning, advocacy and capacity building. The ongoing phase of the Action Platform explores the root causes of decent work deficits and focuses on developing strategies to reduce working poverty. Through this multi-stakeholder and multi-sectoral platform, participants share good practices and design actions that can have a positive impact on workers’ wages, including in relation to responsible sourcing.



Partnerships:

Several Global Deal partners have pledged to launch new partnerships and put in place instruments that promote better social dialogue for decent work and inclusive growth. These include public-private partnerships, global framework agreements (see Section 4.4.4) and development co-operation initiatives. For example, the [Government of Sweden](#) has committed to promoting the Global Deal and its principles at the international level, including as part of Sweden's development co-operation, notably through the work of the Swedish International Development Cooperation Agency (Sida). In collaboration with national stakeholders and international organisations such as the International Labour Organization (ILO), Sida financed development co-operation projects aimed at promoting social dialogue and sound industrial relations at the global, regional and country level, including in Bangladesh, Cambodia, Ethiopia and Myanmar. Some trade unions also have committed to strengthening their partnerships with other stakeholders in order to advance workers' rights and influence policy makers on issues related to social dialogue and inclusive growth. For example, the [Swedish Commercial Employees' Union \(Handels\)](#) has partnered with

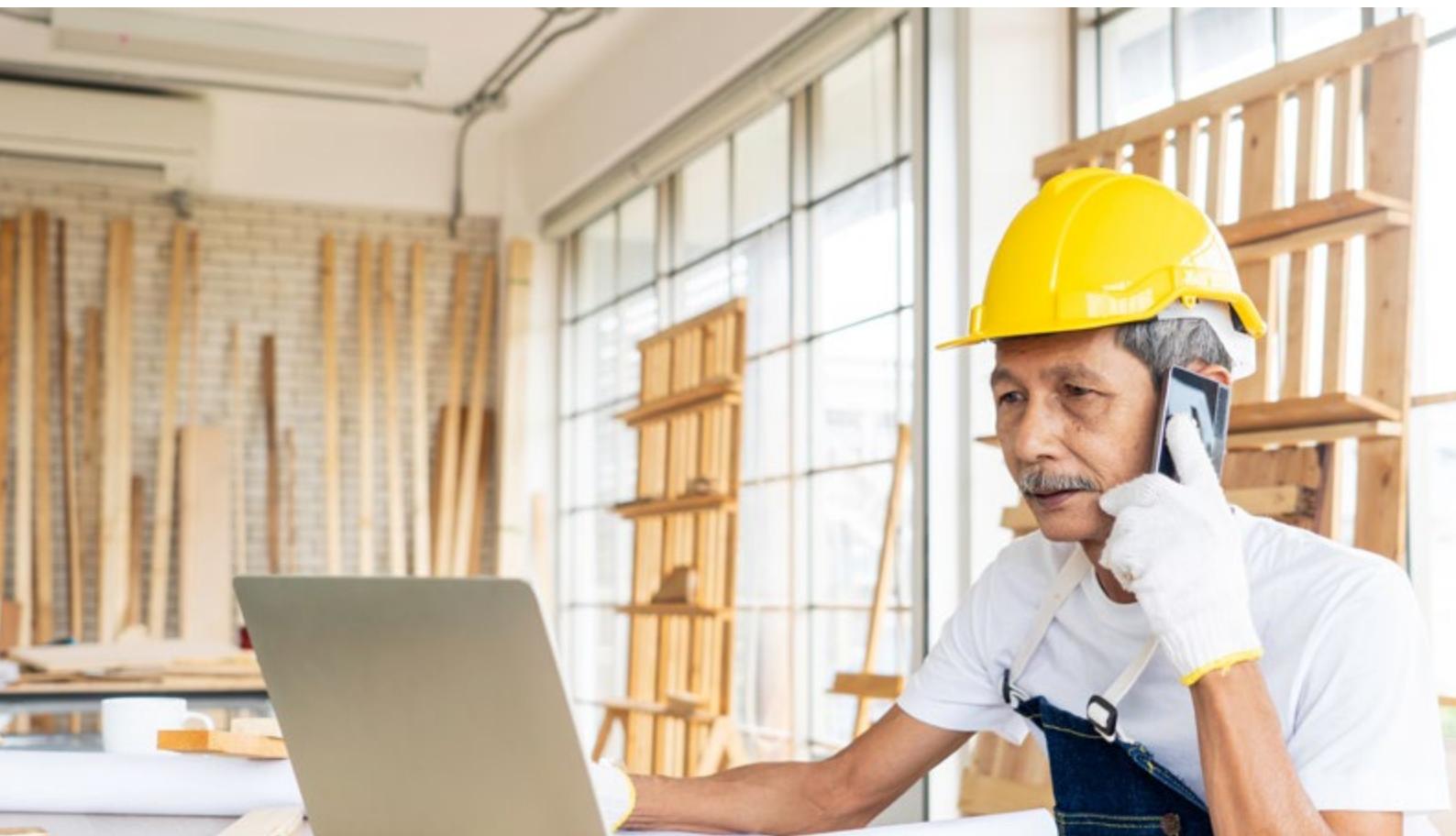
the [Swedish Trade Union Confederation \(LO\), Unionen](#), Axfoundation and other stakeholders to set up the [Ethical Trading Initiative \(ETI\)](#) in Sweden. Established in 2019, ETI Sweden brings together companies, trade unions, civil society organisations and the public sector to promote and ensure good working conditions in global supply chains.



Policy development:

Various governments have committed to promoting social dialogue by improving relevant policies, institutions and legislative frameworks for social dialogue. For example, the [Government of Argentina](#) strengthened a number of existing national and sectoral tripartite social dialogue fora, including on minimum wages, the eradication of child labour, as well as gender equality and non-discrimination. As part of its Global Deal commitment, in 2019, Argentina established the Commission on Social Dialogue for the Future of Work, a national tripartite structure mandated to address issues related to Argentina's compliance with international labour standards, in accordance with the ILO's Tripartite Consultation Convention, 1976 (No. 144).

PHOTO: Shutterstock

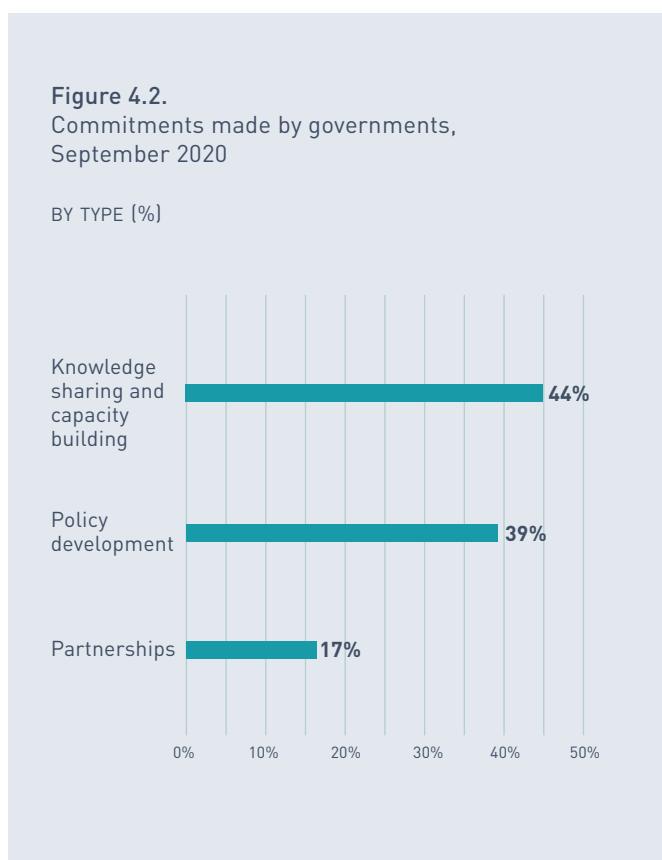


4.3. Commitments and actions by type of partner

This section includes a selection of commitments made by Global Deal partners, together with information on actions undertaken to fulfil them. A full list of commitments received and actions implemented, as of September 2020, can be found in [Annex I](#).

4.3.1. COMMITMENTS AND ACTIONS BY GOVERNMENTS

Global Deal government partners have made a range of commitments to action, including in the areas of knowledge sharing and capacity building, policy development, as well as partnerships (see Figure 4.2).



For example, the [Government of Canada](#) has made a number of commitments to advance social dialogue for decent work and inclusive growth, including in relation to labour and employment, trade, and

responsible business conduct policies. In line with its Global Deal pledges, Canada ratified all of the ILO's fundamental instruments as defined by the 1998 Declaration on Fundamental Principles and Rights at Work, including the ILO Protocol of 2014 to the Forced Labour Convention, 1930. The ratification process involved consultation with social partners as well as the country's provinces and territories (PTs), which share with the federal government the responsibility for implementation of labour-related treaties. Canada is also facilitating discussions with social partners and PTs on the importance of the new ILO Violence and Harassment Convention, 2019 (No. 190), with a view to moving towards the ratification of this instrument. Tripartite social dialogue plays a key role in the formulation of Canada's labour and employment policies, as well as in the negotiation and implementation of labour provisions in Canada's trade agreements, where social partners help identify ways in which the economic and social benefits of these agreements can be maximised. Canada's Labour Funding Program further supports the implementation of these agreements, including by building the capacity of partner countries to enforce laws that respect the fundamental principles and rights at work.

As part of its commitment, the [Government of France](#) established a national Global Deal platform dedicated to the exchange of information and good practices on social dialogue at the national, European and international level. The platform brings together businesses, trade unions, international organisations and other stakeholders with the objective of highlighting social dialogue as a tool to regulate globalisation and shape the future of work. The platform is designed as a forum to monitor and analyse innovative social dialogue practices, including with the contribution of experts from the academic world. It provides an open space for partners to share their expertise and experiences with the view to inspiring others. In addition to organising regular meetings and workshops with members and other communities and business networks, in 2019, the French Global Deal platform provided a contribution to the Group of Seven (G7) Social Ministers' Meeting.



PHOTO: International Labour Organization

This included the production of a publication to highlight concrete commitments by French companies and trade unions to strengthen a greater integration of international labour standards into the multilateralism system, promote skills development and training, increase access to social protection floors and further improve professional equality between women and men.

Along the same lines, the **Government of Colombia** made a commitment to share knowledge and good practices on social dialogue through the organisation of a regional tripartite seminar on the Global Deal. In May 2018, the seminar gathered participants from 18 countries, including relevant ministers and vice ministers from Colombia, Panama and Guatemala, as well as representatives from trade unions and employers' organisations. It served to present the Global Deal partnership as a forum to promote social dialogue and sound industrial relations in the region.

The **Government of Ethiopia** has pledged to reform and implement the country's Labour Law as a means to stimulate effective social dialogue and sustainable development. This also included an effort to build the capacity of social dialogue actors and strengthen the country's industrial relations institutions with the view to advancing decent work,

improving workers' well-being and increasing the productivity and competitiveness of Ethiopia's labour market. As part of its Global Deal commitment, the government organised a national labour conference entitled "Industrial Peace for Inclusive and Sustainable Development", which brought together the federal and regional administrations, social partners, development actors and experts. The conference served to discuss the future of Ethiopia's labour administration, highlight good practices and provide recommendations to address existing labour market challenges. Following a comprehensive process of review and consultation with social partners and other relevant stakeholders, in 2019, the Parliament of Ethiopia adopted the revised Labour Law, which is now being implemented. As part of its commitment to strengthening social dialogue structures and promoting tripartism at different levels, the government is working to establish tripartite labour advisory boards in nine regions and two city administrations. Through a process of effective and meaningful dialogue with workers' and employer' organisations, the Government of Ethiopia is also committed to developing minimum wage fixing institutions and mechanisms, which have the potential to contribute to increased earnings, reduced worker turnover and absenteeism, higher job satisfaction and increased productivity.

4.3.2. COMMITMENTS AND ACTIONS BY BUSINESSES, BUSINESS ORGANISATIONS AND EMPLOYERS' ORGANISATIONS

A large proportion of the commitments made by businesses, business organisations and employers' organisations deal with actions relating to corporate practice, partnerships, as well as knowledge sharing and capacity building (see Figure 4.3). Most of the actions take place in the context of businesses' own operations, as well as within the framework of their supply chains.

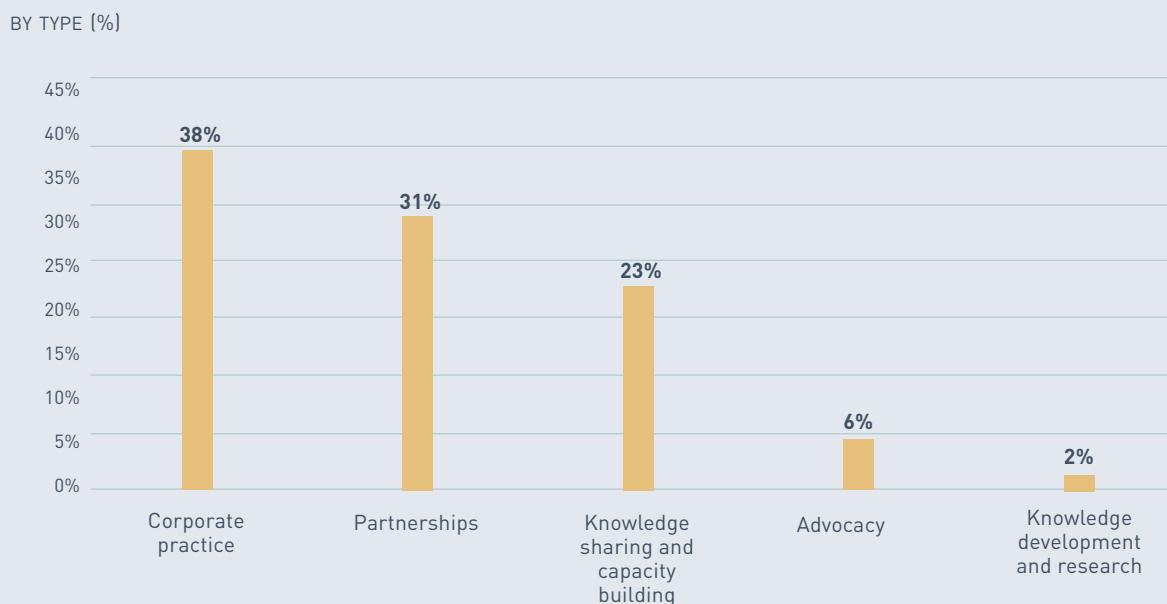
For example, the **Business Confederation of Macedonia (BCM)** has pledged to enhance and promote social dialogue in the Republic of North Macedonia with the objective to build trust and mutual respect between tripartite partners and contribute to achieving decent work and inclusive growth, in line with the SDGs. As a legitimate representative of the employers in the country, BCM participates in the tripartite Economic Social

Council and engages with the government and trade unions on economic, social and labour policy issues. Within the framework of its Global Deal commitment, BCM has engaged with the ILO in the implementation of the European Union-funded project entitled "Strengthening social dialogue in North Macedonia", which aims to improve social dialogue as a means to create more and better jobs in the country. Furthermore, BCM is committed to and actively supporting the implementation of the Decent Work Country Programme (DWCP) for North Macedonia 2019-22, the main vehicle for delivery of ILO support to the country. The DWCP has been negotiated through social dialogue and it includes, as one of the key priorities, a stream of work aimed at improving labour market governance through enhanced social dialogue.

The fashion company **Lindex** has made commitments to promote social dialogue as a key tool to enhance gender equality throughout the garment and textile supply chain. For example, the

Figure 4.3.

Commitments by businesses, business organisations and employers' organisations, September 2020



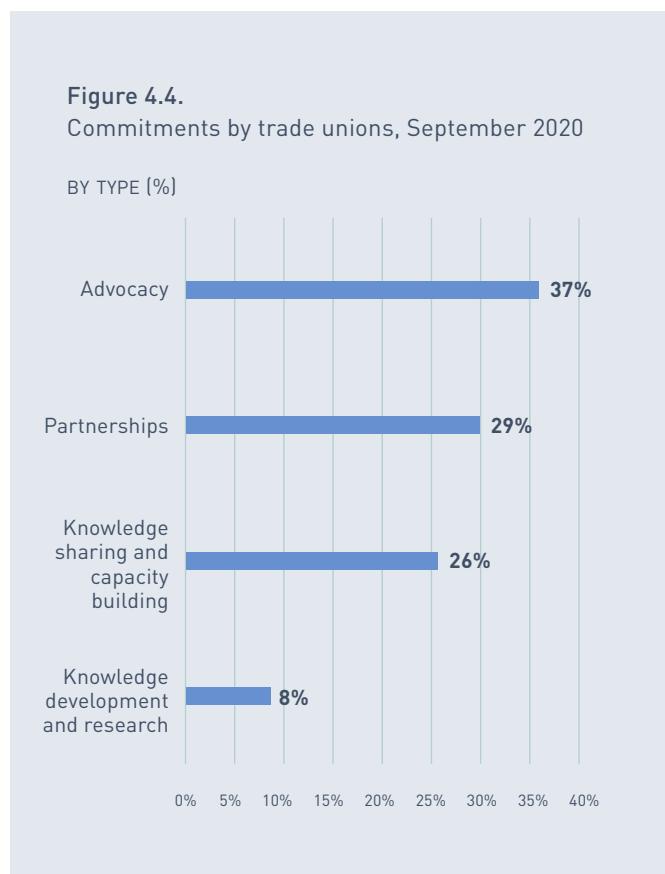
company added specific gender equality goals to Lindex's sustainability scorecard, which is used to assess the performance of its suppliers within social and environmental sustainability. In partnership with the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), Lindex is delivering a capacity-building programme to train its suppliers' factory management on gender equality and how to integrate its principles into management systems. As part of this commitment, Lindex aims to change the leadership and management style at the factory level with the view to promote a more enabling environment for women in the global garment and textile industry. The long-term goal is to ensure that 80% of Lindex's suppliers, in terms of global volumes, complete the programme and take into account lessons learned in relation to gendered aspects in social responsibility, including the share of women in mid-level management, the gender wage parity in different wage grades and the share of female representation in factory committees.

The utility company **SUEZ** has made a number of commitments to leverage social dialogue with the view to improve its corporate practices, including through the negotiation and implementation of global framework agreements with trade union partners. As part of its Global Deal commitment, SUEZ has pledged to ensure a healthy and safe working environment that respects human rights for all its workers. Since the signature of the 2013 European Health and Safety Agreement, SUEZ has been engaging with workers' representatives at the local and European level with the view to share and discuss health and safety indicators. For example, within the framework of its European Works Council, a working group to discuss risk prevention and facilitate the dissemination of good practices has been established. Furthermore, the company has committed to reinforcing the promotion of professional equality and diversity through the implementation of the 2019 agreement concluded with its European social partners EPSU (European Federation of Public Service Unions) and the **IndustriALL European Trade Union**. As part of the agreement, SUEZ is required to strengthen the gender mix policy to ensure that all its activities are accessible regardless of gender considerations,

to introduce a zero-tolerance policy for sexual harassment, and to support parenthood without distinguishing between men and women. SUEZ is committed to applying the principles of the agreement to its operations beyond European borders.

4.3.3. COMMITMENTS AND ACTIONS BY TRADE UNIONS

Most trade union partners have made concrete commitments in the areas of advocacy, partnerships, knowledge sharing and capacity building, as well as knowledge development and research (see Figure 4.4).



For example, **IndustriALL European Trade Union** has committed to promoting advocacy initiatives to raise awareness of the value of collective bargaining processes and institutions at the European level. Through its “Together at Work” campaign, the trade union federation aimed to showcase the benefits of collective bargaining for workers, with a special emphasis on young and female workers, as well as for the economy and society at large. As part of its Global Deal commitment, IndustriALL European Trade Union will launch a new project to investigate the effectiveness of collective bargaining in handling and mitigating the economic and social impact of the coronavirus (COVID-19) pandemic (see [Chapter 1](#) for an overview of how social dialogue has been used as an instrument to support the recovery from the crisis). The project will collect and make available through capacity-building good practices and recommendations on how to design social dialogue policies that can serve as effective crisis-management tools.

The **Netherlands Trade Union Confederation (FNV)** has made a number of commitments to promoting social dialogue through partnerships as well as knowledge sharing and capacity building. As part of its Global Deal pledges, FNV has partnered with Mondiaal FNV to build the capacity of independent trade unions in a number of regions, including in East Africa and Southeast Asia. The work aimed to enhance the dialogue, negotiation and conflict resolution skills of selected trade union leaders and members, with a special emphasis on women as well as informal and vulnerable workers. This

also included the development of relevant research and knowledge materials, as well as engagement with employers’ organisations, multinational companies and non-governmental organisations (NGOs) active in selected supply chains, such as ship-breaking, garment, flower, fruits and vegetables, cocoa, palm oil, and construction. Since 2016, FNV has also been working to promote compliance with labour standards in global supply chains by actively engaging in the negotiation and implementation of the multi-stakeholder sectoral agreements for international responsible business conduct (see [Section 4.4.3](#)).

The **Swedish Trade Union Confederation (LO)** has committed to promoting the Global Deal and its principles with national and international stakeholders, including at the EU level. In partnership with the Swedish Institute, the **Industrial and Metal Workers Union in Sweden (IF Metall)** and other actors, LO launched the “Let’s Talk!” concept, events that bring together representatives from businesses, trade unions, governments and civil society organisations, as well as independent experts and influencers. The objective of “Let’s Talk!” is to empower participants to create tangible and lasting positive impacts for all segments of society through social dialogue. Through a process-oriented forum, the initiative serves to develop applicable real-life solutions to address challenges related to the future of work, as well as to build trustful relationships between key actors and more resilient societies. Sweden and Nigeria hosted previous editions of “Let’s Talk!”.

PHOTO: Shutterstock



4.3.4. COMMITMENTS AND ACTIONS BY OTHER STAKEHOLDERS

The commitments made by other stakeholders, including international organisations, civil society and multi-stakeholder organisations as well as local and regional administrations, cover actions related to knowledge sharing and capacity building, partnerships, advocacy, policy development, as well as knowledge development and research (see Figure 4.5).

For example, the **Ethical Trading Initiative (ETI)** has pledged to promote and implement models of social dialogue in the key sourcing sectors and countries in which its members are active. It does so through a number of different channels, including the implementation of its tripartite supply chain programmes in Bangladesh, Myanmar, South Africa and Turkey. ETI's actions have included the facilitation of multi-stakeholder engagements on social dialogue-related issues with corporate members, trade unions and NGOs. As part of its commitment, ETI has carried out research and impact assessments to support the implementation

of specific country-level programmes, and has provided capacity-building support and technical guidance to its members, with the objective to strengthen their approach to workers' representation and workers' engagement.

The **Olof Palme International Center (OPC)** has pledged to promote better and more constructive social dialogue through knowledge sharing and capacity building, in partnership with trade unions and civil society organisations. As the umbrella organisation for the Swedish labour movement, OPC has provided support to strengthen the organisational capacity of trade unions in areas pertaining to labour relations in several countries, with a focus on the Western Balkans. In collaboration with national stakeholders, OPC has supported trade unions' organising efforts so as to mobilise young and female workers and strengthen their abilities to participate in and influence local decision making. This included the promotion of platforms for dialogue between workers' and employers' organisations.

Figure 4.5.
Commitments by other stakeholders, September 2020

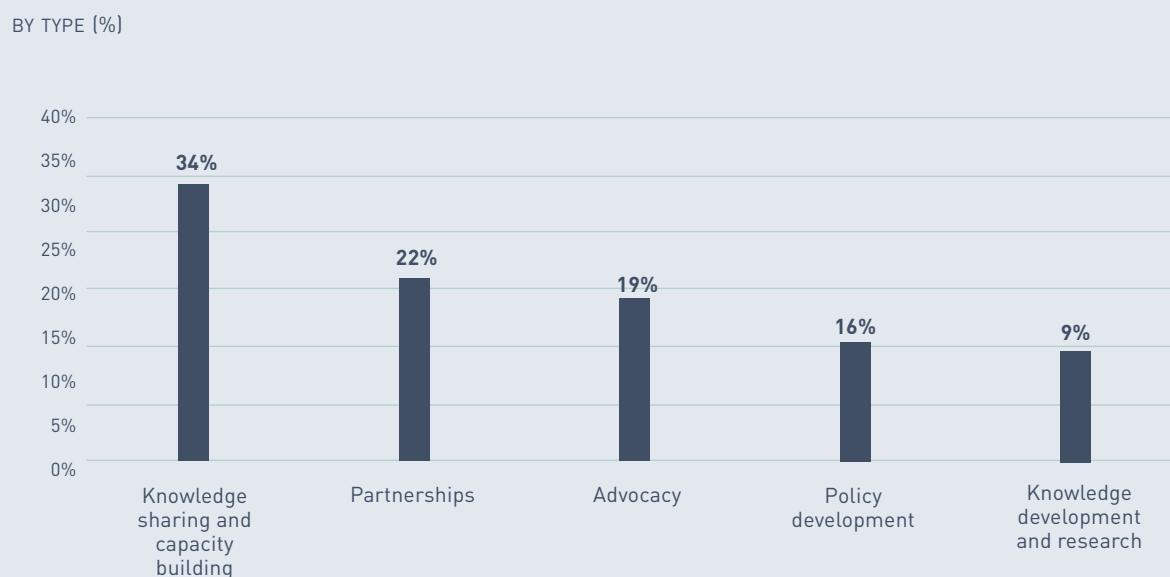




PHOTO: Josue Isai Ramos Figueroa

The **City of Suresnes**, in France, has made a number of commitments aimed at promoting the objectives of the Global Deal and highlighting the contribution of social dialogue to business performance and decent work. To share good practices and exchange experiences regarding innovative social dialogue practices and trends, the City of Suresnes organises yearly events that bring together key actors from the public and private sector, as well as experts from international organisations, including the ILO. Harnessing the potential of social dialogue, Suresnes has also taken action to develop and implement

a number of policies and tools to improve the working conditions of its staff. This included the implementation of measures to better integrate and support people with disabilities throughout their careers with the administration, as well as to promote equality and non-discrimination for its employees. For example, as part of a collective agreement signed by the City of Suresnes and trade unions in 2019, the administration committed to designing more friendly workspaces, to facilitating more flexible teleworking policies, and to implementing a more flat workplace culture to give more autonomy and responsibility to its staff.

4.4. Progress on commitments and actions by Global Deal partners

The voluntary commitments made by Global Deal partners cover a wide range of thematic areas. This section reviews the activities implemented by partners to fulfil their Global Deal pledges and presents selected actions under four thematic categories.

4.4.1. SOCIAL DIALOGUE TO ENSURE DECENT WORK FOR WORKERS IN NON-STANDARD EMPLOYMENT ARRANGEMENTS

Despite their diversity, non-standard jobs tend to present similar opportunities and risks. On the one hand, greater flexibility and autonomy in working time arrangements, together with easier access to these employment opportunities, may increase labour participation from specific groups of workers, including disadvantaged groups such as youth or migrants, and provide additional household income. On the other hand, the employment status of these jobs is often ambiguous, and in some cases, workers have difficulty exercising their fundamental rights at work or gaining access to social protection and on-the-job training. Workers in non-standard forms of employment, especially where institutions for collective representation are weak or absent, may have fewer outside options and thus less power in the working relationship than their employers. This may result in lower pay, irregular and on-demand work requests at short notice, intensive monitoring of the jobs performed, higher health and safety risks, as well as greater insecurities for workers. The rise of the gig economy and digital technology also creates new challenges for the effective application of labour protections. **Social dialogue, including collective bargaining, has a key role to play to tackle these challenges, to ensure the access to freedom of association and collective bargaining rights, and to improve the quality of non-standard working arrangements in the interest of both workers and employers.**

As part of their commitments to the Global Deal, a number of partners are mobilising social dialogue to ensure decent work for workers in non-standard employment arrangements and to improve the overall performance of labour markets and economies.

For example, the **Government of Spain** has pledged to implement a National Action Plan for Decent Work for the period 2018-20. The plan's main objective is to strengthen workers' rights and improve the quality of employment and working conditions by tackling precariousness, and guaranteeing a level playing field. In addressing these issues, Spain aims to strengthen the sustainability of its social security and social benefit systems. Within the framework of the plan, the government adopted a package of 75 measures to prioritise actions against temporary and part-time hiring frauds as well as undeclared work. As a result of the implementation of the plan and the ordinary work of the labour inspectorates, 284 195 temporary contracts were transformed into open-ended ones, and 68 664 contracts saw working hours increased between August 2018 and December 2019. In addition to contributing to the elaboration of the plan, social partners, together with Spain's regional administrations and other relevant associations, play a key role in its monitoring and evaluation through the work of the Permanent Commission of the Board of the Labour Inspectorate State Agency and the General Council of the Labour Inspectorate State Agency. The Spanish experience demonstrates that reaching consensus with different stakeholders, including social partners, is a key factor for ensuring the success and legitimacy of such initiatives.

In one of its commitments to the Global Deal, the **International Transport Workers' Federation (ITF)** has pledged to work to address the human and labour rights violations occurring in the European road transport sector. The sector is characterised by sub-contracting, downward cost pressure, narrow profit margins and a high degree of business fragmentation. It employs many non-resident workers and their jobs are insecure, unstable and low-paid. The first step taken by the ITF, its affiliates

and the International Union of Food Agricultural, Hotel, Restaurant, Catering, Tobacco and Allied Workers' Associations (IUF), was to gather evidence on abuses in the chains of sub-contracted transport services and link these to their customers, the multinational companies in the food and beverage, retail and automotive industry. The two global trade union federations first worked with a multinational company to design a new human rights due diligence (HRDD) model allowing for access to remedy in the transport sector's supply chains. Subsequently, ITF and IUF approached several other multinational competitors with the aim of developing this new HRDD model as a systemic and sector-wide solution to improve the working conditions of road-transport workers. In 2020, this new approach will be piloted in the road-transport operations of companies' supply chains.

The Global Deal partner **Icelandic Confederation of Labour (ASÍ)** has also taken a number of actions to promote decent work and ensure labour rights of vulnerable workers. Within the framework of the "Equal Rights – No Exceptions" campaign, trade union inspectors and government officials conduct joint visits to workplaces to control for incorrect payment of wages and undeclared labour, with a specific focus on young and migrant workers. These inspections, which are based on a common framework of analysis and risk assessment, have been successful in limiting social dumping, tax fraud and other illegal activities underway in Iceland's labour market. The Icelandic trade union has also developed and disseminated communication materials to inform vulnerable workers and companies on collective agreements, as well as about their rights and obligations.

The **Government of Canada** has made a number of Global Deal commitments to promote social dialogue for decent work and inclusive growth (see [Section 4.3.1](#)). In one of its pledges, Canada has taken action to engage in tripartite consultations with social partners in the formulation of labour and employment policies. This included the establishment of an independent expert panel to examine several key issues related to the changing nature and future of work, including labour

standards protections for non-standard workers, the issues of disconnection from work-related e-communications outside of working hours, as well as the challenge of enhancing the collective voice of non-unionised workers. The panel consulted and engaged with 140 representatives from trade unions and labour organisations, businesses and employers' organisations, civil society groups, experts and other stakeholders. It also conducted research, carried out analysis and collected relevant data in partnership with Canada's national statistical agency. In 2019, the Panel submitted its report to the government, together with a set of recommendations to address specific issues and challenges that were identified during the consultations and research. The panel recommended the establishment of a federal minimum wage, the adoption of better regulations to ensure labour protections for workers in non-standard work, and the planning of regular reviews to monitor the progress made on modernising federal labour standards and protecting those in precarious forms of work, while maintaining a level playing field for employers.

4.4.2. SOCIAL DIALOGUE TO PROMOTE THE TRANSITION FROM THE INFORMAL TO THE FORMAL ECONOMY

Several Global Deal partners have made commitments to support the formalisation of workers from the informal to the formal economy through social dialogue. For example, **Union to Union**, in co-operation with **UNI Global Union** and the **Swedish Building Maintenance Workers' Union**, implemented a capacity-building programme to organise janitorial workers in South America, in collaboration with relevant governments and other stakeholders. As a result of this engagement, the **Government of Peru** established a committee, hosted by its Ministry of Labour and Promotion of Employment, mandated to facilitate dialogue between companies and trade unions and identify joint solutions to improve the economic and working conditions of informal workers.

The Global Deal partner **Women in Informal Employment: Globalizing and Organizing (WIEGO)** works to promote the transition from the informal

to the formal economy and to improve working conditions of informal workers through social dialogue. For example, WIEGO has carried out and disseminated analyses to highlight decent work deficits affecting the working poor in the informal economy and providing solutions to facilitate the transition. It also collaborated with the Global Deal in the production of a thematic brief on social dialogue and informality. WIEGO has taken steps to strengthen the capacity of organisations of informal workers to engage effectively in social dialogue in order to secure more favourable terms of employment, terms of trade in markets and supply chains, policies and regulations.

Unionen has also taken action to reduce the decent work deficits in the informal economy. The Swedish trade union developed trainings and capacity-building materials to raise awareness among trade unions on the importance to connect and extend membership and services to workers and economic units in the informal economy. Within the framework of a partnership with the Self Employed Women's Association (SEWA), Unionen provides support to organise poor and self-employed women workers in India, building their capacity to engage in dialogue at different levels.

The **Government of Uruguay** is committed to promoting the transition from the informal to the formal economy, in line with the ILO's Transition from the Informal to the Formal Economy Recommendation, 2015 (No. 204). Significant steps have been taken to develop formalisation strategies targeted at vulnerable populations, in close collaboration with social partners. With the view to improve the country's tools to promote the transition, an evaluation of the formalisation policies implemented between 2005 and 2017 has been carried out, and its findings have been used to improve the country's approach to tackling informality.

4.4.3. SOCIAL DIALOGUE TO DELIVER ADEQUATE LIVING WAGES IN GLOBAL SUPPLY CHAINS

Many workers around the world continue to suffer from very low wages, which sometimes do not fulfil the basic needs of workers and their families.

In today's interconnected economy, global supply chains offer an important opportunity to act as a lever to improve lives and lift people out of poverty, in line with SDG 1 of the 2030 Agenda for Sustainable Development. In this respect, **several Global Deal partners have made commitments related to the promotion of living wages through social dialogue, including by strengthening the capacity of governments and social partners to negotiate and set adequate wage levels, taking into account both the needs of workers and their families as well as economic factors, in line with international labour standards.**

As part of its commitments to the Global Deal, the **Government of the Netherlands** has undertaken a number of initiatives to promote living wages for workers in global supply chains. For example, the Dutch Government is supporting an ILO project aimed at developing indicators and methodologies that will strengthen the capacity of governments and social partners to negotiate and set adequate wage levels, which take into account both the needs of workers and their families, as well as economic factors. With an initial focus on a number of pilot countries, including Colombia, Costa Rica, Ethiopia, India, Indonesia and Vietnam, the project focuses on building the capacity of governments and social partners to use and adapt the revised indicators for evidence-based wage bargaining or other mechanisms of wage determination. This work also includes the production of a number of studies that analyse wages and working conditions in selected agricultural and manufacturing supply chains, as well as the development of tools to assess the effect of adequate wages on production costs at different levels of the supply chains.

The Dutch Government is also committed to strengthening compliance with labour standards and promoting living wages in global supply chains through the implementation of international multi-stakeholder sectoral agreements for international responsible business conduct (IRBC Agreements) in sectors considered to be at high risk in terms of human rights, labour rights and environmental protection. Since 2016, following the recommendation of the tripartite-plus Social and



PHOTO: Lambros Jyarakis

Economic Council (SER) of the Netherlands, a broad coalition of businesses, employers' organisations, trade unions, including the **Netherlands Trade Union Confederation (FNV)**, NGOs, international organisations, as well as the Dutch Government, negotiated and signed IRBC Agreements covering a number of sectors. These IRBC Agreements require businesses, trade unions and NGOs to jointly identify the problems that arise in the specific sector, describe how they intend to address these issues and what each party will do to work towards that aim. For example, as part of the Agreement

on Sustainable Garments and Textile, signatories commit to fighting discrimination, child labour and forced labour, promoting living wages and health and safety standards for workers, as well as to supporting the right of independent trade unions to bargain collectively. By signing the agreement, businesses commit to publicly disclose the risks they encounter in their supply chain and what actions they have taken to address them. The agreement aims to cover at least 80% of the Dutch garment and textile market by the end of 2020.

PHOTO: Fairtrade International / Dina Elena Ramos Rovira



Another Global Deal partner that has made a number of commitments to promote living wages is **Fairtrade International**. The organisation has taken action to ensure that all workers on their certified banana plantations receive a wage that covers their basic needs and those of their families. In addition to the wage requirements in the overall Fairtrade Standard for Hired Labour, the organisation has developed product-specific standards that include additional requirements. For example, Fairtrade International, in close consultation with relevant stakeholders, including representatives of organised labour, is conducting a review of the Fairtrade Standard for Fresh Fruit, thereby exploring the idea of setting a minimum base wage requirement to be supported by flexible use of the Fairtrade Premium paid to producers that adhere to the standards. The base wage intends to help lift wages, in particular in regions that do not have adequate wage-fixing institutions and processes. Fairtrade International has also engaged with business partners and launched a pilot project to move towards a living wage for workers in the floriculture sector. This includes the establishment of a minimum base wage requirement for Fairtrade flower workers, which contributes to delivering substantial wage increases for floriculture workers in Tanzania and Uganda. Moreover, and in partnership with the Global Living Wage Coalition, Fairtrade International continues to publish living wage benchmarks covering more than 20 countries. Parallel to living wages, Fairtrade International is also advancing living incomes by developing living income reference prices for cocoa and coffee farmers in Ghana and Côte d'Ivoire. The latter are calculated as the price that full-time farmers with adequate, sustainable productivity levels need to earn in order to enjoy a living income. Some chocolate brands have already signed on to paying this voluntary price to help achieve sustainable livelihoods.

Business partners of the Global Deal are also active in the area of living wages. For example, **Axfood** has developed a Living Wage Strategy that has the objective to contribute to eradicating poverty by 2030, in line with SDG 1. As part of its Global Deal commitment, Axfood has pledged to leverage social

dialogue and the engagement with representative trade unions as key tools for implementing its strategy and achieving a living wage. To move forward with this objective, Axfood has developed strategic co-operation with a number of Global Deal partners. For example, in collaboration with **Oxfam**, Axfood is working to organise smallholders of rice farmers in Pakistan. As part of this engagement, smallholders from 25 villages in the Punjab region are assisted in getting together to expand their knowledge on existing market actors, develop strategies to avoid engagement with exploitative middlemen, and negotiate jointly with big farms to achieve higher wages. Axfood is also strengthening its partnership with **Unionen** and other stakeholders in order to pilot some activities with a focus on India's tea industry. Moreover, Peru and Morocco will be included in the next phase of Axfood's living-wage-related projects.

Schneider Electric is committed to paying employees in the lower salary ranges at or above the living wage to meet their families' basic needs, namely food, housing, sanitation, education, healthcare, and discretionary income for a given local standard of living. In 2018, Schneider Electric started to work with an independent advisor – Business for Social Responsibility (BSR) – to implement its living wage commitment. In particular, the company has initiated a global process to analyse wage levels and employment practices against local living wage standards set by BSR. To date, the analysis has covered 63 countries, reaching 99% of Schneider's footprint. In partnership with BSR, the company will continue this exercise and will progressively extend its scope to Schneider Electric's supplier network.

The Global Deal partners **IndustriALL Global Union** and **H&M Group** are committed to promoting policies to achieve living wages through their engagement with **ACT (Action, Collaboration, Transformation)**. ACT brings together global brands, retailers and trade unions with the objective to transform the garment and textile industry and achieve living wages for workers by linking purchasing practices with industry-wide collective bargaining. As part of

its commitment to the Global Deal, ACT engages with national stakeholders in a number of priority countries to build trust between its members, national employers' organisations and trade unions, so as to promote social dialogue. For example, ACT brands have supported suppliers and trade unions in jointly developing a new Guideline on the Freedom of Association in Myanmar. At the global level, ACT brands and retailers have agreed on a set of five purchasing practice commitments relating to labour costing, fair terms of payment, forecasting and planning, training, and responsible exit. The progress in reforming these purchasing practices is measured through a comprehensive accountability and monitoring framework that includes specific targets, timelines and a comprehensive global survey of brands and suppliers.

4.4.4. PROMOTING INTERNATIONAL LABOUR STANDARDS THROUGH GLOBAL FRAMEWORK AGREEMENTS

Many businesses, global union federations and trade unions that are Global Deal partners have taken actions to negotiate, sign and implement global framework agreements (GFAs) to promote the fundamental principles and rights at work, including freedom of association and the right to collective bargaining.

While GFAs can be different in scope and nature, they leverage the sound industrial relations that exist between the parties with the objective to mainstream the respect of these principles and rights in the countries where multinationals might be operating. The signatories of GFAs recognise each other as legitimate industrial relations partners and agree to co-operate on the implementation and monitoring of these principles, including through the set-up of mechanisms providing access to remedy through social dialogue and by establishing platforms to reinforce and support the capacity of national industrial relations systems and actors.

For example, the multinational car manufacturer **Groupe PSA** committed to implementing the Global

Framework Agreement on Social Responsibility, signed with **IndustriALL Global Union and IndustriALL European Trade Union** in 2017.

The GFA is aligned with the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights and refers to the ILO fundamental Conventions. It provides a formal framework for PSA's social responsibility practices, and it introduces a new international human resources policy aimed at developing quality of life and well-being in the workplace. Together with the signatory trade unions, other national unions and the employee representatives, Groupe PSA is committed to continuing the joint monitoring of the GFA. The monitoring process provides trade unions with the opportunity to report non-compliance with the agreement. For example, this reporting channel was used in 2019 to facilitate the engagement between Groupe PSA and a local union in a new production facility. Groupe PSA is also committed to including Opel-Vauxhall, as well as its work in Morocco, in the scope of application of the GFA.

The concessions and construction company **VINCI** and the Qatari shareholding company QDVC signed a GFA with the global union federation Building and Wood Workers' International (BWI) to ensure decent work, safety and health and good welfare standards for all workers employed by QDVC in Qatar, including migrant workers. In line with the GFA, in 2019, the parties, accompanied by French trade unions that have a membership at VINCI operations in France, conducted a joint audit of the QDVC/VINCI sites and operations in Qatar. The audit included interviews with workers on site, workers' representatives and safety champions without management supervision. It also covered recruitment and employment practices, health and safety, working conditions, accommodation and grievance mechanisms for all QDVC workers, including subcontractors and workforce providers. The audit did not highlight issues of non-compliance with the GFA. Alongside this process, BWI and the representatives from the French unions were also invited to participate as observers at the second Workers' Welfare Committee (WWC) elections. As part of the GFA, BWI renewed its support and training on social dialogue

and the Qatar labour law to the newly elected workers' representatives. As part of its Global Deal commitment, VINCI has partnered with a wide range of stakeholders to collect and disseminate good practices from the implementation of this GFA, including with the objective to further strengthen its corporate practices related to social dialogue.

H&M Group has taken action to promote well-functioning industrial relations as a means to improve wages and working conditions throughout the garment supply chain, including by encouraging its direct suppliers and sub-contractors to engage in social dialogue. The multinational clothing retail company signed a GFA with **IndustriALL Global Union** and **IF Metall**. The GFA does not have a fixed end date and includes a comprehensive structure to ensure its monitoring and implementation at the global, national and factory level. In particular, it required the parties to set up national monitoring committees (NMCs) in a number of countries, namely Bangladesh, Cambodia, India, Indonesia, Myanmar and Turkey. The NMCs serve to monitor the implementation of the GFA at the country level and provide a platform for peaceful conflict resolution as well as capacity building. The NMCs are also responsible for setting long-term and short-term goals and strategies and building trust between employers' and workers' representatives. A Joint Industrial Relations Development Committee (JIRDC), comprising representatives from each signatory party, has also been established to oversee the implementation of the GFA at the global level.

The Global Deal commitment made by the state-owned company **Systembolaget** aims to improve working conditions in the beverage industry and its supply chain, including through strengthening social dialogue and promoting unionisation. In 2019, Systembolaget, **Unionen** and IUF signed a Memorandum of Understanding (MoU) that established a channel allowing local unions to report breaches of Systembolaget's Code of Conduct. As part of this work, the company and its partners promoted the MoU in South Africa's beverage industry. This included the delivery of training activities to build the capacity of trade unions to use the reporting channel, as well as the organisation and facilitation of multi-stakeholder roundtables with trade unions, producers, industry representatives and relevant civil society organisations.

Several other Global Deal partners, including the international banking group **BNP Paribas**, the global hygiene and health company **Essity**, as well as **UNI Global Union**, the **International Transport Workers' Federation (ITF)** and **Unionen**, have made commitments related to the negotiation and implementation of GFAs to ensure respect for human and labour rights across operations and supply chains, in line with the UN Guiding Principles for Business and Human Rights, the OECD Guidelines for Multinationals Enterprises and the ILO Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy (MNE Declaration).

ANNEX I

List of Global Deal commitments
received as of September 2020
and short updates on their
implementation

Global Deal partner	Type of Global Deal partner	Category(ies) of commitment	Brief summary of commitment and actions taken by the partner
Argentina	Government 	Policy development  Knowledge sharing and capacity building 	<p>The Government of Argentina has strengthened a number of existing national and sectoral tripartite social dialogue fora, including on minimum wages, the eradication of child labour, as well as gender equality and non-discrimination. As part of its Global Deal commitment, in 2019 Argentina established the Commission on Social Dialogue for the Future of Work, a national tripartite structure mandated to address issues related to Argentina's compliance with international labour standards, in accordance with the ILO's Tripartite Consultation Convention, 1976 (No. 144). Since its inception, the commission set up specific sub-committees to address issues related to labour standards, public policies and public management, as well as ILO special cases.</p>
Bangladesh	Government 	Policy development  Partnerships 	<p>The Government of Bangladesh is committed to implementing the ILO project "Promoting Social Dialogue and Harmonious Industrial Relations in the Bangladesh Ready-Made Garment (RMG) Industry", funded by the Swedish International Development Cooperation Agency (Sida) and the Government of Denmark (timeline: 2016-21). The project aims to build institutional capacity that facilitates social dialogue and industrial relations between government, employers and workers in Bangladesh, with a primary focus on the RMG industry. With support from the ILO, the government established and operationalised the National Tripartite Consultative Council, as well as the Ready-Made Garment Sector Tripartite Consultative Council.</p>

Global Deal partner	Type of Global Deal partner	Category(ies) of commitment	Brief summary of commitment and actions taken by the partner
Cambodia	Government 	Policy development 	The Government of Cambodia has promoted dialogue at different levels with a view to improving working conditions and strengthening industrial relations institutions and processes. For example, following the adoption of the 2018 Law on Minimum Wage, in 2019 the government established the tripartite National Council on Minimum Wage. As part of its commitment to the Global Deal, Cambodia developed and launched a Decent Work Country Programme (DWCP) for the period 2019-23 – the main vehicle for delivery of ILO support to the country. The DWCP has been negotiated through social dialogue; the government and social partners committed to improving social dialogue, industrial relations and rights at work, including for migrant workers, in line with international labour standards.
Canada	Government 	Policy development 	The Government of Canada is committed to respecting, promoting and realising the fundamental principles and rights at work to maximise the economic and social benefits of globalisation. In June 2019, Canada ratified the ILO Protocol of 2014 to the Forced Labour Convention, 1930. Canada has therefore ratified all of ILO's fundamental instruments as defined by the 1998 Declaration on Fundamental Principles and Rights at Work. Canada is also committed to hosting tripartite discussions with social partners on the importance of new ILO Violence and Harassment Convention, 2019 (No. 190) in order to work towards the ratification of this instrument.

Global Deal partner	Type of Global Deal partner	Category(ies) of commitment	Brief summary of commitment and actions taken by the partner
Canada	Government 	Policy development  Knowledge sharing and capacity building 	<p>Canada is committed to tripartite consultations with social partners in the formulation of labour and employment policies, either through legislated tripartite mechanisms or ad hoc tripartite committees. With this approach, Canada wants to ensure that partners with a stake in the issues are involved in decision making and that the outcomes of the consultations are shared among stakeholders. For example, Canada's Labour Program holds an annual Federal-Provincial-Territorial Roundtable with workers' and employers' organisations, where tripartite discussions and consultations on international labour issues take place. The Canadian National Contact Point (NCP) for the OECD Guidelines for Multinational Enterprises (MNEs) constitutes an additional mechanism for tripartite social dialogue.</p>
Canada	Government 	Policy development  Knowledge sharing and capacity building 	<p>Canada is committed to negotiating and implementing comprehensive and enforceable labour provisions in all of its trade agreements. Social partners are consulted in the process in order to help define Canada's interests in Free Trade Agreements and identify ways of maximising the economic and social benefits of these agreements. The government provides support to facilitate the effective implementation of labour provisions in these agreements, including by building the capacity of partner countries to enforce laws that respect the fundamental principles and rights at work.</p>

Global Deal partner	Type of Global Deal partner	Category(ies) of commitment	Brief summary of commitment and actions taken by the partner
Canada	Government 	Policy development 	Canada is committed to engaging with all stakeholders to advance responsible business conduct (RBC). As part of its Global Deal commitment, the Government of Canada has established and operationalised the independent Canadian Ombudsperson for Responsible Enterprise (CORE), and the Multi-Stakeholder Advisory Body on RBC (MSAB). The CORE is mandated to investigate and review claims of alleged human rights abuses arising from the operations of Canadian companies abroad, with a specific focus on the mining, oil and gas, and garment sectors. The MSAB aims to assist the government on the effective implementation and further development of its laws, policies and practices regarding human rights and RBC in all sectors.
Canada	Government 	Knowledge sharing and capacity building 	Canada is committed to supporting apprenticeship training and access to skilled trades. As part of this commitment, the Government of Canada has invested CAD 225 million for the period 2018-21 to implement the Future Skills programme, an initiative aimed at ensuring that the country's skills development policies and programmes are prepared to meet Canadians' changing needs. Future Skills promotes new approaches to learning, including apprenticeship models, learning formats that build digital and soft skills, and new technologies designed to speed learning. The initiative addresses the needs of disadvantaged and under-represented groups with the objective to ensure that all Canadians can benefit from the opportunities brought by the future of work.
Chile	Government 	Policy development 	Chile is committed to promoting social dialogue and decent working conditions through a permanent tripartite Labour Council as well as the establishment of sectoral bodies for labour certification and tripartite commissions tasked with implementing the National Policy of Health and Safety at Work in line with ILO Convention No.187.

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Colombia	Government 	Knowledge sharing and capacity building 	As part of its commitment, the Government of Colombia organised a regional tripartite seminar on the Global Deal, which took place in Bogotá in May 2018. The seminar gathered participants from 18 countries, including relevant ministers and vice ministers from Colombia, Panama and Guatemala, as well as representatives from trade unions and employers' organisations. It served to present the Global Deal partnership as a forum to share experiences and good practices on social dialogue and sound industrial relations.
Ethiopia	Government 	Policy development  Knowledge sharing and capacity building 	The Government of Ethiopia has pledged to reform and implement the country's Labour Law as a means to stimulate effective social dialogue and sustainable development. This also included an effort to build the capacity of social dialogue actors and strengthen the country's industrial relations institutions. Following a comprehensive process of review and consultation with social partners and other relevant stakeholders, in 2019, the Parliament of Ethiopia adopted the revised Labour Law, which is now being implemented. The government is also committed to developing minimum-wage-fixing institutions and mechanisms, in partnership with social partners.
France	Government 	Knowledge sharing and capacity building  Partnerships 	As part of its commitment, the Government of France established a national Global Deal platform dedicated to the exchange of information, experiences and good practices on social dialogue at the national, European and international levels. The platform brings together businesses, trade unions, sub-national governments and international organisations to jointly address the challenges raised by globalisation and the future of work. Through the establishment and facilitation of this platform, France is committed to furthering its commitment to social dialogue, including as a tool of corporate social responsibility and for the promotion of human rights and fundamental principles and rights at work.

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Netherlands	Government 	Partnerships  Policy development 	The Dutch Government is committed to strengthening compliance with labour standards and promoting living wages in global supply chains through the implementation of international multi-stakeholder sectoral agreements for international responsible business conduct (IRBC Agreements) in sectors considered to be at high risk in terms of human rights, labour rights and environmental protection. Since 2016, following the recommendation of the tripartite-plus Social and Economic Council (SER) of the Netherlands, a broad coalition of businesses, employers' organisations, trade unions, non-governmental organisations (NGOs), international organisations and the Dutch Government negotiated and signed agreements covering ten sectors, including garment and textile, gold, food industry, natural stone, sustainable forestry, insurance, metallurgy and floriculture. Signatories to the agreements commit to working together in countries and areas considered at greater risk to promote fundamental principles and rights at work, a living wage, occupational safety and health (OSH) and environmental sustainability.
Netherlands	Government 	Partnerships  Policy development 	The Government of the Netherlands is committed to leveraging social dialogue to fight and prevent child labour, including by promoting the implementation of relevant RBC agreements to help businesses to better identify risks related to child labour in their supply chains through their due diligence process. This also included the adoption of a new law (Child Labour Due Diligence Law) that requires companies selling products or services to Dutch end-users to identify whether child labour is present in their supply chain and, if this is the case, to develop a plan of action to address it and issue a due diligence statement. The Netherlands is also engaged with Alliance 8.7 (www.alliance87.org), a global partnership committed to taking immediate and effective measures to eradicate forced labour, modern slavery, human trafficking and child labour, and have financed an ILO project aimed at accelerating action for the elimination of child labour in supply chains in Africa (ACCEL).

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Netherlands	Government 	Partnerships  Knowledge sharing and capacity building 	<p>The Government of the Netherlands is committed to raising the visibility of development co-operation projects aimed at improving social and environmental compliance in the garment and textile supply chains. For example, the Dutch Government provided support and financed a number of projects and initiatives implemented in collaboration with international organisations, alliances and trade unions, such as the ILO, the Fair Wear Foundation and the Sustainable Trade Initiative (IDH).</p>
Republic of North Macedonia	Government 	Policy development  Knowledge sharing and capacity building 	<p>The Republic of North Macedonia developed and launched a Decent Work Country Programme (DWCP) for the period 2019-22. The DWCP has been negotiated through social dialogue between the government and relevant social partners, with support from the ILO. As one of the key priorities included in the DWCP, the government and social partners committed to working towards the improvement of labour market governance through enhanced social dialogue. A tripartite Overview Board has been set up to monitor the implementation of the DWCP.</p>
Spain	Government 	Policy development  Knowledge sharing and capacity building 	<p>The Government of Spain has pledged to implement the National Plan on Decent Work for the period 2018-20. The plan's main objective is to strengthen workers' rights and improve the quality of employment and working conditions by tackling precariousness and guaranteeing a level playing field. Within the framework of the plan, the government adopted a package of 75 measures to prioritise actions against temporary and part-time hiring frauds as well as undeclared work, which have led to important results. Social partners have played a key role in the elaboration of the plan and are involved in its monitoring and evaluation.</p>

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Sweden	Government 	Partnerships  Knowledge sharing and capacity building 	<p>Sweden is committed to promoting the Global Deal and its values at the international level, including as part of Sweden's development co-operation, notably through the work of the Swedish International Development Cooperation Agency (Sida). In collaboration with national stakeholders and international organisations such as the ILO, Sweden has financed projects and activities aimed at promoting social dialogue and sound industrial relations at the global, regional and country levels, including in Bangladesh, Cambodia, Ethiopia and Myanmar.</p>
Sweden	Government 	Policy development  Knowledge sharing and capacity building 	<p>Sweden is committed to prioritising the promotion of fair working conditions and the smooth transition of immigrant populations into the domestic labour market through social dialogue. For example, the Swedish Public Employment Service, together with the social partners, have developed fast tracks to allow newly arrived immigrants to enter the Swedish labour market and close the gaps in sectors with a shortage of labour. Sweden's long tradition of social dialogue and its flexible labour market, built on strong and equal social partners, has worked effectively in mitigating the impact of COVID-19. To tackle the consequences of the pandemic, the Swedish Government, in consultation with social partners, introduced an expanded system of short-time work, while workers' and employers' organisations have signed a number of collective agreements covering relevant sectors hit the hardest by the crisis. Sweden has also further developed the work of its national Global Deal contact group, which includes more than 40 participant organisations and serves as a forum to share experiences and good practices.</p>

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Sweden	Government 	Knowledge sharing and capacity building 	Sweden is committed to promoting fair jobs, inclusive growth, equal opportunities and gender equality through high-level political engagement at the European Union (EU) level. As part of this commitment, Sweden hosted the EU Social Summit for Fair Jobs and Growth, which took place in Gothenburg in 2017. Sweden's priorities for the European Union's legislative period 2019–24 include supporting job creation, social inclusion and fair competition, as well as fair and decent labour market conditions.
Uruguay	Government 	Knowledge sharing and capacity building 	Uruguay is committed to promoting social dialogue and collective bargaining with the overall objective to raise real wages and improve the country's pension system, as well as to promote social justice and sustainable development. Within the framework of this commitment, knowledge materials and good practices have been developed and disseminated to inform the work of the Wage Councils. Additionally, the government and social partners ensured that the work of the Wage Councils would focus on issues related to gender equality and non-discrimination. This resulted in a significant increase in quantity and quality of gender clauses agreed by workers' and employers' organisations in the Wage Councils.
Uruguay	Government 	Knowledge sharing and capacity building 	Uruguay is committed to promoting the transition from the informal to the formal economy, in line with the ILO Recommendation No. 204. Significant steps have been taken to develop formalisation strategies targeted at vulnerable populations, in close collaboration with social partners. With the view to improve the country's tools to promote the transition, an evaluation of the formalisation policies implemented between 2005 and 2017 has been carried out, and its findings have been used to improve the country's approach to tackling informality.

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Uruguay	Government 	Knowledge sharing and capacity building 	Uruguay is committed to promoting the implementation of its Culture of Work for Development Strategy, which aims to improve the quality of employment, reduce inequalities and prepare the labour market to seize the opportunities presented by the future of work. The strategy was developed in consultation with social partners and other relevant stakeholders, including youth organisations.
Airbus	Business 	Corporate practice  Knowledge sharing and capacity building 	Airbus is committed to collecting and sharing good practices on the use of social dialogue at the national and international levels and to promoting responsible business practices across its supply chain to contribute to decent work and inclusive growth. Airbus will do so by implementing its Responsibility and Sustainability Charter, in line with the 2030 Agenda for Sustainable Development.
Axfood	Business 	Corporate practice  Partnerships 	Axfood is committed to leveraging social dialogue as a key instrument to achieve its Living Wage Strategy to promote better incomes for workers and smallholders in its agricultural supply chains, in line with Sustainable Development Goal (SDG) 1 (No poverty). To achieve this objective, Axfood has developed strategic co-operation with a number of Global Deal partners, including Oxfam and Unionen.
Axfood	Business 	Knowledge sharing and capacity building 	Axfood is committed to building the capacity of its suppliers in Bangladesh and the People's Republic of China (hereafter "China") to engage in dialogue and negotiation to improve working conditions and uphold the principles of Axfood's Code of Conduct. For example, in partnership with QuizRR, Axfood rolled out a workers' engagement e-learning programme and trained more than 700 workers and managers from 11 factories in China. An evaluation of this activity highlighted that the trainings have had positive impacts and led to improved dialogue between workers and managers.

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BNP Paribas	Business 	Partnerships 	In 2018, BNP Paribas signed a worldwide framework agreement with UNI Global Union. The agreement, which covers more than 200 000 workers, builds upon three other collective agreements on employment, workplace equality, and prevention of work-related stress, signed at the European level. The new global framework agreement covers issues related to human rights, social dialogue and trade union rights, corporate social responsibility, employment management and change management, gender equality in the workplace, diversity promotion and inclusion, prevention of psychological and sexual harassment, and health and quality of life at work. A joint monitoring committee has been tasked to monitor the implementation of this agreement, as well as to identify good practices to promote.
Business Confederation of Macedonia (BCM)	Employers' organisation 	Partnerships  Advocacy 	BCM is committed to enhancing and promoting social dialogue in the Republic of North Macedonia to contribute to achieving decent work and inclusive growth, in line with SDG 8 (Decent work and economic growth). As a legitimate representative of the employers in the country, BCM participates in the tripartite Economic Social Council and engages with the government and the trade unions on economic, social and labour policy issues at the national level. As part of its commitment, BCM engages with the ILO in the implementation of the EU-funded project entitled "Strengthening social dialogue in North Macedonia".
ENGIE	Business 	Partnerships 	ENGIE is committed to negotiating a new global framework agreement to reaffirm the Group's pledge to promote human and labour rights as part of its social and environmental responsibility policy. Building upon a number of existing agreements covering ENGIE'S workforce, this new framework agreement would promote mechanisms for dialogue with all stakeholders, including suppliers and sub-contractors, and would contribute to inclusive growth and a fair and equitable ecological transition.

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Essity	Business 	Advocacy  Knowledge sharing and capacity building 	Essity is committed to enhancing safety at work to reduce accidents and improve the working conditions of its global workforce. It does so by organising the annual Safety Week, a global project aimed at fostering a culture of safety awareness and ensuring compliance with and improvement of standards. The project's communication is designed to inspire and create an emotional connection to safety, as well as raising standards. It targets all workers by providing good practices and messages that are shared both within as well as outside the company.
Essity	Business 	Corporate practice 	Essity has taken action to secure good standards and provide access to WASH (Water, Sanitation and Hygiene) in its own facilities. The WASH pledge sets a clear "Essity standard" for water, sanitation and hygiene. All of Essity's production sites should meet the standard within three years.
Groupe PSA	Business 	Partnerships  Corporate practice 	Groupe PSA has committed to implementing the Global Framework Agreement on Social Responsibility, signed with IndustriALL Global Union and IndustriALL European Trade Union in 2017. The company is also committed to continuing the joint monitoring of the agreement, in cooperation with the signatory trade unions, relevant national unions and employee representatives. The monitoring process provides trade unions with the opportunity to report non-compliance with the agreement. For example, this reporting channel was used in 2019 to facilitate the engagement between Groupe PSA and a local union in a new production facility.

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H&M Group	Business 	Partnerships  Knowledge sharing and capacity building 	<p>H&M Group is committed to collaborating with the ILO in the implementation of a public-private partnership agreement aimed at promoting the sustainable development of the garment's supply chains through a multi-pronged approach, with a focus on promoting sound industrial relations, encouraging social dialogue on wages and occupational safety and health, as well as strengthening freedom of association and gender equality. The agreement was renewed in 2018 and includes joint work in a number of priority countries, namely Bangladesh, Cambodia, China, Ethiopia, Indonesia, Myanmar and Turkey.</p>
H&M Group	Business 	Partnerships  Knowledge sharing and capacity building 	<p>H&M Group is committed to continuing its collaboration with the Swedish International Development Cooperation Agency (Sida), which aims to promote well-functioning industrial relations in garment supply chains, in partnership with the ILO and other relevant stakeholders. For example, H&M, Sida and the ILO collaborate at the country level to improve industrial relations in the textile and garment industry in Bangladesh, Myanmar and Ethiopia. H&M and Sida co-financed a number of ILO technical cooperation projects that deliver technical assistance to governments and specific capacity-building activities for social partners, as a basis for strengthening industrial relations.</p>
H&M Group	Business 	Partnerships  Knowledge sharing and capacity building 	<p>H&M Group has taken action to promote well-functioning industrial relations as a means to improve wages and working conditions throughout the garment supply chain, including by encouraging its direct suppliers and sub-contractors to engage in social dialogue. The multinational clothing-retail company signed a global framework agreement (GFA) with IndustriALL Global Union and IF Metall. The GFA does not have a fixed end date and includes a comprehensive structure to ensure its monitoring and implementation at the global, national and factory levels. In particular, it requires the parties to set up National Monitoring Committees (NMCs) in a number of countries, namely Bangladesh, Cambodia, India, Indonesia, Myanmar and Turkey.</p>

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H&M Group	Business 	Partnerships  Knowledge sharing and capacity building 	H&M Group is committed to continuing its collaboration with ACT (Action, Collaboration, Transformation), its brand members, IndustriALL Global Union as well as its affiliates, and national and sectoral employers' organisations with the objective to promote and achieve industry-wide collective agreements in a number of focus countries, including Bangladesh, Cambodia, Myanmar and Turkey.
ICA Group	Business 	Corporate practice 	ICA Group aims to improve working conditions throughout its supply chains, with a focus on human rights challenges linked to SDG 8 (Decent work and economic growth) and SDG 10 (Reduced inequalities). Working with suppliers, trade unions and other companies, notably through the Business Social Compliance Initiative, ICA is committed to ensuring that all suppliers in high-risk countries are socially audited.
Ingka Group (IKEA)	Business 	Corporate practice  Knowledge sharing and capacity building 	Ingka Group (IKEA) is committed to respecting and realising the principles concerning freedom of association and the effective recognition of the right to collective bargaining, in compliance with international human rights and national legislation. It will do so by conducting workshops in all countries of operation to ensure that the local approach is in line with Ingka Group's Social Relations framework wherever it operates. In partnership with the International Training Centre of the ILO (ITC-ILO), Ingka Group will also deliver a capacity-building programme to support the members of the European Works Council and the respective country Co-worker Relations Managers.

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Lindex	Business 	Knowledge sharing and capacity building  Partnerships 	Lindex is committed to promoting social dialogue as a key tool to enhance gender equality throughout the garment and textile supply chain. For example, the company added specific gender equality goals to Lindex's sustainability scorecard, which is used to assess the performance of its suppliers within social and environmental sustainability. In partnership with the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), Lindex is delivering a capacity-building programme to train its suppliers' factory management on gender equality and how to integrate it into management systems.
Pernod Ricard	Business 	Corporate practice 	Pernod Ricard is committed to auditing all its direct suppliers with the objective to assess and address the existing social and environmental risks. In 2019, Pernod Ricard launched its Suppliers Standards, a set of guidelines covering five themes, including labour and human rights, health and safety, environmental impact, integrity and fair business practices, and responsible drinking, which the Group's suppliers and sub-contractors sign and follow.
Pernod Ricard	Business 	Corporate practice 	Pernod Ricard is committed to promoting a workplace culture that values the safety and health of its workers with the aim to reach zero injuries by 2025. As part of this work, in 2019, Pernod Ricard launched its first health and safety policy, which is being promoted through a number of communication materials, educational videos and trainings.
Pernod Ricard	Business 	Corporate practice 	Pernod Ricard is committed to promoting gender equality and diversity by ensuring equal pay for work of equal value across the company by 2022. This also includes a pledge to achieve gender balance across the company's top management by 2030.

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Pernod Ricard	Business 	Corporate practice 	Pernod Ricard is committed to aligning its operations to the principles included in the United Nations Guiding Principles on Business and Human Rights (UNGPs). As part of this commitment, Pernod Ricard will develop new human rights and procurement policies to improve labour rights' awareness and compliance, as well as to provide a framework for capacity building on these topics.
Pernod Ricard	Business 	Corporate practice  Knowledge sharing and capacity building 	Pernod Ricard is committed to preparing its employees and partners, including in supply chains, for the future of work. The company will organise knowledge-sharing events and deliver capacity-building activities in partnership with key stakeholders. For example, together with the United Nations' EducateAll platform, Pernod Ricard will provide free sustainable and responsible bartending trainings online, as part of its "2030 Sustainability and Responsibility Roadmap - Good Times from a Good Place".
Pernod Ricard	Business 	Advocacy 	Pernod Ricard is committed to having its brands explore creative routes to break stereotypes and promote diversity and non-discrimination as part of their marketing campaigns.
QuizRR	Business 	Knowledge sharing and capacity building  Partnerships 	QuizRR is committed to raising awareness on social dialogue by supporting companies and their suppliers in their efforts to build the capacity of workers and managers on workplace dialogue, with a specific focus on workers' rights and responsibilities, workplace engagement and wage management. Through this work, QuizRR aims to encourage multinationals to go beyond audit, aiming to ensure decent jobs, workers' rights and greater equality through capacity building. This also includes showcasing the business case for social dialogue.

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Saint-Gobain	Business 	Corporate practice  Knowledge sharing and capacity building 	Saint-Gobain is committed to further developing its OPEN (Our People in an Empowering Network) programme, which aims to promote diversity, inclusion and participation in the workplace. The OPEN programme relies on social dialogue to produce decentralised solutions that are responsive to the specific needs of workers, in line with Saint-Gobain's Principles for Behaviour and Action. Saint-Gobain is also working to promote the exchange of experiences and good practices to improve the quality of social dialogue in the different countries in which the company operates, including by strengthening existing initiatives and encouraging its partners and suppliers to join the Global Deal.
Scania	Business 	Corporate practice 	Scania is committed to continuing with the implementation of its Skill Capture programme, which aims to broaden the scope of diversity and inclusion in the workplace and clearly link them to business results through fuller and more innovative use of workers' skills and a better ability to relate to customers' needs. Through its People Perspective programme, Scania carried out an assessment of labour condition standards across all Scania entities and defined minimum standards for all workers globally, in cooperation with trade union representatives and experts.

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Schneider Electric	Business 	Knowledge development and research  Corporate practice 	<p>Schneider Electric is committed to promoting social dialogue by encouraging the set-up of employee representative bodies in countries that do not already have one, in line with national legislation. The company is also committed to paying employees in the lower salary ranges at or above the living wage to meet their families' basic needs. As part of this pledge, Schneider Electric is implementing a decent salary survey to analyse wage levels and employment practices against local living wage standards, in partnership with Business for Social Responsibility (BSR). To promote decent working conditions within its supply chains, Schneider Electric is committed to conducting on-site auditing of 350 suppliers under human rights and environment vigilance by the end of 2020.</p>
SUEZ	Business 	Partnerships  Corporate practice 	<p>SUEZ is committed to ensuring a healthy and safe working environment that respects human rights for all its employees. Since the signature of the 2013 European Health and Safety Agreement, SUEZ has been engaging with workers' representatives at local and European levels to share and discuss health and safety indicators. A working group to discuss risk prevention and facilitate the dissemination of good practices has also been established within the framework of the European Works Council.</p>
SUEZ	Business 	Partnerships  Corporate practice 	<p>SUEZ is committed to reinforcing the promotion of professional equality and diversity through the implementation of the 2019 agreement concluded with its European social partners EPSU (European Federation of Public Service Unions) and IndustriAll European Trade Union. The agreement requires SUEZ to strengthen the gender mix policy to ensure that all its activities are accessible regardless of gender considerations, to introduce a zero-tolerance policy for sexual harassment, and to support parenthood without distinguishing between men and women. SUEZ is committed to applying the principles of the agreement to its operations beyond European borders.</p>

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Systembolaget	Business 	Corporate practice  Partnerships 	Systembolaget is committed to improving working conditions in the beverage industry and its supply chain, including through strengthening social dialogue and promoting unionisation. In 2019, Systembolaget, Unionen and the International Union of Food, Agricultural, Hotel, Restaurant, Catering, Tobacco and Allied Workers' Associations (IUF) signed a Memorandum of Understanding (MoU) that established a channel allowing local unions to report on breaches of the company's Code of Conduct. As part of this work, Systembolaget and its partners promoted the MoU in South Africa's beverage industry. This included the delivery of training activities to build the capacity of trade unions to use the reporting channel and the facilitation of multi-stakeholder roundtables with trade unions, producers, industry representatives and relevant civil society organisations.
Telia Company	Business 	Corporate practice  Partnerships 	Telia Company has committed to improving its responsible sourcing practices throughout its supply chain, with a special emphasis on tackling bribery and corruption, including through social dialogue. As part of its Global Deal commitment, Telia has the ambition to streamline the existing supplier base and screen all supplier contracts, in line with its due diligence strategy. In collaboration with major peers within the industry-wide Joint Audit Cooperation, Telia is contributing to ensuring the implementation of sustainability principles across the manufacturing centres of suppliers in the information and communication technology (ICT) industry.

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Veolia	Business 	Corporate practice  Partnerships 	Veolia is committed to transforming practices within the company by strengthening the implementation of its corporate policy on social responsibility. It is doing so by leveraging social dialogue to ensure the provision of a safe and healthy environment, the promotion of professional development for all employees, and respect for fundamental human and social rights and diversity. To ensure the implementation of this commitment, Veolia has defined performance and monitoring indicators that include collective bargaining coverage and the percentage of employees benefiting from training. Furthermore, Veolia's approach to transforming corporate practice is supported by the use of "social initiatives" that aim to share good human resources practices in terms of health and safety, diversity, corporate and social responsibility.
VINCI	Business 	Corporate practice 	VINCI is committed to working towards the promotion and implementation of social dialogue within the Group and among stakeholders. VINCI has developed a number of instruments, including its Manifesto as a Responsible Employer, a Code of Ethics and Conduct, and a Guide on Human Rights, which cover the quality of social dialogue, health and safety of employees, employee engagement, rules of conduct to prevent fraud and corruption, and impact on human rights. One example of this approach can be seen in the framework agreement on workers' rights signed in November 2017 with the Building and Wood Workers' International (BWI) and Qatari Diar Vinci Construction (QDVC) to ensure decent work, safety and health and good welfare standards for all workers employed by QDVC in Qatar, including migrant workers. VINCI relies on a continuous improvement process and the sharing of experiences and good practices among stakeholders.

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CFE-CGC Energies (France)	Trade union 	Partnerships  Advocacy 	CFE-CGC Energies is committed to promoting social dialogue as a tool to foster labour rights and improve working conditions at the national, European and international levels. For example, CFE-CGC Energies works with IndustriAll Global Union to negotiate, implement and monitor a number of global framework agreements in the energy sector. As part of its advocacy efforts, CFE-CGC Energies has launched an initiative to raise awareness about the role that social dialogue can play to support the energy transition, working in collaboration with a number of European universities.
European Trade Union Confederation (ETUC)	Trade union 	Advocacy 	ETUC is committed to working with its constituent European Trade Union Federations (ETUFs) to promote transnational company agreements. The specific focus of this commitment is on ensuring that the necessary legal and procedural frameworks are in place to support ETUFs and address issues emerging as part of the implementation process.
Federation of Somali Trade Unions (FESTU)	Trade union 	Advocacy 	The Federation of Somali Trade Unions (FESTU) launched an advocacy campaign to promote a culture of tripartism and social dialogue at the national level. As part of its voluntary commitment, FESTU worked with the Somali Chamber of Commerce and Industry (SCCI) and the Federal Government of Somalia to establish the Somali National Tripartite Consultative Committee (SNTCC), the first permanent platform of social dialogue on all employment and labour-related issues in the country.

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Icelandic Confederation of Labour (ASÍ)	Trade union 	Advocacy 	ASÍ is promoting social dialogue and decent working conditions through the implementation of the “Equal Rights – No Exceptions” campaign. This campaign is targeted more specifically at young people and migrant workers in the Icelandic labour market. In addition to developing communication materials to inform vulnerable workers and companies on collective agreements, as well as their rights and obligations, this campaign conducts – in partnership with relevant authorities at the national and local levels – joint workplace visits that have been successful in limiting social dumping, tax fraud and other illegal activities related to the labour market.
Industrial and Metal Workers Union (IF Metall, Sweden)	Trade union 	Partnerships  Advocacy 	IF Metall has pledged to promote social dialogue as a tool for sustainability and profitability for workers, companies and societies, in partnership with representatives from Swedish industry, trade unions, governments and international organisations. IF Metall is also engaged in facilitating the local ownership and implementation of the global framework agreement it has signed with the multinational clothing retail company H&M and the global trade union federation IndustriALL, with the objective of promoting well-functioning industrial relations within H&M’s garment supply chain.
IndustriALL European Trade Union	Trade union 	Advocacy  Knowledge sharing and capacity building 	IndustriALL European Trade Union is committed to promoting collective bargaining processes and institutions at the European level. Building on the “Together at Work” campaign, which aimed to demonstrate the positive impact of collective bargaining for workers, employers, and society at large, IndustriAll European Trade Union will launch a new project to investigate the effectiveness of collective bargaining in handling and mitigating the economic and social impact of the COVID-19 pandemic, collecting good practices and putting forward recommendations on how to sharpen collective bargaining and social dialogue as crisis-management tools.

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International Transport Workers' Federation (ITF)	Trade union 	Advocacy  Knowledge development and research 	ITF is committed to carrying out advocacy work at the regional and international levels to highlight the benefits of cross-border social dialogue and collective bargaining as a means to address challenges with automation and new technologies in the transport sector. By doing so, ITF is committed to working with transport employers and regulators across the transport sectors, as well as regional and global institutions, to secure the role of social dialogue in this process. For example, the ITF has developed position and response papers in relation to transport, technology and the gig economy, and launched research on the impact of the future of work on women in public transport.
International Transport Workers' Federation (ITF)	Trade union 	Partnerships 	ITF is committed to increasing the number of international collective agreements covering seafarers through social dialogue at the global level, within the framework of the International Bargaining Forum (IBF). As part of this commitment, ITF has developed negotiation strategies with ship owners in order to improve collective bargaining coverage, as well as pay, and terms and conditions for seafarers. This led to an increase in collective bargaining coverage for seafarers by approximately 2% between 2015 and 2019 (year-on-year), as well as to winning better pay and conditions within the agreements. ITF has also been successful in negotiating a new "Non-Seafarers Work" clause, which extends the scope of the seafarers' collective agreement to cover the work of dock workers.

Global Deal partner	Type of Global Deal partner	Category(ies) of commitment	Brief summary of commitment and actions taken by the partner
International Transport Workers' Federation (ITF)	Trade union 	Partnerships  Knowledge development and research 	ITF is committed to engaging in dialogue with multinational enterprises to promote increased corporate responsibility and accountability in supply chains and ensure the respect of labour rights as well as the sustainable development of the industries, with a focus on transport sector and its related sub-contracted operations. As part of this commitment, ITF and its affiliates partnered with the International Union of Food, Agricultural, Hotel, Restaurant, Catering, Tobacco and Allied Workers' Associations (IUFA) to gather evidence on abuses in the chains of sub-contracted transport services, linking them to their customers, the multinational companies in the food and beverage, retail and automotive industry. In partnership with one of these multinationals, they designed a new human rights due diligence (HRDD) model and promoted it with other companies as a sector-wide solution to tackle systematic exploitations. In 2020, the new HRDD model will be piloted in specific transport operations of the companies' supply chain.
Netherlands Trade Union Confederation (FNV)	Trade union 	Partnerships 	FNV is committed to working as an active member of the Social and Economic Council (SER) of the Netherlands, an advisory body in which workers' and employers' organisations, as well as independent experts, work together to reach agreement on key social and economic issues. FNV, together with other stakeholders, promotes discussions on issues related to the future of work, such as energy transition and employment, the sustainability of the social security system, as well as the integration of refugees in the Dutch labour market.

Global Deal partner	Type of Global Deal partner	Category(ies) of commitment	Brief summary of commitment and actions taken by the partner
Netherlands Trade Union Confederation (FNV)	Trade union 	Partnerships 	FNV is committed to promoting compliance with labour standards in global supply chains by actively engaging in the negotiation and implementation of the multi-stakeholder sectoral agreements for international responsible business conduct (IRBC Agreements). Since 2016, in partnership with a broad coalition of businesses, employers' organisations, NGOs, international organisations and the Dutch Government, FNV contributed to negotiating ten sectoral IRBC Agreements, including on the garment and textile, gold, food, natural stone, sustainable forestry, insurance, metallurgy, and floriculture industries.
Netherlands Trade Union Confederation (FNV)	Trade union 	Partnerships  Knowledge sharing and capacity building 	As part of its Global Deal pledges, FNV has partnered with Mondiaal FNV to build the capacity of independent trade unions in a number of regions, including in East Africa and Southeast Asia. The work aimed to enhance the dialogue, negotiation and conflict resolution skills of selected trade union leaders and members, with a special emphasis on women as well as informal and vulnerable workers. This also included the development of relevant research and knowledge materials, as well as engagement with employers' organisations, multinational companies and NGOs active in selected supply chains, including ship breaking, garment, flower, fruits and vegetables, cocoa, palm oil and construction.
Nordic IN	Trade union 	Knowledge development and research  Knowledge sharing and capacity building 	Nordic IN is committed to promoting social dialogue and sound industrial relations as a means to address labour market challenges. As part of its commitment, Nordic IN has worked on issues related to digitalisation and on identifying methods for transforming industrial production in a way that benefits enterprises and workers alike. Nordic IN has presented its findings and submitted them to broader discussions through its European and global platforms with the aim of finding common solutions that can pave the way for improved social dialogue.

Global Deal partner	Type of Global Deal partner	Category(ies) of commitment	Brief summary of commitment and actions taken by the partner
Public Services International (PSI)	Trade union 	Knowledge sharing and capacity building 	As part of its Global Deal commitment, PSI has implemented a project to foster social dialogue and ensure trade union rights for health workers in Liberia, as part of PSI's Ebola Response Strategy. The project brought together the health workers' trade union (NAHWUL) and the government to improve working conditions in the health sector, promote health and safety, and ensure universal access to quality public health care in the country.
Public Services International (PSI)	Trade union 	Knowledge sharing and capacity building  Advocacy 	PSI is committed to promoting social dialogue and collective bargaining between public sector trade unions and the Government of the Philippines. As part of this process, the Philippines has ratified the ILO Convention concerning the Protection of the Right to Organise and Procedures for Determining Conditions of Employment in the Public Service (No. 151). PSI and its affiliates are working with the government to complement the national legislation with appropriate bargaining machinery to reduce conflict and facilitate negotiated outcomes.
Public Services International (PSI)	Trade union 	Knowledge sharing and capacity building 	PSI is committed to contributing to effective and informed social dialogue on tax policies, with a specific focus on corporate tax practice. PSI is organising country-level workshops and seminars to educate workers and the wider public on how just tax policies can help tackle inequality, fund quality public services and contribute to a healthy growing economy.

Global Deal partner	Type of Global Deal partner	Category(ies) of commitment	Brief summary of commitment and actions taken by the partner
Swedish Commercial Employees' Union (Handels)	Trade union 	Partnerships  Advocacy 	Handels is committed to spreading the values of the Global Deal within the organisation and with national and international partners. Handels has promoted social dialogue within the framework of international development cooperation projects financed by the Swedish International Development Cooperation Agency (Sida) and implemented by Handels, in co-operation with Union to Union and the Olof Palme International Center. Together with the Swedish Trade Union Confederation (LO) and other stakeholders, Hansel has worked to set up the Ethical Trading Initiative (ETI) in Sweden. ETI Sweden was established in 2019, and it now brings together Swedish companies, trade unions, civil society organisations and the public sector to promote and ensure good working conditions in global supply chains.
Swedish Confederation of Professional Associations (SACO)	Trade union 	Advocacy 	SACO is committed to promoting social dialogue and sound industrial relations at national and international levels, including through collaboration with other organisations such as Union to Union and the Swedish Trade Union Confederation (LO SE). As part of its commitment, SACO has raised awareness about the Global Deal partnership and has promoted the initiative through its international networks.
Swedish Confederation of Professional Employees (TCO)	Trade union 	Advocacy  Knowledge sharing and capacity building 	TCO is committed to investing resources into the development of the Global Deal partnership, with a specific focus on highlighting the topics of gender and social dialogue. As part of this commitment, TCO promoted the values of the Global Deal with national and international partners and discussed the development of new Global Deal-related country-level initiatives with TCO's partners.

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Swedish Trade Union Confederation (LO)	Trade union 	Knowledge sharing and capacity building  Advocacy 	The Swedish Trade Union Confederation (LO) has committed to promoting the Global Deal and its principles with national and international stakeholders, including at the EU level. LO launched the “Let’s Talk!” concept, events that bring together representatives from businesses, trade unions, governments and civil society organisations, as well as independent experts and influencers. The objective of “Let’s Talk!” is to empower participants to create tangible and lasting positive impacts for all segments of society through social dialogue. Through a process-oriented forum, the initiative serves to develop applicable real-life solutions to address challenges related to the future of work, as well as to build trustful relationships between key actors and more resilient societies. Sweden and Nigeria hosted previous editions of “Let’s Talk!” The 2020 conference will take place on line and will include participants from southern Africa.
Swedish Union of Forestry, Wood and Graphical Workers (GS)	Trade union 	Advocacy  Partnerships 	GS is committed to promoting social dialogue at the national and international levels, including through enhancing co-operation with global union federations and engaging in discussions with a view to signing global framework agreements.
Trade Union Advisory Committee to the OECD (TUAC)	Trade union 	Advocacy  Knowledge sharing and capacity building 	TUAC is committed to raising the profile of social dialogue, including collective bargaining, as part of the OECD policy recommendations on labour market reforms, inclusive growth and productivity at firm, sector and national levels, as well as at the level of multinational enterprises. As part of its advocacy and knowledge-generation efforts, TUAC has engaged with the OECD on research and analytical work related to artificial intelligence, digitalisation and the future of work. TUAC has also organised seminars and events with a view to highlighting the contribution of social dialogue to enhance responsible business conduct, to promote a just transition for all towards an environmentally sustainable economy, and to support a reform of the international corporate taxation.

Global Deal partner	Type of Global Deal partner	Category(ies) of commitment	Brief summary of commitment and actions taken by the partner
UNI Global Union	Trade union 	Partnerships 	UNI Global Union is committed to working with multinational companies for the promotion of social dialogue as an instrument for decent work and inclusive growth. This includes a commitment to negotiating and signing global framework agreements to secure the rights to organise and bargain collectively for all workers, regardless of their employment status. As part of this work, UNI Global Union engages with multinational companies to promote the application of due diligence plans that ensure respect for human rights, including labour rights, across their operations and supply chains, as required by the UN Guiding Principles for Business and Human Rights and in line with the OECD Guidelines for Multinational Enterprises.
Unionen (Sweden)	Trade union 	Partnerships  Knowledge sharing and capacity building 	Unionen is continuing to work with Swedish multinationals to review and improve mechanisms and procedures used for corporate social responsibility, in line with international labour standards. In 2019, Unionen and IndustriALL Global Union signed a global framework agreement with the Global Deal partner Essity. Unionen has also developed trainings and capacity-building materials to raise awareness among trade unions on the importance to connect and extend membership and services to workers and economic units in the informal economy. Within the framework of a partnership with Self Employed Women's Association (SEWA), Unionen provides support to organise poor and self-employed women workers in India, building their capacities to engage in dialogue at different levels.

Global Deal partner	Type of Global Deal partner	Category(ies) of commitment	Brief summary of commitment and actions taken by the partner
ACT (Action, Collaboration, Transformation)	Multi-stakeholder organisation 	Partnerships 	<p>ACT is a multi-stakeholder initiative involving the global trade union federation IndustriALL and global brands and retailers in the garment and textile industry. It is committed to partnering with national actors to identify effective and sustainable ways of supporting living wages and industry-wide collective bargaining through purchasing pledges. These pledges reflect rising labour costs and aim to ensure that countries seeking to achieve living wages become preferred destinations for sourcing. As part of its work, ACT and its partners agreed on a set of five specific global purchasing commitments, as well as on a labour-costing protocol and an accountability and monitoring mechanism that includes regular comprehensive surveys with brands and suppliers. ACT has also continued to engage with national stakeholders in its priority countries. For example, it supported the negotiation of a Guideline on Freedom of Association in Myanmar.</p>
City of Suresnes (France)	Sub-national government 	Knowledge sharing and capacity building  Advocacy 	<p>The City of Suresnes is committed to promoting the objectives of the Global Deal and to highlighting the Suresnes model of social dialogue at national and international levels. As part of this commitment, Suresnes established a partnership with the ILO and the International Training Centre of the ILO (ITC-ILO) to make available its expertise on social dialogue to support the delivery of capacity-building programmes.</p>
City of Suresnes (France)	Sub-national government 	Knowledge sharing and capacity building 	<p>The City of Suresnes is committed to highlighting the potential of social dialogue to contribute to business performance, while at the same time supporting decent work and a more equitable work environment. Since 2013, the City of Suresnes organises yearly events that bring together key actors from the public and private sector, as well as experts from international organisations, including the ILO.</p>

Global Deal partner	Type of Global Deal partner	Category(ies) of commitment	Brief summary of commitment and actions taken by the partner
City of Suresnes (France)	Sub-national government 	Policy development 	The City of Suresnes is committed to implementing a set of policies and offering tools and services to improve the working conditions of its staff. For example, as part of a collective agreement signed by the City and the relevant trade unions in 2019, Suresnes committed to designing more friendly workspaces, to facilitating more flexible teleworking policies, and to implementing a more flat workplace culture to give more autonomy and responsibility to its staff.
City of Suresnes (France)	Sub-national government 	Policy development 	The City of Suresnes is committed to ensuring the optimum integration and support for people with disabilities throughout their careers with the administration. In addition to complying with the norms regarding the employment of disabled workers, in 2019, the City and trade unions signed an agreement to further improve the working conditions of people with disabilities, both within and outside of the administration.
City of Suresnes (France)	Sub-national government 	Policy development 	The City of Suresnes is committed to facilitating the creation of an enabling environment that allows for peaceful and constructive dialogue with the objective to improve public performance and sustainable development. Since 2009, the City engaged with trade unions to discuss and regulate issues related to working conditions through collective agreements.
City of Suresnes (France)	Sub-national government 	Policy development 	The City of Suresnes is committed to implementing relevant measures to promote equality and non-discrimination for its employees. As part of this commitment, Suresnes is implementing an action plan developed through social dialogue that includes actions aimed at fostering diversity, guaranteeing equal pay for work of equal value, promoting effective work-life balance, and preventing and combating sexual and gender-based violence within and outside the workplace.

Global Deal partner	Type of Global Deal partner	Category(ies) of commitment	Brief summary of commitment and actions taken by the partner
Ethical Trading Initiative (ETI)	Multi-stakeholder organisation 	Knowledge sharing and capacity building  Partnerships 	<p>ETI has pledged to promote and implement models of social dialogue in the key sourcing sectors and countries in which its members are active. It does so through a number of different channels, including the implementation of its tripartite supply chain programmes in Bangladesh, Myanmar, South Africa and Turkey. ETI's actions have included the facilitation of multi-stakeholder engagements on social-dialogue-related issues with corporate members, trade unions and NGOs. As part of its commitment, ETI has carried out research and impact assessments to support the implementation of specific country-level programmes and has provided capacity-building support and technical guidance to its members in order to strengthen their approach to workers' representation and workers' engagement.</p>
Fair Wear Foundation	Multi-stakeholder organisation 	Knowledge development and research  Knowledge sharing and capacity building 	<p>The Fair Wear Foundation is committed to contributing to the objectives of the Global Deal by increasing the knowledge base on social dialogue and sound industrial relations through research and capacity building. Through research and stakeholder consultations, the project aims to create a root-cause analysis of barriers to impactful social dialogue and develop concrete recommendations for overcoming those barriers in the global garment industry. In partnership with member brands, the Fair Wear Foundation will test some interventions in selected countries, with a view to developing strategies to strengthen social dialogue and deliver better working conditions, social stability and a level playing field.</p>
Fair Wear Foundation	Multi-stakeholder organisation 	Knowledge sharing and capacity building 	Fair Wear Foundation is committed to using its knowledge and experience to build the capacity of its member brands and social partners to engage in effective dialogue and fully exercise the rights to freedom of association and collective bargaining. During 2020, the Fair Wear Foundation will make available a practical guidance document to assist its member brands in engaging in dialogue at the factory level.

Global Deal partner	Type of Global Deal partner	Category(ies) of commitment	Brief summary of commitment and actions taken by the partner
Fairtrade International	Civil society organisation 	Advocacy  Partnerships 	Fairtrade International is committed to amplifying the voice of farmers and workers in key decision-making fora, supporting their efforts to confront policies that impede fair trade and sustainable business at the national, regional and global level. In collaboration with producers, Fairtrade International is advocating for government policies and corporate commitments that create an enabling environment for fairer trade in areas such as procurement policies, trade negotiations and business regulation. This includes an ongoing effort to achieve a living wage for all workers on Fairtrade-certified banana plantations, in co-ordination with workers' and labour rights' organisations. Parallel projects aimed at promoting social dialogue with the view of achieving living wages and living incomes for workers cover the floriculture, coffee and cocoa sectors.
International Trade Centre (ITC)	International organisation 	Advocacy  Knowledge development and research 	The ITC is committed to facilitating social dialogue with development partners on the good use of trade for inclusive and sustainable growth, with a particular focus on vulnerable populations and countries. Through its advocacy activities and partnerships, ITC gives added resonance to its research on these topics, notably through the organisation of major events and the hosting and facilitating of multi-stakeholder platforms, such as Trade for Sustainable Development (T4SD) and the She Trades Initiative, which can, in turn, inform social dialogue between governments and relevant partners.

Global Deal partner	Type of Global Deal partner	Category(ies) of commitment	Brief summary of commitment and actions taken by the partner
Olof Palme International Center (OPC) (Sweden)	Civil society organisation 	Knowledge sharing and capacity building 	The OPC has pledged to promote better and more constructive social dialogue through knowledge sharing and capacity building. The OPC has provided support to strengthen the organisational capacity of trade unions in areas pertaining to labour relations in several countries, with a focus on the Western Balkans. In collaboration with national stakeholders, OPC has supported trade unions' organising efforts with the objective to mobilise young and female workers and strengthen their abilities to participate in and influence local decision making. This included the promotion of platforms for dialogue between workers' and employers' organisations.
Oxfam International	Civil society organisation 	Advocacy  Partnerships 	Oxfam International is committed to strengthening respect for labour rights and improving workers' and small-scale producers' income in global supply chains. As part of this commitment, Oxfam is implementing a multi-country campaign focused on transparency, labour rights and incomes in the agri-food sector, based on research conducted on the distribution of value within this sector. Oxfam is also actively participating in the Workforce Disclosure Initiative, working with governments, investors, workers and businesses to demand transparency on labour rights issues.
Oxfam International	Civil society organisation 	Advocacy  Knowledge development and research 	Oxfam International is committed to contributing to the development of a more human economy that leaves no-one behind, that treats women as well as it treats men, that shares value more fairly and pays everyone a fair reward for the work they do, and that increases well-being for all while protecting the planet. For example, Oxfam launched the Even It Up campaign. Focused on reducing inequalities of wealth, income and power, it develops research and policy recommendations that provide solutions to tackling inequalities, and builds campaigns at the international level for decent work and pay for all, as well as fair tax and progressive public spending.

Global Deal partner	Type of Global Deal partner	Category(ies) of commitment	Brief summary of commitment and actions taken by the partner
Oxfam International	Civil society organisation 	Knowledge sharing and capacity building  Partnerships 	Oxfam International is committed to working with other stakeholders to tackle the political, social and economic barriers to greater labour market participation by women. For example, Oxfam implemented its Women's Economic Empowerment and Care (WE-Care) programme, aimed at achieving gender equality and economic development through addressing unpaid care and domestic work.
Regional Council of Île-de-France (France)	Sub-national government 	Knowledge sharing and capacity building  Policy development 	The Regional Council of Île-de-France has worked to implement a charter for the recognition of unionised employees' professional development designed to take account of the skills acquired as part of a trade union mandate in the context of career progression and to improve social dialogue and strengthen the capacity and representativeness of unions by changing employees' perceptions of union action and social relations. The Regional Council of Île-de-France is also committed to implementing a number of collective agreements aimed at facilitating the professional integration of people with disabilities, promoting gender equality in the workplace, and improving the quality of life and well-being at work.
Union to Union (Sweden)	Civil society organisation 	Partnerships  Knowledge sharing and capacity building 	Union to Union is committed to raising awareness about the Global Deal and promoting its principles through policy, advocacy and capacity-building work. Together with global trade union federations and other organisations, Union to Union supports its partners by delivering a number of Sida-funded development co-operation projects aimed at building the capacities to engage in dialogue and negotiation of trade unions worldwide. As part of its commitment, Union to Union has also launched a new thematic programme on social dialogue, which will contribute to promoting decent work, equality and sustainable development by targeting vulnerable workers in developing countries.

Global Deal partner	Type of Global Deal partner	Category(ies) of commitment	Brief summary of commitment and actions taken by the partner
United Nations Global Compact (UNGC)	International organisation 	Partnerships  Knowledge sharing and capacity building 	<p>The UNGC is committed to supporting companies to align their strategies and operations with its Ten Principles, including Principle 3 ("Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining"), through learning, action and advocacy. As part of its commitment, the UNGC launched the Decent Work in Global Supply Chains Action Platform, a forum of companies committed to enhancing social dialogue between management and workers in global supply chains through learning, advocacy and capacity building. The ongoing phase of the Action Platform explores the root causes of decent work deficits and focuses on developing strategies to reduce working poverty. Through this multi-stakeholder and multi-sectoral platform, participants share good practices and design actions that can have a positive impact on workers' wages, including in relation to responsible sourcing.</p>
Women in Informal Employment: Globalizing and Organizing (WIEGO)	Civil society organisation 	Knowledge sharing and capacity building  Advocacy 	<p>WIEGO has taken action to promote the transition from the informal to the formal economy and to improve the working conditions of informal workers through social dialogue. This includes carrying out and disseminating analyses to highlight decent work deficits affecting the working poor in the informal economy and providing solutions to facilitate the transition. WIEGO has also worked to strengthen the capacity of organisations of informal workers to engage effectively in social dialogue in order to secure more favourable terms of employment, terms of trade in markets and supply chains, policies and regulations.</p>

ANNEX II

Full list of Global Deal partners

105 Global Deal partners to date
(September 2020)

GOVERNMENTS	
	Angola
	Argentina
	Austria
	Bangladesh
	Belgium
	Cambodia
	Canada
	Chile
	Colombia
	Ethiopia
	France
	Indonesia
	Netherlands
	Paraguay
	Republic of North Macedonia
	South Africa
	Spain
	Sweden
	Tunisia
	Uruguay

BUSINESSES, BUSINESS ORGANISATIONS AND EMPLOYERS' ORGANISATIONS

	Airbus
	Air France
	AXA
	Axfood
	BNP Paribas
	Business Confederation of Macedonia (BCM)
	Carrefour
	Crédit Agricole
	Danone
	Engie
	Essity
	Folksam LO Pension
	Groupe PSA
	H&M Group
	ICA Group
	Ingka Group (IKEA)
	Lindex
	L'Oréal
	Michelin
	Pernod Ricard

	QuizRR
	Saint-Gobain
	Scania
	Schneider Electric
	Société Générale
	Sodexo
	Solvay
	Somali Chamber of Commerce & Industry (SCCI)
	SUEZ
	Swedfund
	Systembolaget
	Telenor Sweden
	Telia Company
	The B Team
	Total
	Tunisian Confederation of Industry, Trade and Handicrafts (UTICA)
	Veolia
	VINCI

TRADE UNIONS

 STBIH	Commerce and Service Trade Union (STBIH)
 NFS	Council of Nordic Trade Unions (NFS)
	CFE-CGC Energies
 FH FAGREVIGELSEN'S HOVEDORGANISATION	Danish Trade Union Confederation (FH)
 EUROCADRES	Eurocadres – Council of European Professional and Managerial Staff
	European Trade Union Confederation (ETUC)
	Federation of Somali Trade Unions (FESTU)
	French Confederation of Christian Workers (CFTC)
 CFE CGC CONFEDERATION FRANCAISE DE L'ENSEIGNEMENT-CGC	French Confederation of Management – General Confederation of Executives (CFE-CGC)
	French Democratic Confederation of Labour (CFDT)
	General Confederation of Labor - Workers' Force France (FO)
	Icelandic Confederation of Labour (ASÍ)
	IG Bergbau, Chemie, Energie
	Industrial and Metal Workers Union in Sweden
	IndustriALL European Union
	IndustriALL Global Union
	International Trade Union Confederation (ITUC)
	International Transport Workers' Federation (ITF)
	Nordic IN
	Public Services International (PSI)

	Netherlands Trade Union Confederation (FNV)
	Swedish Commercial Employees' Union
	Swedish Confederation of Professional Associations (SACO)
	Swedish Confederation of Professional Employees (TCO)
	Swedish Trade Union Confederation (LO)
	Swedish Union of Forestry, Wood and Graphical Workers
	Trade Union Advisory Committee to the OECD (TUAC)
	Tunisian General Labour Union (UGTT)
	UNI Global Union
	Unionen

OTHER STAKEHOLDERS

	ACT
	City of Suresnes
	Ethical Trading Initiative (ETI)
	Ethical Trading Initiative Norway (IEH)
	Fairtrade International
	Fair Wear Foundation
	Ibero-american Social Security Organization (OISS)
	International Labour Organization (ILO)
	International Trade Centre (ITC)
	Olof Palme International Centre (OPC)

ANNEX II

 OECD	Organisation for Economic Cooperation and Development (OECD)
 OXFAM	Oxfam
 île de France	Regional Council of Île-de-France
 syndex	Syndex
 UN GLOBAL COMPACT	UN Global Compact
 UNION TO UNION 18,000 & 5,000 GLOBAL	Union to Union
 WIEGO Women in Informal Employment: Globalizing and Organizing	Women in Informal Employment: Globalizing and Organizing (WIEGO)



Join the Global Deal partnership



<https://www.theglobaldeal.com/join>



GLOBAL DEAL
TOGETHER FOR DECENT WORK
AND INCLUSIVE GROWTH

THE GLOBAL DEAL FOR DECENT WORK AND INCLUSIVE GROWTH

The Global Deal is a multi-stakeholder partnership with the objective of addressing challenges in the global labour market to enable all people to benefit from globalisation. The purpose of the Global Deal is to highlight the potential of sound industrial relations and enhanced social dialogue to foster decent work and quality jobs, to increase productivity, and to promote equality and inclusive growth. The Global Deal welcomes a variety of different stakeholders to join the partnership. This includes governments, businesses, employers' organisations, trade unions, as well as civil society and other organisations. The full list of partners is available at www.theglobaldeal.com/partners.