

### 104th Session of the International Labour Conference, 1-13 June 2015

Worker, employer and government delegates from the ILO's 185 Member States will tackle a wide range of issues, including the transition from the informal to the formal economy, small and medium-sized enterprises and decent and productive employment creation, social protection (labour protection), the application of international labour standards, and programme and budget proposals for 2016-17.

### Information and reports on the application of Conventions and Recommendations

The Committee on the Application of Conventions and Recommendations is set up to deal with this item. It submits a report on its work to the Conference.

The Committee on the Application of Conventions and Recommendations will consider information and reports supplied by governments under articles 19, 22 and 35 of the Constitution on the effect given to Conventions and Recommendations, together



with the Report of the Committee of Experts on the Application of Conventions and Recommendations. This report consists of two volumes, both submitted to

the Conference. A first volume (ILC.104/III/1A) includes, in particular, the observations on the application of ratified Conventions. The second volume (ILC.104/III/1B) contains the General Survey of reports under articles 19 and 22 of the Constitution. The General Survey submitted to this session, entitled "Giving a voice to rural workers", will deal with the following Conventions and Recommendation: the Right of Association (Agriculture) Convention, 1921 (No. 11), the Rural Workers' Organisations Convention, 1975 (No. 141), and Rural Workers' Organisations Recommendation, 1975 (No. 149). These reports have been available on the Conference website since the beginning of February 2015.

## The transition from the informal to the formal economy – Standard setting, double discussion

Only one-quarter of workers worldwide is estimated to have a stable employment relationship, according to a new ILO report. The World Employment and Social Outlook 2015 (WESO) finds that, among countries with available data (covering 84 per cent of the global workforce), three-quarters of workers are employed on temporary or short-term contracts, in informal jobs often without

#### Key Resources

104th Session of the International Labour Conference, 1- 13 June 2015 Report of the Director-General - The future of work centenary initiative Report III (Part1b) Giving a voice to rural workers Report IV - Small and medium-sized enterprises and decent and

productive employment creation

Report V(1) The transition from the informal to the formal economy

any contract, under own-account arrangements or in unpaid family jobs. "The way forward is to ensure that policies take into consideration the evolution of how we work today", said Guy Ryder, ILO Director-General.

The informal economy comprises half to three-quarters of all nonagricultural employment in developing countries. Although it is hard to generalize concerning the quality of informal employment, in most cases it means poor employment conditions and is associated with increasing poverty. Some key features of informal employment are lack of protection in the event of non-payment of wages, compulsory overtime or extra shifts, lay-offs without notice or compensation, unsafe working conditions, and the absence of social benefits such as pensions, sick pay and health insurance. Women, migrants and other vulnerable groups of workers who are excluded from other opportunities have little choice but to take informal low-quality jobs. At its 104th Session the International Labour Conference will hold a second discussion of the standardsetting item on the transition from the informal to the formal economy, with a view to the adoption of a Recommendation.

In preparation for the double discussion and in accordance with article 39(1) of the Standing Orders of the Conference, the Office prepared a preliminary report (ILC.103/V/1) setting out law and practice in different countries, and containing a questionnaire, which was communicated to governments in August 2013. Based on the replies received, the Office prepared a second report on the item (ILC.103/V/2), which was then communicated to governments in advance of the first discussion. These two reports provided the basis for that discussion by the Conference in 2014. At the conclusion of that discussion, the Conference adopted a resolution to place an item entitled "Facilitating transitions from the informal to the formal economy" on the agenda of its next ordinary session, for a second discussion with a view to the adoption of a Recommendation.

In the light of this resolution and in conformity with article 39(6) of the Standing Orders of the Conference, the Office prepared a further report on "The transition from the informal to the formal economy" (ILC.104/V/1), which included the text of a proposed Recommendation. This was communicated to governments in September 2014, with the request that they provide the Office,

Report VI – Labour protection in a transforming world of work

World Social Protection Report 2014-15: Building economic recovery, inclusive development and social justice

ILO warns of widespread insecurity in the global labour market Rules of the Game: a brief introduction to International Labour Standards (Revised edition 2014)

ILO Declaration on Social Justice for a Fair Globalization Informal employment among youth after consulting the most representative employers' and workers' organizations in their country, with any proposals for amendments to, or comments on, the text.



Percentage of workers (total employment) without a permanent contract. 90-100%; 75-90% 25-50% less than 25%

For the second discussion to be held at the present session, the Committee will have before it a report (ILC.104/V/2A) containing the essence of the replies received from governments and from employers' and workers' organizations. It will also have before it the draft text of the proposed Recommendation (ILC.104/V/2B). This draft will be the focus of the Committee's discussions. Both reports were posted on the Conference website in March 2015.

### Small and medium-sized enterprises and decent and productive employment creation – general discussion

At its 319th Session (October 2013) the Governing Body placed an item on "small and medium-sized enterprises and decent and productive employment creation" on the agenda of the present session of the International Labour Conference for general discussion. The promotion of small and medium-sized enterprises (SMEs) is a key area of intervention for the ILO, given the very large number of people employed by SMEs. The Organization's advisory services on SME policies are in high demand among ILO Member States, a demand that has increased in recent years as a result of the major employment challenges facing many developed and developing countries. A considerable number of international agencies are working to promote SMEs, but the ILO is seen as central because of its focus on both the quantitative and qualitative aspects of employment creation and because its constituents are the real actors in the world of work.

The report prepared by the Office as a basis for the general discussion (ILC.104/IV) contains up-to-date information on the important role played by SMEs in generating employment and economic growth, as well as key constraints faced by enterprises and their workers; it also reviews the effectiveness of support measures for the enterprise segment which, given its great diversity, requires differentiated analyses and policy responses. It was posted on the Conference website in April 2015.

The three most important constraints to SME growth identified by business people in the segment are: access to finance; access to electricity; and competition from the informal sector. The report examines the relevance and effectiveness of the most important types of SME policies and the ways in which they contribute to ILO priorities. It addresses the following issues: access to finance; entrepreneurship training; establishing an enabling environment for enterprises; formalization of enterprises; promoting SME productivity; improving working conditions; and value chain interventions. It summarizes both the available global evidence and the results of ILO programmes in each area. Finally, it provides an overview of the latest trends in SME policies.

# Recurrent discussion on the strategic objective of social protection

Developing and enhancing measures of social protection (social security and labour protection) is one of the four strategic objectives set out in the ILO Declaration on Social Justice for a Fair Globalization, adopted by the International Labour Conference at its 97th Session (2008). In giving effect to the follow-up to the Declaration, which introduced a scheme of recurrent discussions by the Conference covering each of the Organization's four strategic objectives in turn, the Governing Body agreed that the recurrent discussion on social protection should be divided between two sessions, with a discussion on social security at one session and a discussion on labour protection at another. The discussion on social security took place at the 100th Session (2011). At its 313th Session (March 2012) the Governing Body decided that the first recurrent discussion on social protection (labour protection), which is the only recurrent discussion item that has not yet been taken up by the Conference since the system was initiated in 2010, would take place at the 2015 session of the Conference.

This discussion therefore provides ILO constituents with a prime opportunity to review the evolving realities and needs of Members as regards labour protection, as well as the related action taken by ILO Member States and the Organization in the past years.

The report, *Labour protection in a transforming world of work* (ILC.104/VI), explains what labour protection is and positions it as an integral part of the Decent Work Agenda. It also examines trends across regions and in diverse national contexts, in respect of wages, working time, occupational safety and health, and maternity protection. It identifies central policy issues and new challenges, presenting examples of innovative policy approaches in selected countries. It then discusses the responses developed by the ILO over the past decades to support its Members and constituents to improve working conditions across the world, and puts forward suggestions regarding the strengthening of the ILO's capacity and work in this field. In so doing, the report takes account of the new priorities introduced by the ILO's internal reform. It includes a set of suggested points for discussion.

#### Information for INGOS

Delegates will be able to register and collect their badges at the ILO Pavilion, on the left-hand side at the main vehicle entrance to the International Labour Office (headquarters building), provided that the Office has received their credentials.

During the conference, all participants must be in possession of a valid identity document, containing a photograph, and the name of the delegate in Latin script, so that credentials may be verified.

The registration office will be clearly signposted at the main vehicle entrance and at all pedestrian entrances. The registration desk will be open from 2 p.m. to 5 p.m. on Friday, 29 and Saturday, 30 May, and from 10 a.m. to 5 p.m. on Sunday, 31 May. It will then be open daily from 8 a.m. to 5 p.m.; from 8 a.m. to 1 p.m. on Saturday, 6 June, but closed on Sunday, 7 June.

Briefings for INGos will be organized on the 2<sup>nd</sup> of June, (9.30-10.30), the 5<sup>th</sup> of June (9.30-10.30) and the 9<sup>th</sup> (10 -11), Room X- Palais des Nations.

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