



## Governing Body

320th Session, Geneva, 13–27 March 2014

GB.320/POL/4

**Policy Development Section**  
*Employment and Social Protection Segment*

**POL**

**Date:** 13 February 2014

**Original:** English

### FOURTH ITEM ON THE AGENDA

## Report for the recurrent discussion on social protection (labour protection) at the 104th Session (2015) of the International Labour Conference

#### Purpose of the document

This paper presents issues relevant to the preparation of the Office report for the recurrent discussion on the strategic objective of social protection (labour protection) during the 104th Session of the Conference. The Governing Body is invited to submit comments to inform the preparation of the report (see paragraph 19).

**Relevant strategic objective:** To enhance the coverage and effectiveness of social protection for all.

**Policy implications:** A discussion on the issues presented will inform the preparation of the Office report for the recurrent discussion on social protection (labour protection) at the Conference, which will guide the strategic orientations for the Organization with respect to social protection.

**Legal implications:** None.

**Financial implications:** None.

**Follow-up action required:** At its 104th Session (2015), the Conference will hold a recurrent discussion on the strategic objective of social protection (labour protection).

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**Related documents:** ILO Declaration on Social Justice for a Fair Globalization, 2008; GB.320/POL/3.



## I. Context

1. 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.<sup>1</sup> The follow-up to the Declaration includes a scheme of recurrent discussions at the International Labour Conference (ILC) designed to:
  - (i) understand better the diverse realities and needs of its Members with respect to each of the strategic objectives, respond more effectively to them, using all the means of action at its disposal, including standards-related action, technical cooperation, and the technical and research capacity of the Office, and adjust its priorities and programmes of action accordingly; and
  - (ii) assess the results of the ILO's activities with a view to informing programme, budget and other governance decisions.<sup>2</sup>
2. In giving effect to the follow-up to the ILO Declaration on Social Justice for a Fair Globalization, the Governing Body agreed that the recurrent discussion on social protection should be divided into labour protection and social security.<sup>3</sup> In March 2012, the Governing Body decided that the first recurrent discussion on social protection (labour protection) would take place at the 2015 session of the Conference.<sup>4</sup> Labour protection is the only item that has not yet been the subject of a recurrent discussion, as such discussions have already taken place on employment (2010), social protection (social security) (2011), fundamental principles and rights at work (2012) and social dialogue (2013).<sup>5</sup> The upcoming discussion on labour protection will therefore be able to take account of the outcomes of the recurrent discussions on all other items.

## II. Approach of the 2015 recurrent discussion report

3. As to the theme of labour protection, the ILO Declaration on Social Justice for a Fair Globalization refers to policies regarding wages and earnings, hours and other working conditions, as well as occupational safety and health.<sup>6</sup> Therefore, issues for the first recurrent discussion on labour protection include labour earnings, working time and occupational safety and health.

<sup>1</sup> *ILO Declaration on Social Justice for a Fair Globalization*, International Labour Conference, 97th Session, Geneva, 2008, Part I(A).

<sup>2</sup> *Ibid.*, Annex, Part II(B).

<sup>3</sup> GB.303/3/2, para. 5. In March 2009, the Governing Body decided that recurrent discussions would follow a seven-year cycle, with employment, social protection, and fundamental principles and rights at work being discussed twice during the cycle and social dialogue once. GB.304/7, para. 19; GB.304/PV, para. 183.

<sup>4</sup> GB.313/PV, para. 18(d); GB.313/INS/2, para. 19.

<sup>5</sup> In the current follow-up cycle, a second recurrent discussion will be held on employment in 2014 and on fundamental principles and rights at work in 2016.

<sup>6</sup> *ILO Declaration on Social Justice for a Fair Globalization*, International Labour Conference, 97th Session, Geneva, 2008, Part I(A)(ii).

4. The underlying rationale is that labour earnings, working time and occupational safety and health are key dimensions of work and are intrinsically linked to each other. They are essential for the maintenance of workers and their families, for workers' health and safety, for their ability to reconcile their work and personal life, for their dignity, and for their overall well-being. They are also very important for labour productivity and enterprise competitiveness. Moreover, they have far-reaching social implications for the development of communities and society as a whole.
5. There is space for the recurrent discussion to build upon the General Survey on Minimum Wage Systems prepared by the Committee of Experts on the Application of Conventions and Recommendations (CEACR) and its discussion by the Conference Committee on the Application of Standards (CAS) in 2014 on the one hand;<sup>7</sup> and on the conclusions of the recent Tripartite Meeting of Experts on Working-time Arrangements (17–21 October 2011) on the other.<sup>8</sup>
6. In addition to the above, relevant information is also contained in other recent General Surveys,<sup>9</sup> in the outcomes of previous recurrent and general discussions, in standard-setting processes,<sup>10</sup> in Governing Body discussions on aspects of labour protection, as well as in the numerous technical reports and policy papers prepared by the Office on this subject. This paper highlights key aspects of the report's analysis, which will explore linkages between labour protection, women's empowerment and gender equality at work.

## Introduction

7. Labour protection is at the heart of the ILO mandate, as it emanates from the ILO Constitution, including the Declaration of Philadelphia, the ILO Declaration on Fundamental Principles and Rights at Work, and the ILO Declaration on Social Justice for a Fair Globalization. The importance and rationale of labour protection measures "designed to ensure a just share of the fruits of progress to all"<sup>11</sup> will be presented as an integral part of the Decent Work Agenda.
8. A large body of standards address labour protection, from the Hours of Work (Industry) Convention, 1919 (No. 1), to the recent instruments on domestic workers, including the Minimum Wage Fixing Convention, 1970 (No. 131), the Occupational Safety and Health Convention, 1981 (No. 155), its Protocol of 2002, the Promotional Framework for Occupational Safety and Health Convention, 2006 (No. 187) and the respective supplementing Recommendations. Throughout the Organization's history, numerous standards have been adopted to cover the different aspects of labour protection, leading to

<sup>7</sup> The November 2010 Governing Body decision to hold the CAS review of General Surveys one year in advance of the relevant recurrent discussion was taken precisely to facilitate the better consideration and integration of the standards-related aspects into the recurrent discussion. GB.309/PV, para. 288 and GB.309/10, para. 8.

<sup>8</sup> The conclusions of this Tripartite Meeting of Experts have been examined by the Governing Body at its 313th Session in March 2012. GB.313/PV, paras 285–292; GB.313/POL/1.

<sup>9</sup> For example, the ILO General Surveys on Occupational Safety and Health (2009), Hours of Work (2005) or Protection of Wages (2003).

<sup>10</sup> Including the first discussion on transitioning from the informal to the formal economy (2014).

<sup>11</sup> *ILO Declaration on Social Justice for a Fair Globalization*, International Labour Conference, 97th Session, Geneva, 2008, Part I(A)(ii).

a particularly significant number of instruments in the areas of wages, working time and occupational safety and health. While the conclusions of the 2011 Tripartite Meeting of Experts on Working-time Arrangements note that “the provisions of existing ILO standards relating to daily and weekly hours of work, weekly rest, paid annual leave, part-time and night work, remain relevant in the twenty-first century, and should be promoted in order to facilitate decent work”,<sup>12</sup> some of the instruments concerned are no longer considered as up to date.

## Recent trends and policy challenges

9. The diverse socio-economic trends of recent years demonstrate that the world of work has undergone a profound transformation. This transformation has had major consequences for social risks and the protection needs of workers.
10. In industrialized countries, but also in some developing countries, the financial and economic crisis of the late 2000s further weakened the foundations on which different forms of labour protection were built, notably eroding standard forms of employment and their associated rights and entitlements. Falling union membership, the erosion of collective bargaining and the hollowing out of protection by collective agreements are resulting in growing imbalances in labour relations and a reduction in workers’ control over their working lives. The responsiveness of labour market regulations to changing employment and production patterns has been questioned. Over the last decade, the debate on the impact of labour market regulations on economic and labour market performance has influenced labour law reforms in many countries, which have often weakened workers’ protection.
11. In the developing world, the number of working poor has declined significantly since the early 2000s.<sup>13</sup> Despite this positive trend, the “informal economy”, which varies greatly from country to country, remains extensive and, in some instances, has grown. This means that a large proportion, often the vast majority, of workers are not protected in law or in practice, or are poorly protected. The level of productivity of micro- and small enterprises, which are an important source of employment and income in developing countries, remains low and constitutes one of the main obstacles to formalization and to the improvement of working conditions. While there are countries in the developing world where labour protection has been strengthened through a variety of wage-bargaining arrangements, coverage is far from universal and membership of trade unions and employers’ organizations in many countries remains low and fragmented.
12. In both developed and developing countries, some highly skilled workers have seen their incomes rise as a result of technological innovations and globalization, but, at the same time, stagnation in wages and deterioration in working conditions has been observed, particularly in those of less skilled and semi-skilled workers, leading to growing inequalities among workers and in societies at large. These growing inequalities are increasingly perceived as posing a major risk to societies and economies across the globe.
13. The inability of workers to make a living from what they earn presents new challenges for already strained social security and assistance systems. Certain groups of workers, including low-income female workers, migrant workers, workers belonging to ethnic minorities and to indigenous groups, or workers in the informal economy or in specific

<sup>12</sup> ILO: *Final report: Tripartite Meeting of Experts on Working-time Arrangements*, Geneva, 17–21 October 2011, TMEWTA/2011/6, p. 29.

<sup>13</sup> ILO: *Global Employment Trends 2014: Risk of a jobless recovery?*, Geneva, 2014.

sectors such as agriculture, construction or domestic work, are disproportionately affected by low pay and lack of labour protection, de facto and de jure. These groups are also more likely to be exposed to violations of fundamental principles and rights at work.<sup>14</sup> A number of questions remain regarding the degree to which workers enjoy access to labour rights and to what extent existing industrial relations institutions provide labour protection to all workers.

14. In this context, recent trends in wages, working time and occupational safety and health, as well as the interrelations between them, will provide evidence on changes in the wages of men and women, changes in both the duration and organization of working time, changes in occupational safety and health risks, as well as recent trends in respect of occupational safety and health, including those stemming from the impact of the recent global recession. Policy challenges include: (a) how to ensure that real wages grow in the long term, in line with labour productivity, and that wage structures ensure fair distribution; (b) how to improve the effectiveness and inclusiveness of minimum wages; (c) how to ensure flexibility in working-time arrangements to respond to both enterprises' and workers' needs without increasing the vulnerability and insecurity of workers; and (d) how to prevent hazards and risks, including newly emerging musculoskeletal and psychosocial risks, which appear to be on the rise owing to greater work pressures, greater work intensity and increased job and income insecurity, among other factors.

## ILO responses

15. The rapid increase in technical assistance activities in the area of minimum wages in recent years, as well as the activities carried out in the area of wage bargaining and public sector pay, and other issues related to wages and wage policies, will be presented, as well as the results achieved. With regard to working time, a stocktaking of the work carried out by the Office as part of its follow-up to the conclusions of the 2011 Tripartite Meeting of Experts on Working-time Arrangements will highlight the results achieved by the Office in that area, as well as in supporting the design and implementation of comprehensive occupational safety and health policies and strategies in response to new labour market needs, in line with the related Plan of Action for 2010–16.<sup>15</sup>
16. In addition, activities undertaken by the Office have supported constituents' efforts to extend labour protection to groups of workers who have typically been excluded from such protection, such as domestic workers, migrant workers and workers living with HIV/AIDS. Since the adoption of the Domestic Workers Convention, 2011 (No. 189), and the Domestic Workers Recommendation, 2011 (No. 201) in June 2011, the Office has been supporting change by providing assistance to more than 35 countries through an integrated strategy that shows the importance of coordinated support and illustrates the interrelations and synergies between the four ILO strategic objectives. Given that labour protection for migrant workers is an integral part of the ILO's renewed commitment to labour migration

<sup>14</sup> ILO: *Conclusions concerning the recurrent discussion on fundamental principles and rights at work*, Resolutions adopted by the International Labour Conference at its 101st Session, Geneva, 2012, p. 16.

<sup>15</sup> *Plan of Action to achieve widespread ratification and effective implementation of the occupational safety and health instruments (Convention No. 155, its 2002 Protocol and Convention No. 187) (2010–16)*, ILO, 2010, [http://www.ilo.org/wcmsp5/groups/public/---ed\\_norm/---normes/documents/policy/wcms\\_125616.pdf](http://www.ilo.org/wcmsp5/groups/public/---ed_norm/---normes/documents/policy/wcms_125616.pdf).

issues,<sup>16</sup> the report will provide an update on and a review of ILO activities on labour protection for migrant workers.

## The way forward

17. The analysis of trends and challenges and the ILO responses so far can be used to identify possible areas for future work by the ILO with a view to providing its Members with better support in developing and enhancing labour protection measures. These measures should respond to workers' needs in the rapidly changing world of work and aim to achieve more inclusive and sustainable growth based on quality employment and the fair distribution of economic gains. The way forward will be informed by the linkages between the objective of labour protection and other ILO strategic objectives, as well as by the areas of critical importance (ACIs) for ILO action. Some policy areas of note include the following:

- *Promoting decent wages for all, especially for vulnerable workers.* For low-paid workers and their families, the provision of an adequate minimum wage remains an essential instrument of labour protection. While a large majority of countries have a minimum wage system in place, there is a need to identify measures to increase their effectiveness in protecting vulnerable workers (for example, by ensuring compliance) and to ensure that they contribute, together with employment and social security policies, to the formalization of the informal economy. There is also a need for regulatory environments that promote comprehensive collective bargaining coverage and better policy coherence between collective bargaining and minimum wage systems. Increasing labour productivity in small and medium-sized enterprises in specific sectors, such as agriculture, is essential for improving earning and wage levels.
- *Encouraging an integrated and holistic approach to working time.* Internationally established limits on working hours contribute to the creation of the conditions necessary for fair competition between countries.<sup>17</sup> The increasing importance of the relation between working time and non-working time<sup>18</sup> calls for an integrated approach that covers hours of work, rest and the organization of working time.<sup>19</sup> Working-time arrangements need to allow both women and men to fulfil family responsibilities, including caring for children and elderly relatives. A holistic approach would seek to address decent work deficits related to working time and to help develop balanced solutions by taking account of employers' and workers' preferences while safeguarding occupational safety and health.
- *Increasing the inclusiveness of labour protection measures.* Increasing the inclusiveness of labour protection measures is contingent upon strengthening and extending existing forms of labour protection, as well as upon developing new forms of protection that respond to changes in the world of work. The discussion will mainly focus on innovative approaches to collective bargaining that provide protection to groups that are traditionally not covered, including workers employed

<sup>16</sup> ILO: *Conclusions of the Tripartite Technical Meeting on Labour Migration*, Geneva, 4–8 November 2013, TTMLM/2013/14. GB.320/POL/3.

<sup>17</sup> ILO: *General Survey on Hours of Work*, Report III (Part 1(B)), International Labour Conference, 93rd Session, 2005, para. 321.

<sup>18</sup> *Ibid.*, para. 330.

<sup>19</sup> Including compressed workweeks, hours averaging, variable shift lengths, part-time work, etc.

under non-standard contractual arrangements. The impact of labour protection policies on economic performance will also be assessed, taking into account possible interactions with other labour market institutions and the overarching goal of ensuring inclusive and effective labour markets.

- *Enhancing strategies for the prevention of occupational risks and hazards.* A prevention strategy should encompass the protection of the physical, psychological and social aspects of the worker's life, focusing both on individual protection and on workplace and employment arrangements that reduce risks. This requires a balanced approach supported by social dialogue that combines comprehensive national occupational safety and health policies, cooperation between employers and employees in the workplace to prevent risks and to provide training, and effective compliance institutions, including labour inspection systems.
- *Strengthening the global knowledge base on labour protection.* Since its creation, the ILO has emphasized the need for policy coordination at the global and regional levels in order to improve labour protection, as reflected in the Preamble to its Constitution.<sup>20</sup> The importance of such global actions has grown in recent years, particularly under the pressure of globalization in the production and finance sectors, which some fear might pose the risk of a "race to the bottom" in labour protection. Such actions would require the creation of a global knowledge base and informed policy dialogue at the regional and global levels with a view to providing effective protection for all workers around the world.
- *Protecting workers from unacceptable forms of work.* Labour protection measures are indispensable for preventing workers from falling into situations where the working conditions are unacceptable both in terms of outcomes for the worker and in terms of broader social policy objectives. The report will seek to inform policy thinking in this regard by drawing on existing knowledge of the relationship between working conditions and fundamental principles and rights at work, as well as on innovative research and country-level action.

18. In the light of the above analysis and findings, issues for discussion could focus on a number of priorities, including integrating activities and improving linkages with other strategic objectives. A major focus could be support for national capacity building and policy development and implementation.

## Proposed points for discussion

19. The Governing Body may wish to comment on the issues presented in order to inform the preparation of the Office report for the recurrent discussion on the strategic objective of social protection (labour protection) (2015).

### **Draft decision**

20. *The Governing Body invites the Director-General to take note of the views expressed during the discussion on the preparation of the Office report for the recurrent discussion on social protection (labour protection) (2015).*

<sup>20</sup> The Preamble of the ILO Constitution states that: "Whereas also the failure of any nation to adopt humane conditions of labour is an obstacle in the way of other nations which desire to improve the conditions in their own countries".