

## CONCLUSIONS

### **The 9<sup>th</sup> 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, Chiba Prefecture, Japan**

#### **Background**

The 9th Tripartite Regional Seminar was held in Chiba Prefecture, Japan on September 18-19, 2019, with the support from the ILO/Japan Multi-bilateral Programme and with the collaboration among ASEAN Member States (AMS), the ASEAN secretariat and the ILO. The Seminar was attended by a total of 38 people including tripartite representatives of Cambodia, Indonesia, Lao PDR, Malaysia, Myanmar, Thailand, Philippines, and Japan, together with staff members of the ASEAN secretariat and the ILO (offices in Bangkok, Jakarta and Tokyo).

The Seminar aimed to discuss the importance of skills development as a key subject of social dialogue in the context of future of work. The Seminar provided a platform to develop a common understanding on opportunities and challenges of future labour markets, to share information and experience on skills development within ASEAN and to learn good practices on the legislation, system and governance of skills development and to highlight key issues for social dialogue on skills development. It was timely organised, and the implementation aligns with the ILO Centenary Declaration on the Future of Work adopted at the 2019 International Labour Conference, which addresses major challenges in the changing world of work and recommends the investment in people’s capabilities (i.e. lifelong learning and skills development) as a centrepiece in facilitating the transition for employment and industries. The conclusions and recommendations of this Seminar are also intended to contribute to the ILO standard-setting efforts on apprenticeships, currently being scheduled in 2021-2022.

#### **ASEAN context**

ASEAN is the fourth largest economy in Asia and the Pacific. With a high rate of the economic growth and a large foreign direct investment, the ASEAN economic community is in transition from agro-based to industry-based economy, highly affecting the labour market. Labour mobility from rural to urban areas increases and precarious forms of employment is still growing. Hence, there is the need to support the workers in transition through training, reskilling and up-skilling, and to improve the quality of competency-based skills training, recognition, certification and provisions for better social protection. This Seminar provided an opportunity for the AMS, without regard to the different stages of their socio-economic development, to share common visions on the importance of skills development and a critical



role of all relevant stakeholders, in particular those industry involved in improving the national skills development systems.

### **Challenges for skills development**

Rapid changes in jobs call for greater necessity for reskilling, up-skilling and lifelong learning. Skills development is to help workers to equip necessary knowledge and/or skills in light of 4th industrial revolution. The future of work driven by mega trends, such as globalisation, climate change, demographic shift and advanced technologies, affects production, services and employment. New advanced technologies may destroy existing jobs while creating new jobs. Jobs are polarising, widening income inequality. Skills development is not a master key for solving social consequences emerging from the changing world of work, but it is considered an important instrument for embracing the positive effects of technological interruption. Skilled labour will also contribute to improving workers' income, corporate productivity and inclusive and sustainable development. However, there is skill mismatch between the supply side and the demand side, within an industry as well as between rural and urban areas. Skill mismatch is aggravated by the growth of the gig economy. It takes long time to establish a national skills development system able to meet changing skills demands. Demands on high skilled labour is increasing and every AMS has a goal to enhance the share of skilled labour, but they face challenges due to many factors including: the lack of and/or inadequate legal and institutional framework, limited allocation of the national budget, stigma attached to Technical Vocational Education and Training (TVET), low quality of training, and weak public-private partnerships. Emerging new forms of employment like platform-related jobs compound the issue.

### **Social dialogue**

Social dialogue is a foundation for creating an environment of trust building and feel belonging among government, employers and workers and should be embedded in policy- and decision-making processes in order to build an environment of creating a win-win situation among all stakeholders. Skills development is one of crucial labour agenda that the tripartite partners can leverage their collaboration and partnership.

However, Social Dialogue is lacking on skills development, and hence, it should be promoted in the spirit of the ILO Tripartite Consultation (International Labour Standards) Convention, 1976 (No.144), so as to prepare the AMS to meet the skills challenges within the context of the future of work.

### **Opportunities**

The AMS should ensure that workers and job seekers have better access to lifelong learning opportunities for skilling, reskilling and up-skilling as the ILO Centenary Declaration focuses on a human-centred approach. This can be done through improving existing initiatives in cooperation with ASEAN Dialogue Partners, UN specialized agencies and other relevant partners.



Social partners recognise the effective workplace cooperation as a tool to ensure bipartite cooperation in a way that skills development is included as an important agenda item in collective bargaining or social dialogue. And to re-affirm and garner acknowledgement from every AMS on the importance of the roles of skills development to sustainable development.

Social partners:

- Recognise the promotion of the acquisition of skills, competencies and qualifications for the workforce as a joint responsibility of governments and social partners in order to address existing and anticipated skill gaps, and to pay particular attention to ensuring that education and training systems are responsive to labour market needs, taking into account the evolution of a future of work.
- Recognise the need of linking productivity to the wage system through skills development.
- Committed to ensure a just and efficient transition to a future of work that makes labour market more responsive to the changing environment and technology development.

## **Recommendations**

### **for the promotion of sound industrial relations through social dialogue on skills development**

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 ASEAN Trade Union Council (ATUC) and 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, up-skilling 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 re-skilling and up-skilling 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 and;
12. Organising regular tripartite seminars and/or activities to exchange experiences and good practices in response to challenges posed by future of work;
13. Enhancing cooperation and partnerships within AMS and ASEAN Development Partners to share information on TVET programmes
14. Encourage MNEs to provide training to workers throughout the supply chain.
15. Improving inter-ministerial collaboration and coordination at the national level of the respective AMS on skills development.