Trade agreements and decent work

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The beginning of the trade and labour linkage

- **18th and 19th centuries:**
  - Economic: Level the playing field
  - Moral: Charitable urge to constrain *appalling working conditions*

- **1919 ILO Constitution**
  - Economic progress goes hand in hand with *social justice*, prosperity and *peace*.
  - ..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”.

*If you desire peace, cultivate justice (“si vis pacem, cole justitiam”)*
Trade and labour standards linkage: Consensus-Instruments

- Singapore Ministerial Declaration (WTO, 1996)
- Declaration on FPRW and its follow-up (ILO, 1998)
- Declaration on Social Justice for a Fair Globalization (ILO, 2008)
- 2030 Agenda for Sustainable Development and SDGs (2015)

Decent work (1999)
Definition of Labour Provision (ILO, 2016)

(i) any standard which addresses labour relations (for example, with reference to international labour standards) or minimum working conditions and terms of employment (for example, occupational safety and health (OSH), minimum wages and hours of work);

(ii) any mechanism to ensure compliance with the standards set, under national law or in the trade agreement; and

(iii) any framework for cooperative activities, dialogue and/or monitoring of labour issues (for example, development cooperation, established bodies for facilitating consultation between the parties or regular dialogue).
Number of trade agreements notified to the WTO that entered into force, by year
The design of labour provisions

Effective enforcement of labour laws
Adopt, maintain or improve labour standards
Non-derogation
No use or labour standards for protectionist purposes
Transparency on labour laws
Provide access to tribunals and procedural guarantees

ILO frameworks or instruments
Acceptable minimum working conditions
Corporate Social Responsibility
Reference to specific gender issues

Levels of commitment – hortatory to binding
References to ILO instruments, 2019

- PRIORITY CONVENTIONS: 3.5%
- UP-TO-DATE OR PERTINENT CONVENTIONS: 11.8%
- FUNDAMENTAL CONVENTIONS: 12.9%
- C182 (SEPARATELY REFERRED): 16.5%
- 2008 SOCIAL JUSTICE DECLARATION: 18.8%
- DECENT WORK AGENDA: 22.4%
- 1998 DECLARATION: 69.4%

% of the total of TAs with LPs
Assessment of labour provisions

How and whether LPs set framework conditions for decent work?

Key findings:

1. No trade distortion
2. Gender impacts
3. Ratification and work towards ratification of fundamental ILO Conventions
4. Institutional role and stakeholder involvement
Effectiveness of LPs depends on ‘inclusive implementation’

**Implementation:**
- Reforming legislation
- Institutional mechanisms
- Cooperative activities
- Reporting, monitoring and dialogue
- Enforcement

**Social partners involvement**
Corporate Social Responsibility in Trade Arrangements

- Respond to civil society demands
- Foster coherence in CSR initiatives
- Rebalance investors’ rights with right to regulate and social aspects
- The institutional mechanisms in the trade agreement can foster implementation
- Promotion of responsible practices wherever enterprises operate
The role of the ILO in Trade Agreements

**Advice**
- Reference to ILO instruments
- Aligning legislation and practice
- Advice to Governments and Panel of Experts

**Implementation of ILS**
- Technical assistance
- Development cooperation activities

**Indirectly**
- Source of information based on advice and reports of supervisory bodies of the ILO
- Knowledge building and sharing of information