From precarious to decent work
Du travail précaire au travail décent
Del trabajo precario al trabajo decente

Workers Symposium on Policies and Regulations to Combat Precarious Employment
Geneva, 4 - 7 October 2011

Colloque des travailleurs sur les politiques et les réglementations destinées à lutter contre l'emploi précaire
Genève, 4 - 7 octobre 2011

Simposio de los trabajadores sobre políticas y reglamentación para luchar contra el empleo precario
Ginebra, 4 - 7 de octubre de 2011

Claire Hobden & Frank Hoffer, ILO Bureau for Workers’ Activities
Parencity the ugly face of flexibility

Employer

State

Worker

Risk
# Standard employment relationship

<table>
<thead>
<tr>
<th>Direct Employer</th>
<th>Social Protection</th>
</tr>
</thead>
<tbody>
<tr>
<td>Collective agreement</td>
<td>Permanent contract</td>
</tr>
<tr>
<td>Adequate Pay</td>
<td>Full time employment</td>
</tr>
<tr>
<td>Equal Pay for work of equal value</td>
<td>Freedom of Association</td>
</tr>
</tbody>
</table>
Precarious employment

Non-unionised

Low pay                  Part-time

Sub-contracting          Hazardous

Lack of Social Security  Agency work

Temporary contracts      Bogus selfemployment
Globally:
• 10 – 30% of wage earners are low paid workers
• Outsourcing and agency work a global phenomenon

Developing Countries:
• More than **50%** of the workforce in informal economy
• Latin America: **26.5%** temporary employment (↑30% between 2002 and 2007)

Developed Countries:
• Increasing temporary employment
• Spread of new forms of employment
It Happens Everywhere

- **Algeria**: 2.2 out of 2.7 million new jobs are temporary
- **China**: in 2005 only 1% of its rural migrant workers had a permanent contract
- **India**: 1993-2006, contract work increased from 13-30% in the formal manufacturing sector
- **South Africa**: more than 6% work for temp agencies
It Happens Everywhere

Atypical employment in Japan and Germany 2007, in percentages

- Overall: Germany 37.0%, Japan 34.6%
- Part-time: Germany 26.3%, Japan 22.5%
- Marginal: Germany 14.5%, Japan 10.0%
- Fixed-term: Germany 14.0%, Japan 10.0%
- Temp. agency: Germany 2.2%, Japan 4.7%
- Entrusted: Germany 1.8%, Japan 1.2%
- Transferred: Germany 1.2%, Japan 1.2%
• Illegal? Or just unfair?
• Enterprises became more complex
• Law failed to adapt, or regulations softened in the name of flexibility
• This has left many workers unprotected through:
  – Exclusions
  – Definition of the employment relationship
  – Abusive use of temporary and subcontracted work
  – Weak enforcement
Erosion of Collective Bargaining

- Precarious workers often cannot access their right to bargain collectively
- Face threats and harassment from employers
- Fragments collective bargaining units
**IMPACTS**

**Individual**
- Health and safety
- Constant insecurity
- Lack of career opportunities
- Poverty

**Societies**
- Inequality
- Lack of cohesion and participation
- Social exclusion
- Social unrest
- Decline of industrial democracy
The vicious cycle

Global capital markets → Financialisation → Free Trade

Neoclassical economic thinking → Competitiveness

Downsizing of public services → Tax competition

Welfare Cuts → Weakening of trade unions

Deregulated Labour Markets
The Facts

- Low growth
- Extreme inequality
- High unemployment and informality
- Rising profits but declining real investment
- Frequent deep financial crises
- Governments are hostages of market forces constructed and controlled by the rich and powerful
A virtuous cycle

- Close the casino
- FTT & International tax floors
- Fair Trade
- Public services & public investment
- International Labour Standards
- Minimum wage
- Social Security
- Permanent & direct employment
- Extension of Collective bargaining
- Work-Life-Family balance
- Full Employment and income equality as the policy objective

Full employment and income equality as the policy objective
Strengthening voice and representation

Extending collective bargaining
- Right to join trade union of own choosing
- Trade union access to enterprises
- Legal extension of collective bargaining agreements
- Bargaining councils
- Public procurement
Measures against precarious employment

- Recognition of employment relationship
- Protection of vulnerable groups
- Minimum wage
- Equal pay for work of equal value
- Limits on time and frequency of temporary contracts & agency contracts
- Universal social protection
International Labour Standards

• Existing standards provide universal coverage

• Core Labour Standards

• Particularly vulnerable categories covered
  – For Migrant Workers: C97 and C143
  – Workers with Family Responsibilities Convention, 1981 (No. 156)
  – Vocational Rehabilitation and Employment (Disabled Persons) Convention, 1983 (No. 159)
  – Maternity Protection Convention, 2000 (No. 183)
  – Home Work Convention, 1996 (No. 177)
  – Domestic Workers Convention, 2011 (No. 189), not yet in force.

• Employment relationship recommendation 198
• Private employment agencies convention 181
• Minimum Wage Fixing Convention 131
• Part-time work Convention 175
• Termination of Employment Convention 158
Limitations and regulatory gaps

- Implementation deficit
- No barrier against growth of precarious work
- Not addressing specific needs of workers in precarious employment
- No binding regulation of the employment relationship
- No regulation on temporary employment
- Insufficient regulation to promote a framework for a standard employment model that fully reflects the needs and desires of working people for stable, equal, predictable employment and a modern work-life-family balance.