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NINETEENTH ITEM ON THE AGENDA

Report of the Working Party on the Social Dimension of Globalization

Report of the Chairperson of the Working Party

1. The High-Level Section of the Governing Body met as the Working Party on the Social Dimension of Globalization on the morning of Monday, 20 March 2017. I chaired the meeting, and my fellow Officers, Mr Rønneest and Mr Cortebeeck, Employer and Worker Vice-Chairpersons of the Governing Body, respectively, spoke for their groups. The Working Party had before it a document ¹ that outlined ways in which the pursuit of decent work would support countries to achieve the Sustainable Development Goals (SDGs), in particular those that will be discussed at the July 2017 meeting of the High-level Political Forum (HLPF) of the United Nations (UN) Economic and Social Council (ECOSOC): SDG 1 (poverty); 2 (hunger); 3 (health); 5 (gender); 9 (industrialization); and 14 (oceans). ILO constituents were also asked to provide recommendations on specific areas for the Office to highlight in its contribution to the HLPF, which will gather this year under the main theme of “Eradicating poverty and promoting prosperity in a changing world”.
2. Meeting as the Working Party permitted the invitation of a guest speaker and the participation of non-Governing Body member States, UN agencies and other invited organizations in the discussion. The Working Party was honoured by the presence of His Excellency, Frederick Makamure Shava, Ambassador of Zimbabwe to the United Nations, New York, and current President of ECOSOC, who addressed the sitting.
3. In this summary report, I highlight the main issues raised and recommendations made, which the Governing Body and the Office will wish to take into account in its contribution to the 2017 meeting of the HLPF. These do not represent a consensus, but many points mentioned were widely shared.
4. Ambassador Shava stressed that the ILO had an important oversight role for ensuring the full respect for the fundamental principles and rights at work in the implementation of the 2030 Agenda for Sustainable Development (2030 Agenda). He noted the role of the annual

¹ [GB.329/HL/1](#).

meeting of the HLPF organized by ECOSOC as the central platform for the Agenda's follow-up and review as well as the apex at which the national, regional and thematic review processes converge. The first quadrennial meeting of the HLPF under the auspices of the UN General Assembly to review all 17 Goals will take place in 2019, which also marks the review year for SDG 8 on promoting sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all, and coincides with the ILO's centenary.

5. The ILO is formally requested to provide input to the HLPF every year. The tripartite nature of the Working Party discussion provided a unique perspective and would serve as useful input. He highlighted six critical areas of the 2030 Agenda where the ILO would make key contributions: (1) supporting the success of the Agenda's integrated approach to the SDGs by recognizing and promoting the decent work dimensions, impacts, and connections, within and among all SDGs; (2) strengthening statistical data and capacities of countries in the area of labour statistics and seeking partnerships to facilitate statistical work; (3) helping to address the great needs of countries in special situations, such as least developed countries, landlocked developing countries and Small Island Developing States to ensure that the call to "leave no one behind" was realized; (4) achieving transformational change through ILO actions that address informality, including promotion of the ILO Transition from the Informal to the Formal Economy Recommendation, 2015 (No. 204), which would boost resource mobilization and countries' fiscal space; (5) forging both financial and non-financial cross-sectoral partnerships, to leverage expertise and unlock increased resources to finance the SDGs; and (6) strengthening national institutions through capacity building for the social partners at national level. As decent work features so prominently in the 2030 Agenda, ECOSOC and the ILO Governing Body have a common responsibility to examine its implementation, follow-up and review.
6. In the ensuing discussion, speakers agreed about the central role of the Decent Work Agenda for achieving the integrated SDGs, and there was general endorsement for the areas of ILO support to those SDGs under review at the 2017 HLPF as described in the document. The relevance of the International Labour Conference 2016 resolution on Advancing Social Justice through Decent Work and its emphasis on an integrated approach to decent work, seeking policy coherence, partnerships and the value of social dialogue to building peaceful, inclusive societies was clear.
7. Many speakers highlighted the fundamental role of economic growth, employment creation and reducing inequality to addressing poverty, and the clear mandate of the ILO to address this through its standard-setting function, integrated policy approaches and technical support across the four pillars of the Decent Work Agenda. While SDG 8 was the principal focus, the links between promoting decent work and achievement of the social and economic Goals and targets of the 2030 Agenda were evident. Establishing an enabling environment for the creation of sustainable enterprises and encouraging private sector investment for the creation of decent and productive jobs were among the key elements for eliminating poverty. Skills training and apprenticeship schemes also had a significant role to play.
8. The reduction of inequality in all of its forms was also a critical policy goal for countries to achieve the SDGs. Many Government representatives highlighted the efforts being undertaken in their countries to increase minimum wages, strengthen industry-wide collective bargaining and promote gender equality, including closing the gender pay gap. Several speakers called on the ILO to focus on child labour in its report to the HLPF.
9. It was underlined that SDG 8 had not incorporated all of the fundamental principles and rights at work. More emphasis should be given to freedom of association and collective bargaining. The ILO would need to stress the importance of these enabling rights to reducing poverty and fostering sustainable societies in its contribution to the HLPF.

Reducing informality

10. The informal economy clearly poses great challenges to the achievement of the SDGs. The importance of formalization of the informal economy was cited by the majority of speakers as essential to achieving the poverty reduction called for in SDG 1, and the role of the ILO in assisting countries in these efforts was reiterated. Support to small and medium-sized enterprises and cooperatives were important aspects of this assistance. Statistics and research on informality were areas where the ILO also had much to contribute. ILO Recommendation No. 204 and its plan of action were important policy frameworks for joint action with other UN agencies and multi-stakeholder partnerships. Closely linked to the problems of informality was the promotion of decent work in the rural economy, particularly in Africa where decent work deficits in agriculture and the rural sector were acute. There was also, however, great potential for raising productivity in rural economies and creating formal employment through the development of agriculture and rural industries. Support for rural workers to enjoy their rights must be an important aspect of this.

Supporting industrialization

11. The opportunity to highlight the ILO's role in industrialization and industrial policy in relation to SDG 9 on building resilient infrastructure and promoting inclusive and sustainable industrialization and fostering innovation was welcomed by the tripartite constituents. The importance of industrial policies in achieving structural transformations and in particular increasing decent work through more productive, and higher value-added manufacturing and agriculture was acknowledged. The Employer spokesperson stressed that governments should create the conditions that enable businesses to operate productively, whereas the Worker spokesperson emphasized the role of collective bargaining to ensure that high value-added activities contribute to reducing poverty.

Extending social protection floors

12. The extension of social protection floors was viewed as critical for eliminating both extreme and working poverty, reducing hunger and improving access to health services and the situation of women and marginalized groups, including migrants and young people. This would help ensure that the call to "leave no one behind" in the 2030 Agenda could be realized. Progressively extending social protection to the informal economy as recommended in the ILO Social Protection Floors Recommendation, 2012 (No. 202), was a step in the right direction. Government representatives highlighted the numerous national efforts under way to increase social protection as part of their poverty reduction efforts. Social protection, along with labour-intensive employment creation programmes, also had a significant role to play in reducing fragility and the transition from conflict to peace. However, nationally defined social protection floors must take national capacity, fiscal space and sustainability of the systems into consideration. Social protection expenditure should also be seen as an investment in building and expanding productive capacities. The Global Partnership for Universal Social Protection, which includes the World Bank, was considered a positive example of policy coherence.

Achieving gender equality

13. The majority of speakers referred to the importance of achieving gender equality to reducing poverty and realizing not only SDG 5 on achieving gender equality and empowering all women and girls, but all SDGs. The cross-cutting nature of this principle and the need to mainstream it across all SDGs was stressed. It was suggested that the outcome of the ILO

Meeting of Experts on Non-Standard Forms of Employment be reflected in the contribution to the HLPF, as women are overrepresented in own-account, unpaid family and informal and precarious jobs and abuse of non-standard contracts had a detrimental impact on social stability. The need for data on gender employment gaps was also highlighted.

Integrated approach to the SDGs

14. Many interventions highlighted the need to overcome silos and addressing the SDGs in an integrated manner. According to the Director-General, in the context of the ILO there were at least four operational dimensions to the integrated approach: first, the need to assess the role of the decent work contribution across all SDGs; second, the integration, collaboration and coherence among UN entities in delivering integrated support on the implementation of the 2030 Agenda; third, the integration of the tripartite constituents (ministries of labour and workers' and employers' representatives) in the implementation, monitoring and follow-up of the 2030 Agenda at national level; and fourth, the integration between the international norms, policies and strategies and national development plans. In this respect, there will be great scope for learning from the 44 voluntary national reviews scheduled to be presented in the HLPF this year.

Improving data and statistics

15. Several delegations emphasized the need to invest heavily in the area of data and labour statistics. The ILO is the custodian of 13 indicators included in the SDG indicators framework adopted by the UN Statistical Commission and is expected to report to the global community on the progress in the SDGs' implementation. Likewise, it is fundamental to support member States in building and improving their national statistical capacity.

Pursuing partnerships

16. The importance of partnerships at the national and international levels was also highlighted. A number of speakers requested that the ILO pay particular attention to South-South and triangular cooperation. References were made to Alliance 8.7 to eradicate forced labour, modern slavery, human trafficking and child labour; the Global Partnership for Universal Social Protection; and the work of the Social Protection Inter-agency Cooperation Board. The outcomes of the High-Level Commission on Health Employment and Economic Growth and its work in the areas of youth employment and skills were also commended. It was underlined that further efforts were needed to guarantee the integrated nature of the Decent Work Agenda including further emphasis on freedom of association and collective bargaining in the pursuit of partnerships. The ILO unique tripartite structure had the potential to leverage substantially the impact of partnerships.

Strengthening institutions and building capacities

17. Priority should be given to building strong institutions including ministries of labour, workers' and employers' organizations as well as to strengthening labour market institutions and policies such as collective bargaining, wage-setting mechanisms and employment regulations. Likewise, the realization of the double objective of eradicating poverty and promoting prosperity in a changing world is only possible if an enabling environment of business, investment, sustainable enterprise and job creation is built.

Looking ahead

18. As emphasized by the ILO Director-General, the world of work in 2030 would be significantly different from what it looks like today. In supporting the implementation of the SDGs, it is important to factor in the structural transformations in the world of work and explore the mutual interactions between the ILO's Future of Work Initiative and the 2030 Agenda.