



The ILO Global Commission for the Future of Work

International Labour Organization

Paper presented at the G7 Labour and Employment Ministerial Meeting

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Background

1. In 2019, the International Labour Organization – the oldest UN specialized agency – celebrates its 100th anniversary. In the run up to the anniversary seven Centenary Initiatives are being implemented – part of a package of activities aimed at equipping the Organization to take up successfully the challenges of its social justice mandate in the future.¹ The Future of Work Centenary Initiative is centred on an in-depth examination of the future of work that will provide the analytical basis for the delivery of the ILO’s social justice mandate in its second century. The Initiative was the subject of the Director-General’s report to the 2015 International Labour Conference.² The ILO has been implementing a three-stage approach to implementing the Initiative: tripartite national dialogues; the constitution of a Global Commission in 2017 to report by the end of 2018; and the 2019 Conference itself.
2. The first stage of implementation of the Future of Work Initiative is now almost complete. At the time of writing some 168 member States, some 90% of the ILO’s membership, had responded positively to the Director-General’s invitation to undertake the widest possible engagement in the reflection on the future of work. Some 110 countries had organized tripartite national dialogues and there is a strong level of commitment to the Future of Work Initiative. Additional inputs have been provided by a major Global Dialogue on The Future of Work We Want (Geneva, 6-7 April 2017)³ and by the ILO’s 5th Conference on Regulating for Decent Work (Geneva, 3-5 July 2017).⁴
3. The Global Commission’s members are eminent individuals with outstanding personal achievements and vision, participating in their individual capacity. They represent a balance of geographical regions and experiences, with equal participation of women and men and a strong tripartite presence. Each Commission member brings their own particular specialized inputs, knowledge and multidisciplinary competences. (See Annex for membership)
4. The Global Commission was launched at a special event in Geneva on 21 August 2017 in the presence of the two co-chairs of the Global Commission, the Prime Minister of Sweden, Mr Stefan Löfven and the President of Mauritius, Ms Ameenah Gurib-Fakim.
5. The Commission is expected to have four meetings over the course of 2017 and 2018, with its first meeting scheduled to take place in October 2017. Over the course of 2018 and 2019, the Office will supplement the work of the Global Commission through continuing outreach activities both with regard to the continuing involvement of the ILO’s constituents at national level, building on the momentum and interest generated through the national dialogues, and by working with a network of relevant outside parties -

¹ <http://www.ilo.org/global/about-the-ilo/history/centenary/lang--en/index.htm>

² http://www.ilo.org/ilc/ILCSessions/104/reports/reports-to-the-conference/WCMS_369026/lang--en/index.htm

³ http://www.ilo.org/global/topics/future-of-work/dialogue/WCMS_570282/lang--en/index.htm

⁴ http://www.ilo.org/global/meetings-and-events/WCMS_543524/lang--en/index.htm

international and regional organizations, research institutions, universities, civil society and individual experts – engaged in reflection on the future of work.⁵

The Agenda of the Global Commission

6. The world of work is undergoing transformative change under the impulse of technological innovation, demographics, climate change, and globalization; and this is change which is unprecedented in its scale, in its speed, and in its depth. It is generating great uncertainty and is leading people to question the capacity of our existing institutions, our policies, to provide them with the future they want. It is fundamentally important to confront these challenges from the conviction that the future of work is not decided in advance. It is a future that societies choose according to their values and preferences and through the design and implementation of policies to realize.
7. The role of the Commission on the Future of Work is to identify the key world of work challenges of our time and what must be done to meet them. It will be guided by the vocation of the ILO to advance social justice as the guarantee of lasting peace in addressing the transformative changes occurring in the world of work. The Commission's work will feed into and give strong guidance to the ILO as it enters its second century.
8. The various drivers of change in the world of work are of course intertwined and thus require an integrated policy response. Nevertheless, it is necessary to examine each of the major forces and their impact. To inform and facilitate dialogue and debates at the national, regional and global levels the ILO has proposed four “centenary conversations”: work and society; decent jobs for all; the organization of work and production; and the governance of work. Each conversation addresses a broad area of key significance, and they are considered in turn below.⁶

i) Work and society

9. Despite the extraordinary development of production through successive technological revolutions, the imperative to work to meet basic human needs is still with us in the contemporary world. Fundamental human needs still go unmet and the war on want is unfinished because poverty persists; a large part of the global workforce is still engaged in subsistence production. Increasing attention is being devoted to a re-examination of one long-standing and seminal assumption – that meeting human needs is dependent upon economic growth, as measured by gross domestic product per capita. The idea that alternative yardsticks can better measure human welfare and happiness is taking root, not as an abstract concept but as a concrete parameter of policy-making. It is given extra impetus by the awareness of planetary limits, notably climate change, to current systems of production.

⁵ For example the OECD <http://www.oecd.org/employment/future-of-work/>

⁶ Report of the ILO's Director-General: The future of work centenary initiative (104th International Labour Conference) http://www.ilo.org/ilc/ILCSessions/104/reports/reports-to-the-conference/WCMS_369026/lang-en/index.htm

10. The ILO's 1944 Declaration of Philadelphia refers to the need to act to ensure that workers "can have the satisfaction of giving the fullest measure of their skill and attainments and make their greatest contribution to the common well-being" and refers to the right to pursue "their spiritual development" as well as "their material well-being". Embedded in the ILO's mandate is the idea that work should be an act of self-realization, imbued with the notion of personal and collective purpose. Work must certainly meet material needs, but it must also respond to an individual's quest for personal development and the instinctive desire to contribute to something larger than one's own or one's family's welfare.
11. Access to work is a precondition for personal development and social inclusion. But this can be more or less satisfactory, depending on the nature and the conditions of the work undertaken. The individual will want to find meaning and purpose in work and material compensation for it that allows him or her to become an independent, full and valued actor in society. The workplace itself is also where socialization processes initiated in education are deepened and where many of the individual's social relations are forged and maintained. These are all reasons why the future of work will dictate many facets of the future of our societies.
12. The prospect of a single job for a working life has become outdated in today's world of work. The question is then the extent to which this archetype (if it ever really existed as a general norm) is to be replaced by ever more flexible, short-term and transient forms of work, with workers being increasingly mobile spatially and functionally, and what that would mean for their inclusion in society. At the same time, work units are becoming smaller and more dispersed, and workplace locations more disconnected from communities. There are concerns that strong social networks based on common experiences at work, personal relationships forged over long periods and the commitments that emerge from stable employment relationships are at risk of being eroded and replaced by arrangements that strip individuals of the social identity that work can confer and leave them isolated, insecure and alienated by the work experience.
13. In contrast, the freedoms and opportunities which can arise from dynamic labour markets can offer unprecedented choice and rewards for individuals ready to take advantage of them, and with the skills to be able to do so. The increasingly knowledge-based economy places a dividend on cognitive capacities and offers new perspectives to enrich the content and meaning of work and give the individual greater control over it, representing a marked improvement over the fragmentation and routine, if not outright drudgery, of industrial or preindustrial times. Here the emphasis is on individual initiative and responsibility, rather than familiar collective mechanisms, to mediate the relationship between work and society.
14. Neither of these outcomes is a necessary consequence of current world of work dynamics, nor are they mutually exclusive. They could coexist in increasingly segmented and unequal labour markets. It is perhaps precisely this danger of growing segregation and inequality at work solidifying into divided and unjust societies that most needs to be addressed.

ii) Decent jobs for all

15. At national level no government and no candidate for office can renounce the objective of full employment nor tell an electorate that there will not be enough jobs; obstacles may be highlighted, warnings of a long road ahead given, but the goal remains. That political imperative coincides with the ILO's constitutional obligation to promote full employment and rising standards of living. In addition, our Organization is committed to ensuring that jobs meet the quality criteria of decent work.
16. The experience of recent decades, and most particularly that of the post-crisis period, poses the question of whether something has fundamentally changed in the workings of the global economy, some tectonic reorganization, which renders the policy instruments now at the disposal of national and international policy-makers incapable of generating the jobs that are needed in sufficient quantity and quality. The question is closely related to the attribution of current growth and employment trends to the cyclical impact of the crisis or more permanent structural factors or a combination of both. From a policy perspective do we need to use the policy tools we already know about, but use them better and with a greater dose of international cooperation and coordination, or do we need to substitute or supplement them with entirely new and innovative approaches and policies?
17. The debate about the disruptive effects of technological change on jobs is some two centuries old, and the encouraging conclusion to be drawn from the historical record is that, notwithstanding the disruption it inevitably brings, over the long term it has created more employment than it has destroyed, and has pushed overall living standards to new levels. The question today is whether the unfurling technological revolution identified by many observers is so far-reaching in its labour-replacing potential that it is inherently different from what has been experienced in the past, and on balance is an inhibitor rather than a generator of decent work.
18. The policy challenge lies in managing the change, and that includes ensuring that the benefits of new technologies based on extraordinarily advanced knowledge and capacities are widely diffused, both within and between nations, rather than becoming the basis of even greater divisions, which could dangerously deepen already existing conditions of advantage and disadvantage. This focuses attention on future job growth in both developing and industrialized countries and the potential of the green economy, given the need to invest heavily in energy-efficient infrastructure and production, and the care economy, given the aging population in much of the world. The global macroeconomic agenda for jobs, growth and development constitutes a vitally important foundation for the realization of the opportunities of transformative change and the avoidance of the damage disruption of established employment patterns can cause.

iii) The organization of work and production

19. An increasingly globalized economy experiencing rapid and deep change under the impetus of technological transformations is generating major developments in the way that work and production are organized. The State, individually at the national level, and collectively at the regional or global level, sets the regulatory framework. In the public sector it also

organizes work directly as an employer, and in that capacity has introduced extensive reforms. But it is above all in the private sector, where most jobs are and most new ones are created, that the real impetus and impact of the reorganization of work and production are to be found with the enterprise as the key vector of change.

20. There are a bundle of interrelated characteristics that have tended to define our general understanding of the nature of the enterprise over the last century. Among them has been its identity as the producer of goods and services through the direct employment of a workforce on a stable and relatively long-term basis. But that archetype is being increasingly called into question by current processes of change. Where it does exist, that employment relationship may increasingly depart from the classic full-time, open-ended relationship, taking instead one of a variety of “non-standard” forms, including part-time, fixed-term and flexible contracts. Beyond this, there are also instances of enterprises dispensing with a directly employed workforce altogether, or for large parts of their operations, generally through processes of subcontracting, outsourcing, third-party agencies, and the operation of supply chains, which are increasingly taking on a global dimension. In the most far-reaching cases, business models have appeared in recent years which, through the mediation of Internet-based technologies, connect individual demanders of goods and services with those in a position to supply them, in a transient commercial relationship that lasts no longer than the time taken to deliver that product or service.
21. There may be limits to the benefits to be gained by enterprises from this type of change. Particularly where specialized and sought after skills are in play, employers will be anxious to retain employees. Moreover, worker identification with, and commitment to, an enterprise can make a substantial difference to its performance. High-involvement work systems are recognized as being beneficial to enterprise performance, and employers will certainly be conscious of the downside risk of weakening or dissolving such connections with employees.
22. For workers, the emphasis is most frequently placed upon the disadvantages resulting from the increase in “non-standard” forms of work organization, in terms of loss of employment and income security in particular. Ongoing and difficult debate – including in the ILO – about how to reconcile the needs of enterprises with the interests of workers, most neatly encapsulated in the idea of “flexicurity”, should not, however, obscure other aspects of innovative work forms. With information and communication technologies also providing increased scope for remote working, new opportunities exist to reconcile professional and family responsibilities through more satisfactory and equitable work–life balance, with women potentially the principal beneficiaries. Here, too, there are concerns as well as hopes; a blurring of the spatial and temporal boundaries between work and the private sphere provokes disquiet in some quarters, and echoes of pre-industrial organizational forms. Processes of change that allow the individual to be more at home in their work, but also more at work in their home, could prove a mixed blessing for some.
23. These developments are testing the capacity of tax and social protection systems, which have for long periods been designed on the basis of the assumed template of a standard employment relationship (and nuclear family), to adjust to new realities. In the absence of

such adjustments, the danger is that key areas of public policy beyond the immediate labour market arena could be badly disrupted by what happens in the world of work. This has implications too for the many countries that are still putting in place sustainable systems of social protection. The greatly increased influence of the financial economy over the real economy, evident not only in episodic finance-induced crises of increasing frequency and gravity, but also in a permanent state of affairs characterized by the concept of “financialization” of the world of work, raises the concern that this relationship has become deleterious to the functioning of enterprises and the operation of the productive economy.

iv) The governance of work

24. Societies seek to exercise governance over the way work is carried out through a combination of instruments: laws and regulations, voluntarily concluded agreements, labour market institutions, and the interaction of governments and organizations of employers and of workers. These have generally been developed in accordance with underlying social norms – unwritten but powerful collective ideas about what is fair and acceptable and what is not. The unique and historic role of the ILO has been to take these tools of governance and apply them at the international level, with ever greater scope as its membership has expanded to near universality.
25. The core of the international governance of work is the adoption of international labour Conventions through tripartite negotiation which, when ratified, have the force of international law and are subject to ILO supervision. Three underlying threads of logic can be detected in that system: the need to establish a level playing field between member States on the basis of common standards; the shared objective of establishing universal respect for fundamental principles and rights at work as set out in the 1998 ILO Declaration on Fundamental Principles and Rights at Work; and the idea that international labour standards – including non-binding Recommendations – should provide a framework of guidance for member States as they seek to marry economic growth with social progress. Looking ahead, it is important to examine how this system can help to create the future of work we want.
26. On the one hand, the trend in recent decades has been towards deregulation in many countries – and the large number of workers in the informal economy who fall outside the realm of governance altogether cannot be overlooked – but on the other, labour standards are increasingly recognized as key components of regional and subregional integration processes and of a rapidly increasing number of trade agreements at various levels. Moreover, the very processes of change that are transforming the world of work are themselves reason for renewed focus on standards, and in particular for the adoption or revision of standards in response to newly arising needs and circumstances.
27. In parallel to these legally grounded processes, the era of accelerating globalization has seen the explosive growth of a wide range of initiatives commonly grouped under the heading of corporate social responsibility (CSR). The future of CSR is certainly highly relevant to the future of work, and in its relatively short existence it has evolved rapidly

and is likely to continue to do so. In order to reach minimum thresholds of public credibility, CSR has already been challenged to become more rigorous, and it is notable that governments and the international community are increasingly spelling out what they expect of business, above and beyond compliance with the law. This can be seen in national and regional CSR policies, and in the United Nations Guiding Principles on Business and Human Rights. The distinction between the strictly legal and the purely voluntary seems to be getting blurred, not least as accountability and reporting mechanisms are tightened.

28. It is evident from its tripartite structure that the ILO regards governments and workers' and employers' organizations, and the processes of social dialogue that bring them together, as key to the governance of work. Tripartism has served the ILO and its member States well for nearly a century, but it is not without its detractors or its challenges.
29. When major and difficult adaptations are needed in the face of rapidly changing conditions or even crises, the types of compromise resulting from bipartite or tripartite dialogue may be seen not to go far enough or quickly enough. The positions taken by social partners may also be characterized as special pleading by vested interests to the detriment of the common good. The record of achievement of tripartism, internationally and nationally, can go a long way to countering these arguments, not least in the harsh light of conditions imposed by the current global crisis. But criticisms have gained ground from the falling membership of some workers' and employers' organizations, and will continue to do so should those trends continue. Strong, democratic, independent organizations interacting in conditions of mutual trust and respect are the preconditions for credible social dialogue. If the representative legitimacy of the partners to engage in social dialogue is called seriously into question, the place of tripartism as a keystone of governance will be too. The future of trade unions and of employers' organizations is therefore a key part of the future of work.
30. Underpinning these considerations concerning the governance of work is the simple reality that, for most enterprises and workers, governance occurs through the operation of national labour-market institutions, such as ministries, tripartite councils, employment offices, labour inspectorates, health and safety authorities, and vocational training institutions. The way these operate varies enormously across ILO member States; some have remarkable institutional capacities, others have very considerable institutional deficits. Moreover, their organization and functioning have evolved considerably over time, sometimes with a notable reallocation of responsibility between public and private sectors. They too have an important role to play in determining the future of work.

G7 Ministers' Input to the discussion of the Future of Work

31. The agenda of the Turin G7 Labour and Employment Ministerial Meeting includes several topics that relate directly to the future of work and to the ILO Global Commission.
32. A range of technological changes are ushering in a new phase of radical transformation of production and delivery processes as well as new products and services. Digitalization and automation are affecting profoundly the labour markets of advanced countries such as the G7 but are also spreading rapidly to emerging and developing countries. This poses the issue of how to ensure that this process of “creative destruction” does not leave significant sections of the workforce and whole communities behind. As highlighted in an ILO Issue Note on Technological Changes and Work In The Future: Making Technology Work For All⁷, it is important to understand the dynamics of job destruction and creation nationally and internationally as well the implications for policy in fields such as education and training, the management of the innovation and adjustment process and the role of redistributive policies such as social protection in reducing income inequality.
33. Alongside technological innovation, global demographic trends as well as changes in the nature of work that already confront will play a critical role in shaping jobs. In most advanced countries, including the G7, ageing and thus a rising dependency ratio is at the forefront, globally close to 40 million people enter the labour market each year. Africa and South Asia in particular are still in the midst of a youth boom. An ILO Issues Note on The Future of Labour Supply: Demographics, Migration, Unpaid Work⁸ focuses on youth, ageing and women in a review of key policy areas: increasing the quality and quantity of jobs available for all those currently inactive; realizing the job potential in ageing societies; a new policy mix to recognize the value of unpaid work in the care economy; tackling the risk of entrenching a global under-class of migrant workers; and improving education and training systems to anticipate and respond to changing skill needs.
34. The employment relationship lies at the intersection of the economic organization and the legal regulation of work. All legal systems incorporate a concept of the employment relationship. In its dominant, or classical, form the employment relationship co-evolved with the economic organization of work into a standard employment relationship which refers to work performed in the framework of full-time, formal and open-ended (non-time-bound) arrangements in a subordinate employment relationship. This is under growing strain in advanced economies and progress in reducing informal employment is emerging and developing countries has slowed. The challenges are to understand more fully the pressures on the standard employment relationship at the same time as reviewing whether any adaptations are needed to accommodate new forms of work organization while avoiding the re-emergence of old forms of exploitation.⁹

⁷ http://www.ilo.org/global/topics/future-of-work/WCMS_534201/lang-en/index.htm

⁸ http://www.ilo.org/global/topics/future-of-work/WCMS_534204/lang-en/index.htm

⁹A Challenging Future for the Employment Relationship: Time for Affirmation or Alternatives? http://www.ilo.org/global/topics/future-of-work/WCMS_534115/lang-en/index.htm

35. The scale and pace of changes in the world of work and anxieties about the future are also putting pressure on the implicit social contract which defines the relationship between the government and citizens, between labour and capital, or between different groups of the population. Key issues to be examined are the impact of changes on income distribution, inequality and income security, labour relations and social dialogue.¹⁰ These are also raised by the G7 Ministers' agenda item on *Strengthening social infrastructures to ensure a sustainable and inclusive process of change*. Realizing the potential of rapid and radical innovation for sustainable and inclusive growth, and avoiding the risks of increased exclusion, will require the adaptation of a range of institutions including social infrastructures. Labour market institutions especially social dialogue have a critical role to play.
36. *The Global Commission will meet shortly for its first session and consider the inputs from the national and regional dialogues held during 2016 and 2017. The Turin Ministers' meeting creates a valuable opportunity for Ministers to advise the ILO on their national priorities and perspectives on the future of work and, in particular, the issues they would wish to see examined by the Global Commission.*

¹⁰ Social contract and the future of work: Inequality, income security, labour relations and social dialogue
http://www.ilo.org/global/topics/future-of-work/WCMS_534205/lang-en/index.htm

Annex: Membership of the ILO Global Commission on the Future of Work

Co-chairs

The Prime Minister of Sweden, Mr Stefan Löfven

The President of Mauritius, Ms Ameenah Gurib-Fakim

Members

Mr Thorben Albrecht, State Secretary, Federal Ministry of Labour and Social Affairs, Germany

Ms Haifa Al Kaylani, Founder Chairperson, Arab International Women's Forum

Ms Winnie Byanyima, Executive Director, Oxfam International

M. Alain Dehaze, Chief Executive Officer, The Adecco Group

Professor Chinsung Chung, Department of Sociology, Seoul National University, Republic of Korea

Ms Cláudia Costin, Founder, Innovation and Excellence in Education Policies Think Tank, Brazil

Professor Enrico Giovannini, University of Rome "Tor Vergata", Italy

Olga Golodets, Deputy Prime Minister for Social Affairs, Russian Federation

Sra Rebeca Grynspan, Secretaria General, Conferencia Iberoamericana

Mr Philip Jennings, General Secretary, UNI Global Union

Professor Carlos Lopes, Graduate School of Development Policy and Practice, University of Cape Town, South Africa

Profesora Nora Lustig, Tulane University, New Orleans, USA

Ms Reema Nanavaty, Former General Secretary, Self Employed Women's Association (SEWA), India

Mme Joséphine Ouédraogo, Ambassador, Permanent Representative of Burkina Faso to FAO

Mr Richard Samans, Managing Director, World Economic Forum

Professor Atsushi Seike, Executive Advisor for Academic Affairs and Professor of Labor Economics, Keio University, Tokyo, Japan

Dr A. Didar Singh, Secretary-General, Federation of Indian Chambers of Commerce and Industry, India

Ms Kristin Skogen Lund, Chief Executive Officer, Confederation of Norwegian Enterprise (NHO)

Professeur Alain Supiot, Collège de France, Paris

Mr Darren Walker, President, Ford Foundation

Mr Wang Xiaochu, Vice-Chairperson, Foreign Affairs Committee of the National People's Congress (NPC), China

Ms Jayathma Wickramanayake, UN Secretary-General's Envoy on Youth

Ex officio members

Mr Luc Cortebecq, Chairperson, Governing Body of the ILO

Mr Mthunzi Mdwaba, Employers' Vice-Chairperson, Governing Body of the ILO

Sr Luis Enrique Chávez Basagoitia, Government Vice-Chairperson, Governing Body of the ILO

Mr Guy Ryder, ILO Director-General

Secretariat

The Commission will be serviced technically and operationally by the ILO.

