

# VI European Regional Meeting

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Deutsch

Russian

## Record of the Fifth European Regional Conference (Warsaw, 20-27 September 1995)

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## Introduction

1. At the invitation of the Government of the Republic of Poland, the Fifth European Regional Conference of the ILO was held in Warsaw, Poland from 20 to 27 September 1995. *The Governing Body may wish to request the Director-General to convey its appreciation to the Government of Poland for the facilities provided to the Conference, as well as to the employers' and workers' organizations of Poland for the hospitality they extended to participants and all their efforts to ensure the success of the Conference.*
2. The Governing Body delegation to the Conference was composed of the Chairman of the Governing Body, Mr. Y. Chotard; a representative of the Government group, Mr. J.L. Ilabaca Orphanopoulos; a representative of the Employers' group, Mr. A. Tabani; and a representative of the Workers' group, Mr. C. Gray.
3. The Conference was attended by 335 delegates and advisers from 38 countries, including 24 ministers, as well as observers from the United States and the Holy See. The Conference was also attended by representatives of six intergovernmental and eight non-governmental international organizations.
4. The Conference had the following agenda, as determined by the Governing Body at its 259th (March 1994) Session:
  - (1) The coverage and financing of social protection;
  - (2) The strengthening of tripartite structures for the development of active employment policy.

In accordance with the revised procedure at ILO regional conferences, the Conference referred the first item to a committee, while the second was the subject of a general discussion held in plenary sitting. The Conference also established a committee to discuss the sections of the Report of the Director-General concerning activities of the ILO during the period 1988-94 and international labour standards, as well as a Resolutions Committee to deal with the resolutions submitted in accordance with article 13 of the Rules concerning the Powers, Functions and Procedure of Regional Conferences Convened by the ILO. The Conference also set up a Credentials Committee pursuant to article 10, paragraph 2 of the Rules.

5. The Conference was formally opened by Mr. Y. Chotard, Chairman of the Governing Body. It unanimously elected as its President Mr. L. Miller, Minister of Labour and Social Policy of Poland, and as its Vice-Presidents Mr. J.-J. Elmiger (Government delegate, Switzerland), Mr. M. Arbesser-Rastburg (Employer, Austria) and Mrs. E. Buverud-Pedersen (Worker, Norway). Prior to the opening of the discussion in plenary, the Conference held a special sitting during which it

heard addresses by His Excellency Mr. Joseph Oleksy, Prime Minister of the Republic of Poland and by the Secretary-General. Mr. Jacques Santer, President of the European Commission, also addressed the Conference during the afternoon sitting of Monday, 25 September 1995. The Secretary-General replied to the plenary discussions at the close of the Conference.

**6.** On assuming the presidency, Mr. Miller stated that the globalization of the economy, technological development, and the reunification of Europe made it imperative to revise old attitudes and beliefs in the name of a new, shared responsibility. Rising unemployment engendered numerous problems and dilemmas in social policy. Neither in the Eastern nor in the Western part of Europe had it been possible to overcome the negative effects of unemployment, be it in a social democratic manner or through the free interaction of market forces. It was therefore necessary to identify measures and strategies that promoted sustainable development and social peace. A thorough assessment had to be made of the relationship between changes in ownership and the situation in the labour market. For, at least during the first stage of economic transformation, free market mechanisms hampered social integration and stability and fostered productivity rather than employment. On the question of the coverage and financing of social protection, he stated that in all European countries social security constituted a substantial burden on state budgets. In Central and Eastern Europe a compromise had to be found between radical economic changes and the limited possibilities of social policy reform. A fundamental prerequisite for social peace was the democratic settlement of disputes through dialogue, which took due account of the present and future situation of all wage-earners, the poor and the unemployed. He expressed the hope that the ILO would remain the dynamic leader of social change in the new integrated world.

**7.** In his statement delivered during the special sitting, Mr. Oleksy, Prime Minister of the Republic of Poland, stressed that the ILO was as necessary today as it had been in the past. The world was facing successive challenges to civilization as well as to culture, and this called for a new approach to a number of social phenomena. Technological progress, the widening gap between countries and between segments of the population within individual countries, unemployment, as well as mass migration of the workforce, were all issues that needed to be addressed in a global manner. The experience and knowledge of the ILO were priceless in this regard, and the continuation and consolidation of the Organization's activities were therefore fully justified. The fundamental transformation of Poland's political and economic systems, which had been initiated six years previously, had now begun to bear fruit, as reflected in the increase in economic growth, industrial production, the decline in the budget deficit, enhanced profitability of enterprises, the substantial increase in exports and a notable decline in unemployment. While ensuring sustainable economic growth, his Government gave priority to the thorough transformation of the system of social services, so as to make them financially viable and able to meet present and future social needs. A sound social policy had to be accompanied by effective mechanisms for resolving conflicts. His Government therefore unequivocally supported the development of institutions for tripartite negotiations. Referring to Poland's well established negotiating tradition, which provided a solid foundation for this purpose, he stated that the newly established democratic system required fresh approaches by all parties to tripartite negotiations. In conclusion he expressed the hope that cooperation with the ILO would contribute to the successful implementation of reforms in Poland.

**8.** In his address to the Conference, Mr. Jacques Santer, President of the European Commission, stated that in order to cope with the globalization and accelerated economic, social and political change which had characterized the previous ten years and the growing interdependence between nations, solidarity was necessary now more than ever before. The realization of this need undoubtedly constituted one of the most important achievements of the World Summit for Social Development. The European Commission had pledged to take action on the results achieved in Copenhagen and Beijing in order to ensure that the political commitments made at the Summit were translated into specific action. Recognizing the essential role to be played by the ILO in this regard, he looked forward to continued collaboration with the Organization. Solidarity should never be taken for granted. It should be developed and shaped according to the needs of the time and situation. Today, two fundamental problems needed to be tackled. The first was the dual structure of the labour market, which had led to the emergence of two categories of workers, the first enjoying high levels of protection and the second experiencing an extremely unstable situation. The second problem concerned the need to achieve a common European policy based on stability and growth, with a single European currency. This economic policy should be accompanied by a bold and balanced social policy. The whole European social model needed to be revised, and this called for intensified social dialogue and the participation of the social partners as well as governments. The social partners had a new responsibility for the future prosperity of all of Europe's citizens. He urged them to find fresh ways of expressing solidarity, an essential prerequisite for a stable and cohesive society. Employers should conduct a wider analysis of the role of enterprises in society, as well as the role of society and the community in the development of their enterprises. Investment in training and the development of the workforce as a whole would lead not only to increased productivity and lasting development, but also to a

more just and equitable society. While he recognized the vital contribution made by trade unions to the construction of the present European social model, which was based on respect for the human being, trade unionism had to evolve. In addition to performing their essential function of promoting workers' rights and the principle of equality, trade unions had a contribution to make to the competitiveness of enterprises. Negotiations on collective agreements should not be confined principally to wage issues, but should take account of such matters as job creation through increased productivity and human resources development. Governments had a special responsibility to create employment, for it was at the level of the State that there were appropriate instruments for this purpose. Here again solidarity and a joint European approach were necessary, for no country, no social group could take up this challenge alone. The ILO and the European Union were involved in the same struggle, that of establishing a Europe that was more deeply imbued with the principles of justice and brotherhood.

**9.** In his reply to the plenary discussions at the close of the Conference, the Secretary-General stated that tripartism was still considered fundamental for the construction of a reunited Europe and the successful transition to a market economy. While he concurred with many speakers that it was crucial for the ILO to contribute its experience and expertise to the establishment and strengthening of tripartite structures, the Organization could not substitute itself for member States, which had the responsibility to construct or adapt their own tripartite system to their particular historical, cultural, political, economic and social conditions. Moreover, tripartism was not an end in itself. It should above all create a suitable environment for the formulation of satisfactory employment and labour policies. Concerning the design and implementation of a more active employment policy, he stated that unless the economic development strategies of the ILO's member States were coordinated, they could not hope to fulfil the commitment to full employment that had been made at the World Summit for Social Development. While there were differences between institutions in Central and Eastern Europe and those in Western Europe and the extent of structural change differed in the two parts of the continent, the central machinery for creating jobs and the role assigned to the State were the same everywhere. Social dialogue could obviously contribute to employment promotion at the macro level, especially in so far as a consensus at that level was conducive to industrial peace, wage restraint and successful adjustment. Moreover, training and vocational guidance policies could only be genuinely effective if they had the support of the social partners.

**10.** As regards the request of the Committee on Social Protection for the ILO to provide additional assistance to the countries in transition so as to facilitate the necessary reform of national protection systems, the Secretary-General stated that with its standards, its tripartite approach and its technical expertise, the ILO was ideally suited to fulfil that mission throughout Europe. Concerning the request of the Committee on ILO Activities in Europe for an increase in the activities of the multidisciplinary team in Budapest, it would be desirable to seek extra-budgetary resources, including those that might be forthcoming from the European Union. He agreed wholeheartedly with the proposal made by some speakers in the Resolutions Committee, who had considered that it would be useful for the ILO's Financial Regulations to be made more compatible with those of the institutions in Brussels. He pledged to give further thought to the most appropriate way of improving the ILO's financial machinery. He also agreed that it was necessary to improve coordination with bilateral or multilateral donors, including the international financial institutions. The Conference's debate on employment and international labour standards had squarely addressed the issues confronting the ILO today, issues which had been compounded by recent developments, in particular the globalization of the economy. However, that was no reason to give up. Europe had recently experienced an impressive thrust towards greater freedom and democracy, both of which should stimulate economic growth in the Central and Eastern parts of the continent and promote trade throughout the region. The challenge was now to encourage the positive factors while eliminating as far as possible the difficulties that these developments entailed in the social sphere. Though this was particularly relevant to the countries in transition, the other countries in the region had comparable problems. It was therefore necessary for all European member States to pool their efforts, compare and analyse their various experiences and seek solutions together.

**11.** The following is a summary of the essential points made in the committees and during the plenary discussion. The appendices reproduce the conclusions and resolutions adopted by the Conference.

## **The coverage and financing of social protection**

**12.** Many speakers concurred that social security systems, as they had developed over the last several decades, had served the community well. Several

speakers also expressed their attachment to the European model of social security and to the values which underlay it. However, there was also general recognition of a number of emerging problems, not the least of which were the growing cost of social programmes and, in some aspects, their effectiveness. In its conclusions the Committee foresaw an enlarged role for the individual and for non-public institutions, including the social partners, with ultimate responsibility for regulatory and supervisory measures resting with the States. However, within this framework, the diversity of national arrangements should be fully recognized and there was a need to maintain concepts of public social security, collective responsibility and a broad social consensus. In reflecting on the background and causes of present difficulties, several speakers emphasized the social problems caused by higher levels of unemployment and the links which were necessary between income support programmes and active labour market policies.

**13.** As regards specific social security programmes, a number of speakers drew attention to the difficulties which were likely to arise, and those which were already apparent, from the ageing of population structures. Although this issue should not be over-dramatized, it was a development that would add to the difficulties in financing retirement pensions and also in the provision of long-term health care to the infirm elderly. Speakers from Central and Eastern European countries noted the generally low retirement age in their countries and expressed the view that retirement age might need to be increased. Opinions varied as to the relative merits of pay-as-you-go benefit pension schemes versus fully funded contribution schemes: while some participants supported the idea of multi-tiered systems, others placed emphasis on a continuation of public social security schemes as they had been developed in Europe. In the area of health-care schemes there was a common concern to contain the growth of costs. Speakers mentioned several approaches which had been adopted by different countries. However, a number of speakers also drew attention to the need for preventive measures, which had the merit of improving the health status of the population as well as reducing costs. As far as unemployment insurance and assistance were concerned, there was universal agreement that income support measures were required, and in some cases needed to be strengthened, and that these should be closely integrated with training and employment services. The creation of jobs and the reinsertion of the unemployed would thus be promoted.

**14.** Throughout the discussion the particular difficulties faced by Central and Eastern European countries in their transition from centrally planned to market-oriented economies were acknowledged, as well as their need to redevelop social security systems in ways that would respond to, and encourage, the process of transition and reconstruction. Speakers from throughout the region emphasized the need for the ILO to provide technical assistance where it was sought and needed.

**15.** *The Governing Body may wish to request the Director-General:*

*(a) to draw the attention of the governments of member States in Europe and, through them, that of the national employers' and workers' organizations, to the conclusions concerning the coverage and financing of social protection;*

*(b) to bear the conclusions in mind in executing ongoing programmes and preparing future programme and budget proposals;*

*(c) to transmit the text of the conclusions to the governments of all member States and, through them, to national employers' and workers' organizations.*

## **Discussion of the Report of the Director-General: The strengthening of tripartite structures for the development of active employment policy**

**16.** In accordance with the revised procedure at ILO regional conferences, the second item on the agenda -- the strengthening of tripartite structures for the development of active employment policy -- was the focus of statements in plenary sitting of the Conference.

**17.** Many speakers emphasized the concern expressed in the Director-General's Report that throughout reunited Europe unemployment remained substantial.

The transformation of national labour markets had become a priority issue which called for higher levels of skills and consequently better and broad-based training methods. Labour market deregulation had not proved to be a panacea for unemployment, and while flexibility in many aspects of labour market functioning was desirable, so were social acceptable forms of labour market regulation. There was a potential role for active employment policies to play, especially in the areas of training and the promotion of self-employment. However, many countries, especially in Central and Eastern Europe, were finding the financing of such policies and programmes burdensome, and they needed to be effectively integrated into overall economic policies. There was an obvious role for the ILO's tripartite constituents to play in planning and overseeing the implementation of active employment policies, particularly where these were decentralized or had significant implications for the functioning of the labour market.

**18.** Increased international economic competition had strengthened the need for tripartism in working towards establishing new and more efficient economic structures. The new challenges currently emerging throughout Europe called for a balanced approach so as to make further progress beneficial for all the social groups affected, including employers and workers. In this regard, many participants considered tripartism as an important means of making economic progress socially viable. Tripartism helped to give priority to public interests vis-à-vis the interests of employers and workers. This was especially important for the countries of Central and Eastern Europe, where, as many speakers pointed out, the process of economic reform had given rise to serious social problems, including unemployment. Tripartism in these countries was essential in order to avoid social confrontation and disruption of the process of democracy and economic reform. Through tripartite dialogue it was possible to achieve in those countries both a more highly productive and socially just economy with an acceptable level of protection.

**19.** It was also repeatedly stressed that both formal and informal tripartite arrangements had their respective roles to play and should complement each other. Several speakers mentioned that the difficulties which a number of countries of Central and Eastern Europe experienced with regard to informal tripartite arrangements were largely due to their lack of familiarity with such arrangements, which were insufficiently developed in the countries concerned.

**20.** Tripartism required a genuine willingness to cooperate and to accept compromises at all levels, from that of the nation to the workplace. As several speakers pointed out, the effectiveness of tripartism should be judged by the quality of the compromises reached: it was essential for the social partners to understand that without tripartism the world of work could become much more polarized and conflictual. This could certainly have negative effects on economic performance and competitiveness. Many speakers also noted that tripartism ran the risk of becoming futile if the partners involved were not strong and effective. This mainly concerned the countries of Central and Eastern Europe, where workers' and employers' organizations were still relatively underdeveloped. In this regard, the importance of ILO assistance in strengthening these structures was repeatedly emphasized. A number of speakers also observed that tripartite arrangements rarely transcended the national level, yet in an era of globalization many problems and conflicts required an international approach.

## **ILO activities in Europe**

**21.** Speakers expressed broad support for ILO activities in the region, welcoming in particular the assistance provided to the countries in Central and Eastern Europe in the spheres of labour legislation, social dialogue, tripartism, social security, labour administration and labour market policies. The Active Partnership Policy, conducted through the multidisciplinary team in Budapest, was an appropriate means of addressing the problems of the countries in transition. However, current needs far outweighed available resources. It was therefore necessary to strengthen the multidisciplinary team, inter alia, by appointing an expert in international labour standards and providing resources to assist the ILO's constituents, particularly employers, who were the weakest of the social partners in the region. Under the Active Partnership Policy increasing use should be made of local expertise in projects carried out in the countries of Central and Eastern Europe. The importance of having ILO manuals translated into languages used in transition countries was also emphasized.

**22.** Several representatives of Governments which had provided additional funds for technical cooperation with Central and Eastern European countries expressed their willingness to continue strengthening and developing this cooperation. It was important, however, for other members in Western Europe to help

with funding, particularly in view of the Organization's current financial difficulties.

**23.** Many speakers emphasized the importance of strengthening relations with the European Union and the Bretton Woods institutions with a view to obtaining additional resources and ensuring that a social dimension was included in the programmes of assistance to Central and Eastern Europe.

**24.** Speakers in general recognized that international labour standards continued to have great importance in all spheres of ILO activity as instruments for the incorporation of basic ILO objectives into national law and practice. Now more than ever standards should establish minimum conditions of employment and give a social dimension to the transition process and the globalization of the economy. It was imperative for standards to maintain their universal character and should therefore be made less complex and detailed; their present form was in effect an obstacle to ratification. It was considered that the process of democratization was much better served by adopting a qualitative rather than a quantitative approach to standard setting, in which priority should be given to the revision process. However, care should be taken to ensure that this approach did not result in the minimalization or marginalization of standards.

**25.** Though the ILO was gaining ground in Central and Eastern Europe, it was losing influence in the countries of the Western part of the region, as could be seen from the number of recent ratifications. The ILO should endeavour to strengthen its role in Western European countries by increasing awareness of the Organization's work amongst its constituents in the countries concerned, by promoting their commitment to ratification and enhancing the value given to standards.

**26.** At the end of its discussions the Committee set up a working party to draft a set of conclusions, which were adopted by the Conference and are reproduced in Appendix II.

**27.** *The Governing Body may wish to request the Director-General --*

*(a) to draw the attention of the governments of member States in Europe and, through them, that of the national employers' and workers' organizations, to the conclusions concerning ILO activities in Europe;*

*(b) to bear the conclusions in mind in executing ongoing programmes and in preparing future programme and budget proposals;*

*(c) to transmit the text of the conclusions:*

*(i) to the governments of all member States and, through them, to the national employers' and workers' organizations;*

*(ii) to the international organizations concerned.*

## **Resolutions adopted by the Fifth European Regional Conference**

**28.** The Conference had before it four resolutions submitted in accordance with article 13, paragraph 1, of the Rules Concerning the Powers, Functions and Procedure of Regional Conferences Convened by the International Labour Organization. The Conference also had before it a resolution related to item 2 on the Conference agenda, submitted in accordance with articles 12 and 13 of the Rules. A resolution concerning relations between the International Labour Organization and the European Union in respect of international labour standards was not adopted. The full texts of the three resolutions adopted by the Conference are reproduced in Appendix III.

### **Resolution aiming at ensuring the independence and facilitating the financing of employers' and workers' organizations**

**29.** *The Governing Body may wish to request the Director-General to draw the attention of European member States and, through them, that of the national employers' and workers organizations concerned, to the appeals made in the operative paragraph of the resolution.*

## **Resolution concerning the protection and promotion of the rights of migrant workers and their families in Europe**

**30.** *The Governing Body may wish to request the Director-General:*

*(a) to draw the attention of European member States and, through them, that of the national employers' and workers' organizations concerned, to the appeals made in operative paragraph 1 of the resolution;*

*(b) to bear in mind the requests made in operative paragraph 2 in executing current programmes and when preparing future programme and budget proposals.*

## **Resolution concerning employment and tripartism in Europe**

**31.** *The Governing Body may wish to request the Director-General:*

*(a) to draw the attention of European member States and, through them, that of the national employers' and workers' organizations concerned, to the appeals made in operative paragraph 1 of the resolution;*

*(b) to bear in mind the requests in operative paragraph 2 in executing current programmes and when preparing future programme and budget proposals.*

## **Credentials questions**

**32.** With respect to the composition of delegations of member States of the region, the Committee noted with concern that, of the 48 countries invited to the Conference, ten had not accredited delegations: two countries from Western Europe and eight from Central and Eastern Europe. The Committee noted in particular that six of those eight countries were among the seven Transcaucasian and Central Asian Republics of the former USSR that had been invited to indicate their preference between the European Regional Conference and the Asian Regional Conference and had expressed the wish to take part in the present Conference.

Geneva, 2 November 1995.

*Points for decision:*

- Paragraph 1;

- Paragraph 15;
  - Paragraph 27;
  - Paragraph 29;
  - Paragraph 30;
  - Paragraph 31.
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## Appendix I

### Conclusions concerning the coverage and financing of social protection

1. Throughout Europe systems of social protection are facing severe difficulties, both in terms of their cost and in terms of their capacity to respond to social needs. This is the consequence of slow economic growth and high and rising unemployment and, in Central and Eastern Europe, the need for economic restructuring and transition from a planned to a market economy. In part it also reflects trends in the ageing of populations, in the structure of the labour market, the widening in the distribution of incomes and earnings, the diversification of family structures, the emergence of social and economic exclusion and an increased incidence of poverty.
2. The Conference recognizes that social protection systems will need to change in response to these new realities. The Conference foresees an enlarged role for the individual and for non-public institutions, including the social partners. The ultimate responsibility to provide for regulatory and supervisory measures will rest with the State according to national legislation.
3. The Conference acknowledges the diversity of European social protection systems. There are, however, a number of general principles upon which all systems are built and which should be preserved in any reforms. Although increasingly costly, social programmes based on concepts of public social security, collective responsibility and social solidarity have, over the last several decades, proved successful in providing income replacement for the old, social safety nets for the disadvantaged, and high levels of universal health care. Public confidence in them should be maintained and enhanced and broad social consensus should be sought on all necessary changes.

#### Retirement pensions

4. The cost of pension schemes has grown rapidly over recent decades, and in the next few decades is expected to rise further in order to provide for a substantially increased number of elderly people. Controlling the growth of pension outlays will continue to represent a priority objective of most governments.
5. In the past, poverty among the elderly and the erosion of benefits by high levels of inflation have been major social concerns. They remain so in many transition countries of Central and Eastern Europe, although hopefully economic recovery and reform of public pension systems will ease the problem. In Western Europe, the development and indexation of social security pension schemes have reduced poverty among the elderly, inflation has been greatly

reduced and its consequences for the elderly diminished. These gains must be retained at the same time that the growth of expenditures are controlled.

**6.** The development of a more pluralistic structure for the provision of retirement pensions would also ease some of the present and expected pressure on public budgets. This could be achieved by the development of non-public pension schemes (such as occupational schemes or individual retirement plans) which would supplement the public social security schemes which guarantee adequate basic benefit levels. But such a structure would need to be carefully designed and would need to be regulated and monitored by the State.

## **Health care programmes**

**7.** Publicly financed health care programmes throughout Europe provide generally high-quality health care, financed from taxes or social security contributions with universal access, at little or no cost to the patient at the point of delivery. The Conference reaffirms its commitment to the basic principles of these schemes. But they are expensive, costs have grown rapidly, and there are concerns about their effectiveness and efficiency. Within this general framework, there is a need for substantial reforms and redevelopment which would improve the effectiveness and efficiency of health care services, and contain the growth in total costs. Measures which will enhance the prevention of disease and which will improve occupational safety and health will require significant promotion.

## **Unemployment compensation and social assistance**

**8.** The only durable response to the situation of the unemployed lies in their reinsertion into good jobs with stable and reasonable earnings. To this end the Conference emphasizes the need for employment-intensive growth, retraining, employment services and other aspects of active labour market policies as indispensable adjuncts of policies of social protection. Furthermore, recognizing that current levels of unemployment -- in both halves of the region -- are unlikely to be quickly reduced, the Conference equally emphasizes the need for income support for those unable to find employment, both the formally unemployed and those excluded from participation in the labour market.

**9.** As to the financing of unemployment insurance and social assistance benefits, the Conference did not reach a unanimous conclusion. Participation of both employers and workers in the financing of unemployment benefits has been, and remains for many nations, an important component in the solidarity expressed between those in work and the unemployed. But the rising level of unemployment in the region means that financing from general revenues is increasingly called upon. There is some feeling, particularly from the Employers' side, that benefit levels offered to the unemployed need to be restructured in a way which enhances incentives, first to participate in retraining schemes, and secondly to accept employment, even if not at former levels of earnings. A scaled pattern of rewards was needed in order to promote reinsertion in the labour market. Worker representatives did not share the view that lower unemployment benefits would stimulate more active job search by the unemployed. Unemployment benefits are designed to secure a decent existence for the unemployed, allowing them to maintain their occupational level by granting time to find adequate jobs.

## **Support for countries in transition**

**10.** The Conference strongly endorses the request of the participants from Central and Eastern Europe for a strengthening of ILO social security activities towards countries in transition from planned to market oriented economies. While such countries feel a general desire for an exchange of experience on social security matters, particular needs are felt concerning the development of institutional capacity, good governance in a tripartite context, and especially the training of managers, technical analysts and of the social partners. The ILO could help to provide this support and its efforts in this direction could fruitfully be reinforced by cooperation with similar activities being undertaken by the European Union, its individual Members, or other States.

## International labour standards

11. The Conference regards it as important that agreed international labour standards relating to social security should also be ratified and applied. The contents of these standards need to be more widely disseminated throughout the region.

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## Appendix II

### Conclusions concerning ILO activities in Europe

1. The Conference notes the dramatic economic, political and social changes which have taken place in Europe since 1989 and the profound economic and social problems faced by the countries in transition to a market economy. These changes have revealed the structural weaknesses in economies, the fragility of the social fabric and the limited capacity of public budgets to cater for the well-being of all groups in society and to provide an enabling environment for private and public investment and job creation. To this end the establishment of sound tripartite structures should be encouraged.
2. This situation underscores the urgent need for the ILO to develop effective programmes, in consultation with its constituents, that accord priority to labour law reform based on international labour standards, the setting up and strengthening of labour institutions and administrations, the promotion and strengthening of independent employers' and workers' organizations, social security reforms, development and reform of labour statistics, local labour market restructuring, management development and small enterprise promotion.
3. The Conference welcomes the introduction of the Active Partnership Policy in Europe and recognizes its potential to provide an appropriate response to the urgent needs and priorities of member States in the region through the new means of action and policies outlined in the Report of the Director-General, and in particular, the establishment of the multidisciplinary team in Budapest. The MDT which already provides valuable assistance should continue to address the specific requirements of Central and Eastern Europe through the utilization of the comprehensive range of specialized expertise at the disposal of the Office. The MDT should in particular serve as a conduit for major efforts aimed at --
  - (a) responding to the needs and priorities of member States and addressing the critical problems associated with the present difficulties of economies in transition;
  - (b) promoting tripartism and the development of democratic values and preserving social harmony through the close involvement of the social partners;
  - (c) supporting and strengthening independent employers' and workers' organizations, in order to promote collective bargaining and help them to become genuine partners in the social dialogue and be able to defend the interests of their members;
  - (d) strengthening technical cooperation in pursuit of these objectives.
4. Given the urgent need of the countries in Central and Eastern Europe for advice and technical assistance in the field of international labour standards and labour legislation, as well as assistance to employers' and workers' organizations, the MDT in Budapest should be reinforced in line with the structure of other MDTs and relevant decisions of the Governing Body. Particular attention should be paid to the promotion of technical cooperation activities in the Transcaucasian and Central Asian countries which are not covered by the MDT in Budapest.

5. The Conference notes with appreciation the continuing efforts of the ILO to provide technical assistance to the countries in transition to a market economy in Central and Eastern Europe and in Central Asia. In this respect, the Conference also appreciates the generous extra-budgetary financial assistance provided by some Western European and other countries for projects in Central and Eastern Europe and in Central Asia and requested them to continue their efforts. The Conference urges those Western European countries which have not yet done so to provide extra-budgetary resources for this purpose.
6. The ILO itself should step up its efforts to attract extra-budgetary resources for technical cooperation programmes in Central and Eastern Europe, including from the European Union (TACIS, PHARE), to promote social dialogue. The Conference firmly believes that the obstacles to obtain resources from the EU, which are mainly of an administrative nature, should be overcome through constructive dialogue between the two organizations.
7. Due account should be taken in technical cooperation activities in the region of the real needs of the ILO's constituents. Technical assistance should be demand driven and quality oriented and ILO technical cooperation in the region should, where appropriate, be evaluated.
8. Increased use should be made, where appropriate, of local expertise in the implementation of technical cooperation projects within the framework of the Active Partnership Policy, in particular through the involvement of experts and institutions from the transition countries in projects undertaken in other transition countries.
9. The ILO should increase its efforts to translate relevant ILO publications and manuals into the languages of the countries of Central and Eastern Europe.
10. The ILO should also continue its dialogue with the Bretton Woods institutions to ensure that structural adjustment programmes implemented in the region incorporate a social dimension which takes full account of ILO principles and objectives and cooperate actively with these institutions for the preparation and implementation of projects in the area of social policy.
11. Greater coordination among bilateral and multilateral donors, including the financial institutions, is needed to avoid duplication and to promote complementarity of action. The ILO should play an important role in this coordination.
12. The interest of Western European countries in the ILO should be enhanced by increasing awareness of its work amongst its constituents and by addressing issues of common concern to these countries.
13. The ILO is an appropriate platform for the discussion of problems and issues of common interest to the region as a whole, such as migration, environment and its implications for employment, training, safety and health, tripartism, social security reform and the activities of MNEs. It should therefore continue to organize tripartite meetings and seminars on such subjects at regular intervals.

## **International labour standards**

14. The Conference recognizes that international labour standards continue to have great importance in all spheres of ILO activity as instruments for the incorporation of basic ILO objectives into national law and practice. In this respect, it draws attention to the fact that these standards should retain their universal character.
15. The Conference notes that progress had been achieved in most member States, in particular in the new Members from Central and Eastern Europe, as regards the reform of national legislations to bring them more into conformity with ILO standards. It remains concerned, however, about their practical implementation in a number of countries.

- 16.** The Conference notes that the Governing Body had undertaken a review of the standard-setting system. It stresses that it is important for this review to lead to an improvement in the standard-setting system and the universal application of standards.
- 17.** For the countries in transition, as well as for the other countries in the region, standards provide a valuable reference framework for the preparation and development of national legislations enabling a greater convergence to be achieved between the various States in the region on economic and social matters.
- 18.** The ratification and application of the core standards respecting human rights and the other Conventions considered as priority instruments by the Governing Body, as well as the Minimum Age Convention, 1973 (No. 138), should be amongst the major objectives of member States in the region, which would demonstrate the importance which they attach to these universal values.
- 19.** However, the importance and priority given to international labour standards respecting human rights should not in any case detract from the value and pertinence of other ILO standards.
- 20.** The Conference expresses the wish that the Office continues and strengthens its advisory services to all the constituents of the member States of the region who request them, in particular in the countries in transition, with a view to promoting the application of standards and familiarizing constituents with all aspects of the ILO standard-setting system and the obligations concerning standards, including supervisory procedures.
- 21.** The Conference recalls the importance of the synergy existing between standards and technical cooperation and expresses its satisfaction at the measures which have been taken and which will be further developed within the framework of the Active Partnership Policy, to ensure that due account is taken of both economic requirements and the social dimension.
- 22.** Lastly, the Conference stresses the need for coherence between the universal standards of the ILO and regional standards, such as those established within the European Union and the Council of Europe.
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## **Appendix III**

### **Resolutions adopted by the Conference**

#### **I**

#### **Resolution aiming at ensuring the independence and facilitating the financing of employers' and workers' organizations**

The Fifth European Regional Conference of the International Labour Organization,

Having met in Warsaw from 20 to 27 September 1995,

Recalling the Declaration of Philadelphia, which states that "the representatives of workers and employers, enjoying equal status with those of governments, join with them in free discussion and democratic decision with a view to the promotion of the common welfare",

Recognizing that the foundation, structure and functioning of the ILO are based on tripartism,

Understanding that the essence of tripartism is the constitution of a pluralistic institutional infrastructure designed to enhance democracy and to provide stability to society,

Convinced that for the proper functioning of tripartism each of the three parties must be totally independent of each other and must enjoy the status and have adequate means for its participation in social dialogue,

Noting that the problems of structural adjustment constitute a serious challenge for the countries of Central and Eastern Europe, especially during the period of transition from a centrally planned economy to a market economy,

Noting further that the full involvement of employers' and workers' organizations in the elaboration of the social aspects of the restructuring process is indispensable;

Invites the governments of European countries:

- (a) to provide strong encouragement for the development of viable, representative and fully independent organizations of employers and workers;
- (b) to comply with their obligations arising out of the ILO Constitution and Conventions to effectively implement tripartism in their national social dialogue and structures and their participation in the work of the ILO;
- (c) to consider appropriate measures that would enable their laws, regulations and practice, including tax regulations, to allow enterprises and workers to account for their subscriptions to their respective organizations as cost items;
- (d) to participate actively, in full consultation with employers' and workers' organizations, in the efforts to focus future ILO activities on the needs expressed by its tripartite constituents.

## II

### **Resolution concerning the protection and promotion of the rights of migrant workers and their families in Europe**

The Fifth European Regional Conference of the International Labour Organization,

Having met in Warsaw from 20 to 27 September 1995,

Guided by the ILO's constitutional commitment to protect the interests of workers when employed in countries other than their own,

Recognizing that such workers often are particularly vulnerable to exploitation and mistreatment, and that more non-nationals live and work in Europe than in any other region,

Welcoming the commitment made at the World Summit for Social Development to ensure that migrant workers benefit from the protection offered by all relevant national and international instruments and to take effective measures against their exploitation,

Mindful of the major changes in migrant flows to, from, and between European countries over time, and that recent economic and political transformation in some of them have produced complex new situations that require the urgent attention of the ILO and its member States,

Stressing that migrant workers continue to make a major contribution to the economic and social development of receiving countries, and that orderly migration can play an important role in employment policy,

Emphasizing the need for increased international cooperation in the regulation of migration for employment so that it meets the existing demand for labour and in order to eradicate illegal migration and its attendant abuses,

Convinced of the value of targeted international action in the fields of trade, development assistance, and investment aiming at alleviating migratory pressures through the promotion of viable employment in sending countries,

Noting the standards embodied in the relevant ILO Conventions, including the Migration for Employment Convention (Revised), 1949 (No. 97), the Discrimination (Employment and Occupation) Convention, 1958 (No. 111), the Equality of Treatment (Social Security) Convention, 1962 (No. 118) and the Migrant Workers (Supplementary Provisions) Convention, 1975 (No. 143) as well as the accompanying Recommendations,

Acknowledging that application of the principles of equal treatment and non-discrimination to migrant workers and their families requires adequate institutional capacities as well as appropriate legislation,

Deploring the growth of racism and xenophobia which threatens not only migrant workers and their families but the democratic life of many European nations,

Concerned that in many countries, migrant workers and their families, including second generation migrants, are disproportionately affected by social exclusion and marginalization, which is evidence of widespread failure of policies for their integration,

Aware of the specific problems facing migrant women;

1. Calls upon governments and, where appropriate, workers' and employers' organizations:

(a) to give due consideration to the ratification and implementation of relevant ILO Conventions and the International Convention on the Protection of the Rights of all Migrant Workers and Members of their Families;

(b) to promote the application of the principles of equal treatment and non-discrimination to all migrant workers and their families in respect of working conditions and social security, in line with the commitment made at the World Summit for Social Development;

(c) to intensify their efforts to eliminate all racism and xenophobia and to stop acts of discrimination against migrant workers;

(d) to take specific initiatives to counter marginalization and exclusion of migrants wherever this occurs, and to address the problems of migrant women and of the new generations born of migrant parents;

(e) to intensify international cooperation, where appropriate on a tripartite basis:

- (i) in assessing the need for, and availability of, migrant labour with a view to matching supply and demand and facilitating legal migration in conformity with ILO standards and identified requirements;
- (ii) in the elimination of illegal migration;
- (iii) in the promotion of full, freely chosen and productive employment in sender countries as the best alternative to migration.

2. Invites the Governing Body to instruct the Director-General:

(a) to continue to offer technical cooperation to European member States to enhance their capacities to formulate and implement migration policies in conformity with ILO standards;

(b) to promote and facilitate international cooperation in the spheres set out above;

(c) to ensure that migration issues are adequately dealt with in the field activities of the ILO in Europe, including where relevant the formulation of country objectives;

(d) to take all opportunities to further cooperation with the International Organization for Migration and other appropriate international organizations;

(e) to take the terms of this resolution fully into account in the preparation of the Tripartite Meeting of Experts on Future ILO Activities in the Field of Migration.

### III

#### **Resolution concerning employment and tripartism in Europe**

The Fifth European Regional Conference of the International Labour Organization,

Having met in Warsaw from 20 to 27 September 1995,

Expressing deep concern at the persistence of high levels of unemployment in Europe, aggravated by widespread underemployment in countries in transition,

Stressing that current levels of unemployment are unacceptable, wasteful, and a serious threat to the social cohesion of countries in a region which faces mounting tensions and even tragic civil conflict,

Recognizing that major social and political change in Central and Eastern Europe, the continuing process of European integration, and more intensive competition under rapidly changing conditions in the global economy require concerted international cooperation and appropriately framed national policies in the struggle against unemployment,

Welcoming the commitments of the World Summit for Social Development to promoting the goal of full employment as a basic priority of economic and social policies with full respect for workers' rights and the participation of employers' and workers' organizations, to fostering international cooperation, and to coordinating macroeconomic policies to promote sustainable economic growth and job creation,

Endorsing in particular the Summit's call for enhancement of the quality of work and employment through full respect of ILO Conventions on basic workers' rights, and the use of existing international labour standards to guide the formulation of national labour legislation and policies,

Convinced that concerted tripartite action at the national and international levels is of crucial importance in formulating and implementing employment policies which command sufficient support to address successfully the adjustment needs of European economies and which can reconcile necessary labour market adjustments with a high level of job security and worker protection,

Stressing the need to strengthen tripartism through the important and autonomous role of the social partners in collective bargaining which enables the implementation of full employment policies,

Stressing also that the benefits of tripartism do not derive from the mere existence of formal structures, but rather from genuine commitment to cooperation involving all relevant government ministries with a real impact on policy outcomes,

Considering that priority objectives of tripartite consultation should be to promote faster economic growth, to increase the number of jobs thus generated, and to make special provision for the jobless and, in particular, for the long-term unemployed and other seriously disadvantaged groups in the labour market,

Recognizing that sustainable employment results from economic activity that safeguards and enhances the environment, and the job-creating potential of environmental protection;

1. Calls on governments and, where appropriate, workers' and employers' organizations:

- (a) to restate their commitment to genuine tripartite consultation and cooperation as an important factor in the fight against unemployment;
- (b) to consider ratifying and implementing the Employment Policy Convention, 1964 (No. 122);
- (c) to act, in conformity with the Freedom of Association and Protection of the Right to Organize Convention, 1948 (No. 87), and the Right to Organize and Collective Bargaining Convention, 1949 (No. 98), in order to strengthen both employers' and workers' organizations and to promote collective bargaining as a means of achieving both economic efficiency and social justice, thus also strengthening tripartite cooperation;
- (d) to ensure national concerted action on the commitments made at the World Summit for Social Development in respect of the promotion of full employment and to ensure tripartite consultation on the follow-up to those commitments;
- (e) to cooperate internationally in the coordination of macroeconomic policies and the development of sound growth strategies favouring the creation of employment and the respect for environment and setting the framework within which active labour market policies can be effective;
- (f) to strengthen national and regional policies geared towards the achievement of durable and sustainable development and a return to full employment, taking into account the need for:
  - (i) the creation of quality jobs; eradication of poverty and prevention of social exclusion; an adequate level of social protection and an improved quality of life through better working conditions and environment;
  - (ii) increased productivity and improved competitiveness of the economy; fostering entrepreneurship and the creation of new enterprises, a skilled workforce and, in general, more responsive labour markets;

(g) to improve the efficiency of the public service as a supporting element for economic policies in the creation of jobs and which also responds to the individual and collective needs of citizens and contributes to the development of a caring society ready to combat poverty and social exclusion;

(h) to contribute actively to guaranteeing peace on the continent and to strengthening international cooperation on the basis of democracy and social justice so that the well-being of the world population continues to be the main objective of economic and monetary policies and technological progress.

2. Invites the Governing Body to instruct the Director-General:

(a) to ensure that the role of tripartism in promoting full employment in Europe is given full attention in ILO activities, including in future editions of the *World Employment Report*, and in particular in the implementation of the commitments undertaken at the World Summit for Social Development;

(b) to ensure that ILO technical services continue to be made available to constituents in all relevant fields of national and European employment policy and industrial relations systems;

(c) to use its influence with relevant international organizations so that they contribute to the objectives of full, productive and freely chosen employment in Europe;

(d) to present early proposals for the convening of a tripartite meeting to review developments since the Tripartite Symposium on New Perspectives for Tripartism in Europe, held in Brussels in April 1992 and to consider further action to follow up this process more regularly at the regional level and to reinforce tripartite cooperation for full employment in Europe.

*Updated by FQ. Approved by HS. Last update: 8 October 2000.*