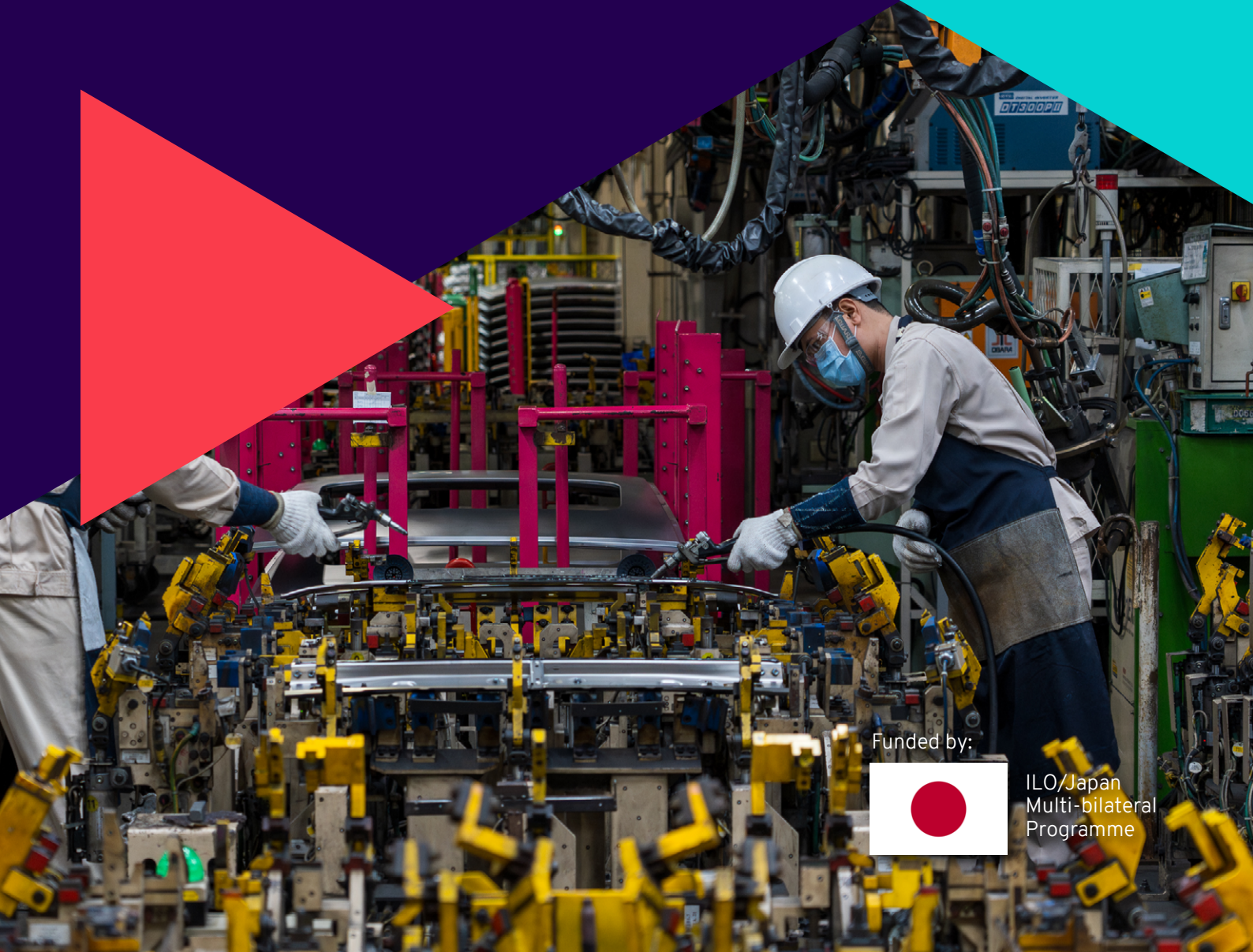




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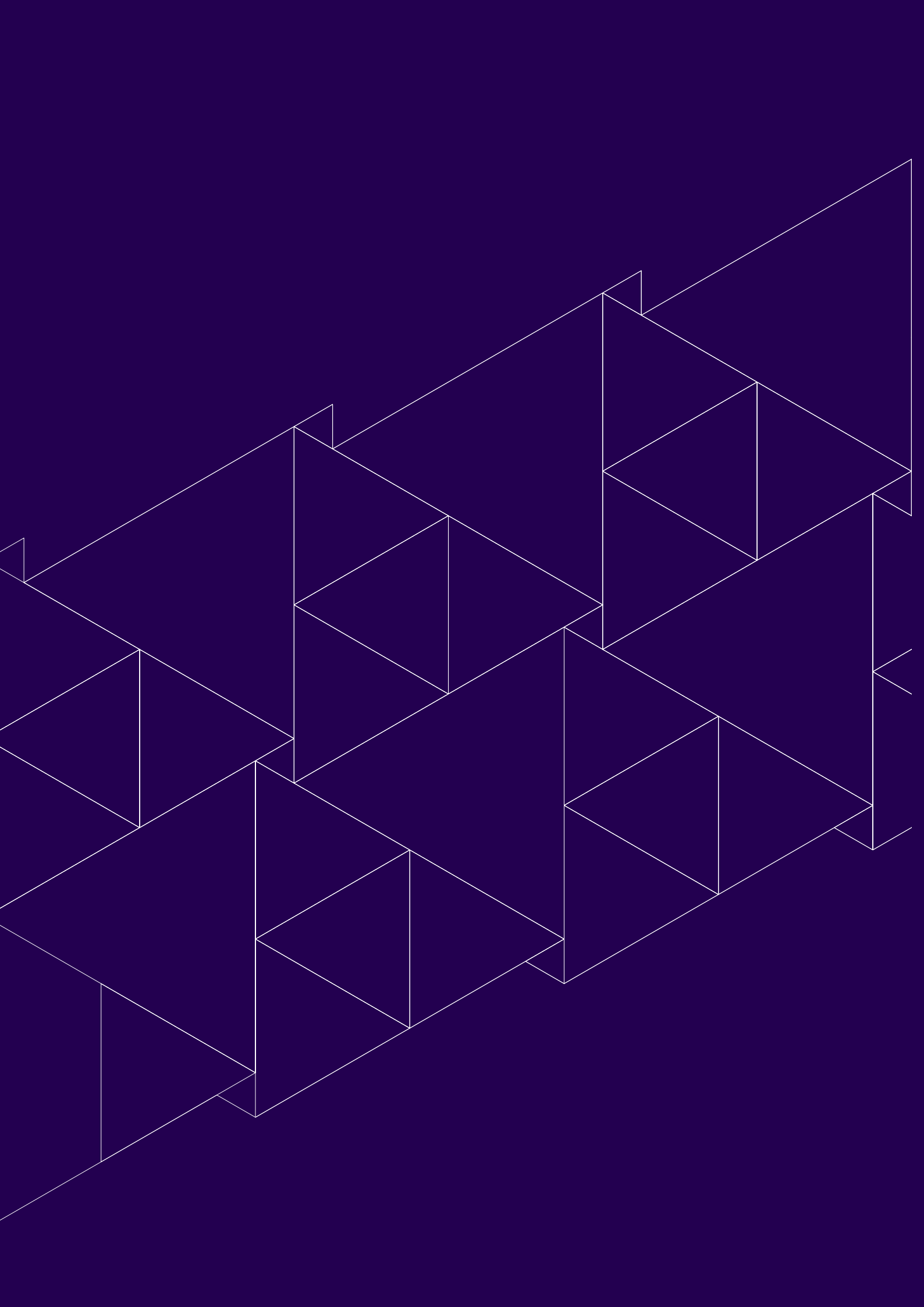
Social Dialogue for Decent Work and Human Rights
Due Diligence in the Thai Automotive Sector



Funded by:



ILO/Japan
Multi-bilateral
Programme



▶ **Driving Industry Dialogue (DID)**

Social Dialogue for Decent Work and Human Rights
Due Diligence in the Thai Automotive Sector

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Foreword

Global disruptions including the COVID-19 pandemic, economic downturns, and rising trade tensions, have highlighted both the critical importance and vulnerability of global supply chains. To rebuild toward a more resilient and inclusive future, sustainability must be prioritized in both public policy and corporate practices. Central to this approach are the principles of decent work, responsible business conduct, and a commitment to investing in people.

Rooted in international labour standards, the ILO Resilient, Inclusive, and Sustainable Supply Chains (RISSC) project, funded by Japan's Ministry of Health, Labour and Welfare (MHLW), seeks to advance this agenda by addressing decent work gaps and promoting responsible business in key economic sectors in Asia, including Thailand's automotive manufacturing industry.

Thailand is ASEAN's leading automotive producer and exporter, with the capacity to produce over two million units per year. The industry contributes about ten per cent of the country's GDP and generates significant exports to key markets in Asia and beyond. The sector is led by over 30 Original Equipment Manufacturers (OEMs), primarily Japanese and European although this is changing due to growing Chinese investments in Electric Vehicle (EV) manufacturing. It employs approximately 850,000 people (as of 2023), with 520,000 in the manufacturing segment alone. As efforts to decarbonise economies gather pace around the world, Thailand has plans to become a leader in the production of electric and zero-emission vehicles (whilst also maintaining its traditional auto-manufacturing base, at least in the medium term) and has laid out new workforce plans to facilitate the transition.

In 2023 the ILO – through the RISSC project – released a study entitled “Decent Work and Responsible Business Practices in Thailand's Automotive Manufacturing Sector,” which offers new data, insight and key stakeholder recommendations to close decent work gaps, improve business practices and enhance overall industry competitiveness amid a rapidly evolving supply chain landscape. One of the most important gaps identified by the research was in the area of “Social dialogue and representation”, an issue which if left unchecked can not only erode workplace relations and workers' rights but also undermine business efficiency and productivity. Social dialogue is also critical for enhancing responsible business conduct, not least as the foundation for effective Human Rights Due Diligence (HRDD).

Against this backdrop, the RISSC project in Thailand has developed the Guidelines “**Driving Industry Dialogue (DID): Social Dialogue for Decent Work and Human Rights Due Diligence in the Thai Automotive Sector**”. Developed in close consultation with tripartite constituents and the automotive industry itself, this document offers practical and context-specific guidance and actionable steps for automotive manufacturing firms to strengthen social dialogue in both policy and practice, and to use it to enhance due diligence as part of a wider commitment to responsible business conduct.

I hope that this manual will provide the tools and inspiration for businesses and workers alike to strengthen social dialogue, foster a culture of collaboration, and build a resilient and responsible automotive industry in Thailand, setting a benchmark for decent work and sustainable growth in an evolving global landscape.



Kaori Nakamura-Osaka

Assistant Director-General and Regional Director
for Asia and the Pacific

International Labour Organization

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Their involvement, from consultation to finalization, helped shape these guidelines into a useful resource.

The Resilient, Inclusive, and Sustainable Supply Chains (RISSC) project in Thailand¹ would like to express its deepest gratitude to our consultant on social dialogue and stakeholder engagement, whose exceptional commitment, diligence, and expertise played a pivotal role in the successful completion of these guidelines.²

Additionally, we extend our heartfelt thanks to the ILO tripartite constituents, including the government, employers’ and workers’ representative organizations, as well as our automotive and auto-part industry partners. Their insights, feedback, and openness in sharing their experiences have been invaluable in aligning the guidelines with both the national and industrial contexts. This partnership has helped enhance social dialogue along with the two goals of boosting economic productivity and fostering social sustainability. Their willingness to contribute firsthand knowledge not only informed the guidelines but also strengthened the practical steps for improving bipartite (two-party) social dialogue at the workplace level within Thailand’s automotive sector.

Furthermore, we would like to acknowledge with appreciation the invaluable support and expert advice provided by our ILO colleagues and specialists. Their guidance, along with their vast knowledge, has significantly deepened the content and increased the practical relevance of the guidelines.

We are hopeful that this collective effort will contribute to the long-term strength, inclusivity, and sustainability of the Thai automotive manufacturing industry, ensuring that it continues to grow while upholding the principles of decent work and responsible business practices.

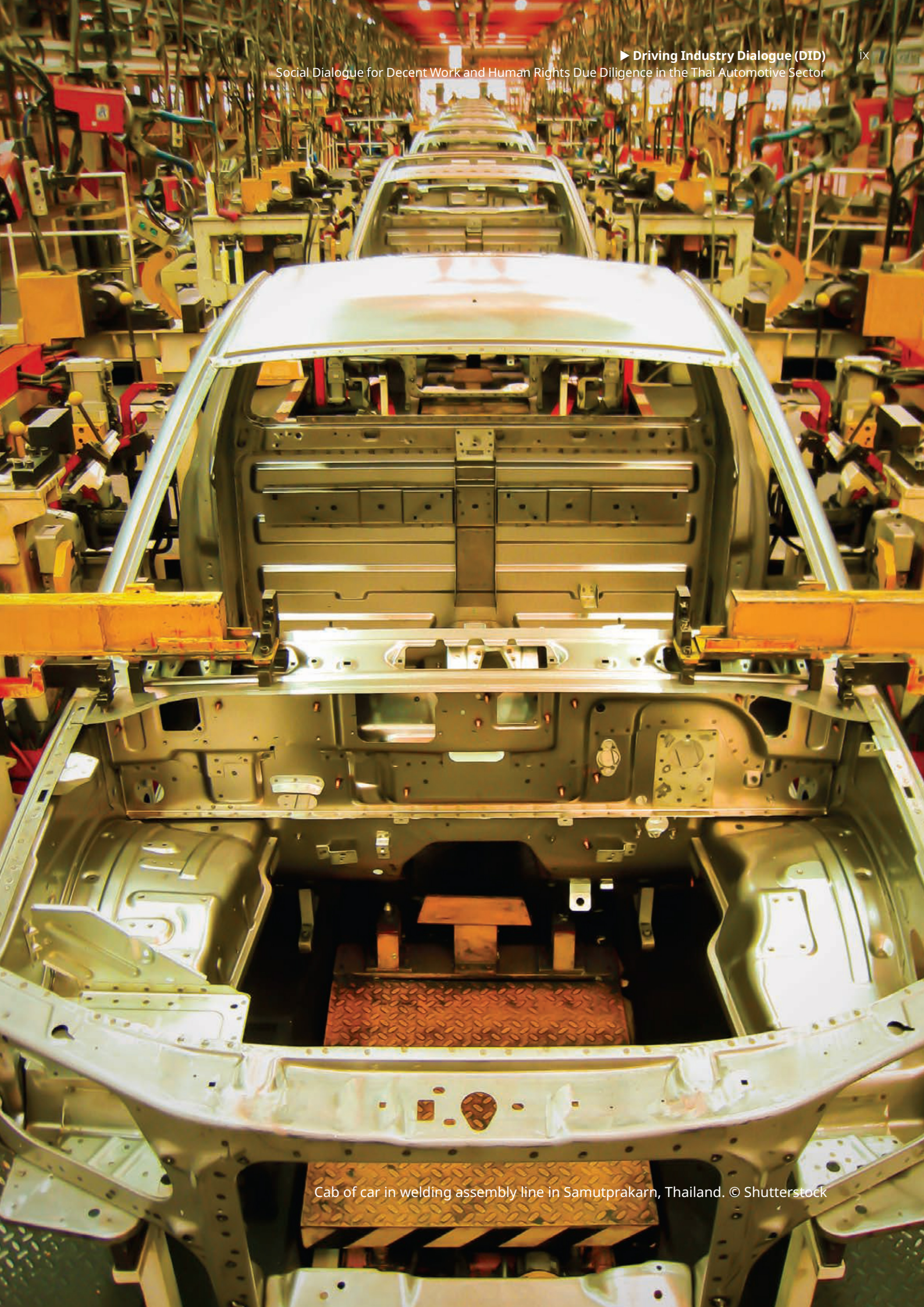
1 ILO, “Resilient, Inclusive and Sustainable Supply Chains (RISSC) in Thailand”.

RISSC project in Thailand team comprises: (1) David Williams, Project manager; (2) Noppavut Pravat, National project coordinator; and (3) Nantapich Sutjaritthanarak, Finance and administrative assistant.

2 Consultant on social dialogue and stakeholder engagement: Tanida Disyabut

Acronyms

ACFTU	All-China Federation of Trade Unions
AFL-CIO	American Federation of Labor and Congress of Industrial Organizations
ASEAN	The Association of Southeast Asian Nations
DID	Driving Industry Dialogue
DLPW	Department of Labour Protection and Welfare (Thailand)
EU	European Union
ETUC	European Trade Union Confederation
FOA	freedom of association
GDP	gross domestic product
HRDD	human rights due diligence
ILO	International Labour Organization
IR	industrial relations
LPA	Labour Protection Act
LRA	Labour Relations Act
MHLW	Ministry of Health, Labour and Welfare (Japan)
MNE	multinational enterprise
NGO	non-governmental organization
NVC	nonviolent communication
OECD	Organisation for Economic Cooperation and Development
OEM	original equipment manufacturer
OSH	occupational safety and health
PDCA	plan-do-check-act
QA	quality assurance
QC	quality control
RBC	responsible business conduct
RBI	Responsible Business Initiative
RISSC	Resilient, Inclusive and Sustainable Supply Chains project
SAM-SDI	The Self-Assessment Method for Social Dialogue Institutions
SME	small and medium enterprise
UK	United Kingdom
UN	United Nations
UNGPs	United Nations Guiding Principles on Business and Human Rights



Cab of car in welding assembly line in Samutprakarn, Thailand. © Shutterstock



Module 1. Building awareness

Introduction

One of the most fundamental elements of communication across the enterprise level is bipartite (or two-party) social dialogue. This promotes the relationship between employers and workers (and/or their organization) within a company, regardless of its size. This relationship can have profound positive impacts on business outcomes both within the company and across entire supply chains, as well as on the workers in the enterprise.

These guidelines are designed to improve bipartite social dialogue at the enterprise level in the Thai automotive manufacturing sector. This is in line with Thailand's wider commitments to advance decent work, which include the ILO Tripartite Consultation (International Labour Standards) Convention, 1976 (No. 144) and can be helpful for all workers' and employers' organizations as a training and capacity-building resource.

The guidelines are a practical resource for use by representatives of employers and workers at the company level. It can also be used by employers' and workers' organizations as a training and capacity-building resource for their members. It offers the knowledge and tools to handle social dialogue, follow ethical practices, and use it to support inclusive decisions, improve worker well-being, and boost business success in an increasingly interconnected world.

As the leading automotive producer and exporter in the Association of Southeast Asian Nations (ASEAN), the Thai automotive sector has an opportunity to be a leader in advancing decent work and responsible business both at home and abroad, based on a foundation of high labour standards and strong social dialogue at both enterprise and industry levels.

According to ILO research³, Thai automotive workers benefit from comparably high wages and widespread social protection coverage. At the same time, evidence also points to a need for improvement in other areas, including social dialogue and worker representation, career and training opportunities, and ensuring equal opportunity and treatment for all workers. By addressing these issues, the industry can build new models of resilience and sustainability, based on, among others, better industrial relations, improved workforce retention and stability, and enhanced labour productivity.

Against the backdrop of the profound and rapid global changes reshaping the Thai automotive industry, these guidelines were developed in close partnership with the industry itself. Through consultation and collaboration with key stakeholders, especially workers and employers, the toolkit reflects a robust understanding of the industry's real situation and practical needs as it seeks to upgrade and thrive in the future.

3 ILO, *Decent work and responsible business practices in Thailand's automotive manufacturing sector*, 2024.

It is important to note that this tool is not intended to guarantee compliance with specific laws or regulations (which are subject to change). Instead, it is designed to help automotive companies build a stronger enabling environment for compliance and business success through improved systems and practices for social dialogue. By investing in social dialogue, companies will thus strengthen the fundamentals for decent work and responsible business conduct, ensuring progressive improvements across a range of workplace dimensions, including labour relations, labour productivity, and business competitiveness amid growing supply chain sustainability demands.

Chapter 1.

Why social dialogue is crucial for businesses

Social dialogue encompasses all types of negotiation, consultation, and information exchange between governments, employers, and workers on economic, social and workplace policies. It can be bipartite between workers and employers or involve three parties (tripartite), including the government. Central to social dialogue are the principles of freedom of association and the right to collective bargaining.

Beyond simply improving communication, social dialogue helps build the positive workplace relations needed for business improvement. Studies have shown its role in building positive attitudes within workforces, trust between workers and management and collaboration, which can in turn drive wider efficiency and productivity gains. Both national laws and international standards emphasize the importance of social dialogue in promoting fair labour practices and fair and respectful work environments.

Businesses are also increasingly required (both through legal and non-legal means) to scale up their commitments to social sustainability and responsible business. By investing in strong social dialogue, companies can create a culture of transparency, teamwork, and shared goals towards this goal. Social dialogue also helps businesses face down external challenges, as seen most acutely during the COVID-19 crisis, in which policymakers and industries with constructive dialogue mechanisms were often better able to minimise the social fallout and design effective adaptation and recovery efforts.

This chapter outlines key international frameworks for workplace social dialogue. By aligning with these standards, businesses can not only improve labour compliance and mitigate risks and legal liabilities, but also strengthen employee relations, manage conflict and crises, enhance brand value and reputation, and drive long-term business productivity and sustainability.

1.1. Preparing for responsible business and evolving supply chain requirements: Key international frameworks

Several international frameworks guide businesses in how to uphold human rights standards, promote and ensure fair labour practices, and ensure corporate responsibility and sustainability. The most recognized frameworks are the UN Guiding Principles on Business and Human Rights (UNGPs), the ILO's Tripartite Declaration concerning Multinational Enterprises and Social Policy (MNE Declaration), and the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct (OECD Guidelines).

This section explains these frameworks, their definitions, scope and application, and how they connect to social dialogue.

1.1.1. UN Guiding Principles on Business and Human Rights (UNGPs)⁴

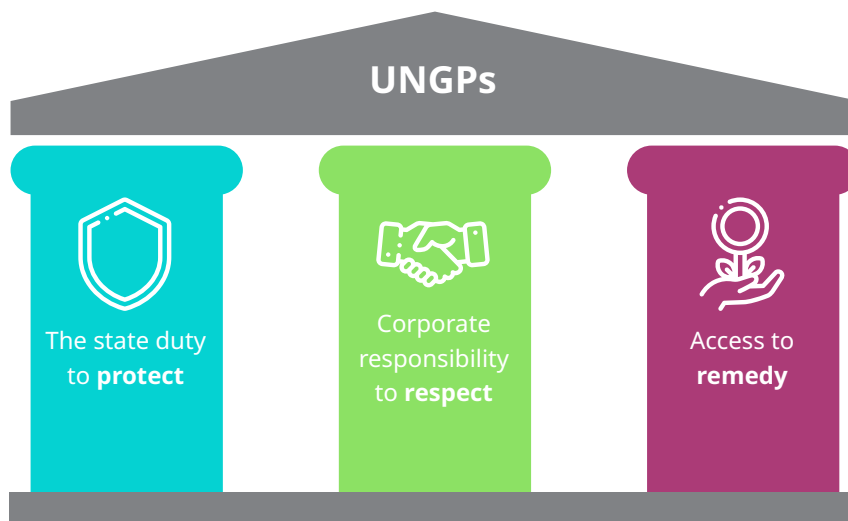
What are they about? In 2011, the UN Human Rights Council unanimously endorsed the UN Guiding Principles on Business and Human Rights, a set of guidelines operationalizing the UN Framework and further defining the key duties and responsibilities of States and business enterprises regarding the failure of businesses to respect human rights.

The UNGPs provide a global standard for preventing and addressing human rights abuses linked to business activities and promoting responsible business conduct in all global (and national) supply chains.

Whom are they for? They apply to all states and businesses, regardless of size, sector, or location, and cover various human rights issues, including labour rights, environmental protection, indigenous rights, and land rights.

The UNGPs serve as a framework for promoting responsible business conduct and ensuring accountability for human rights impacts. They guide states and companies in preventing and addressing human rights abuses, and they consist of three pillars: protect, respect, and remedy.

► Figure 1. Three pillars of UN Guiding Principles on Business and Human Rights (UNGPs)⁵



Each pillar defines concrete, actionable steps for governments and companies to meet their respective duties and responsibilities to prevent gaps in respect for human rights in company operations and provide remedies if such gaps occur.

What do they cover? One key component of the UNGPs is the establishment of effective complaint systems through which companies can respect human rights as outlined in the UNGPs. These mechanisms provide a channel for individuals or communities to raise concerns about human rights impacts, seek remedies, and hold companies accountable. Furthermore, they emphasize the importance of human rights due diligence and the responsibilities of both state and non-state actors in safeguarding human rights. They also emphasize the need for social dialogue, stakeholder engagement, and ensuring businesses respect human rights across all their operations and supply chains.

⁴ United Nations Human Rights Office of the High Commissioners (OHCHR), *Guiding principles on business and human rights*, 2011.

⁵ **Note:** The framework comprises three core principles: the State duty to *protect* against human rights abuses by third parties, including business; the corporate responsibility to *respect* human rights; and the need for more effective access to *remedy*. The three principles form a complementary whole in that each supports the others in achieving sustainable progress.

1.1.2. ILO Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy (MNE Declaration)⁶

What are they about? The ILO Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy (MNE Declaration) was negotiated and adopted by governments, employers, and workers in 1977. The principles laid down in the MNE Declaration offer guidelines to MNEs operating in or from adhering countries, governments, employers' and workers' organizations in areas such as employment, training, conditions of work and life, and industrial relations.

Whom are they for? The MNE Declaration is the only ILO instrument directly guiding enterprises on social policy and inclusive, responsible, and sustainable workplace practices. It is also the only tripartite responsible business instrument, having been adopted by governments, employers, and workers worldwide.

The MNE Declaration aims to maximize the positive contributions of multinational enterprises (MNEs) to local economic and social development while minimizing potential challenges. It provides guidance to both companies and governments, recognizing the roles of both host and home countries in shaping responsible business conduct (RBC).

The MNE Declaration facilitates outreach and understanding of the Decent Work agenda in the private sector. It is a key instrument guiding Responsible Business Conduct (RBC) to achieve inclusive, sustainable, and responsible supply chains. Furthermore, it seeks to foster positive outcomes between home and host countries while mitigating potential negative impacts.

What do they cover? The parties concerned can use the principles of the MNE Declaration as guidelines for enhancing the positive social and labour effects of multinational enterprises' operations and governance to achieve decent work for all, a universal goal recognized in the 2030 Agenda for Sustainable Development.

The principles of the ILO MNE Declaration include:

- Respect for fundamental labour rights, including freedom of association and collective bargaining
- Promotion of non-discrimination and equal opportunity
- Provision of safe and healthy working conditions
- Elimination of child labour and forced labour.

In addition, the guidelines emphasize the role of MNEs in respecting workers' rights, engaging in collective bargaining, and fostering constructive social dialogue with workers and other stakeholders.

The MNE Declaration: Key facts

Adopted in 1977; revised in 2000, 2006, 2017 and 2022.

- *Encourages dialogue and tripartite collaboration to create an enabling environment for decent work and responsible business.*
- *Its principles provide guidance to MNEs, governments of home and host countries, and employers' and workers' organizations and cover areas such as employment, training, conditions of work and life, and industrial relations.*
- *It includes specific provisions on human rights due diligence (HRDD), emphasizing the key role of freedom of association and collective bargaining in the process.*
- *Annex II offers tools for promoting the Declaration at various levels, with a focus on national three-party focal points and company-union dialogue.*

⁶ ILO, *Tripartite Declaration of principles concerning multinational enterprises and social policy*, 2022.

1.1.3. OECD Guidelines for Multinational Enterprises on Responsible Business Conduct⁷

What are they about? The OECD Guidelines for Multinational Enterprises is a set of voluntary guidelines in the form of recommendations for the behaviour of multinational enterprises (MNEs), first adopted by the Member States of the Organisation for Economic Co-operation and Development (OECD) in 1976 (and last revised in 2000).

The guidelines are intended to provide a reference framework, a set of good practices, as well as recommendations, for how MNEs can implement and promote responsible business conduct, for example by tackling corruption, ensuring accountability in preventing, together addressing adverse impacts on human and labour rights and the environment.

Whom are they for? Though primarily aimed at MNEs, domestic enterprises can also be influenced by these guidelines, especially when they are part of the supply chain. When MNEs engage with local suppliers, they may expect these partners to adhere or correspond to the same standards of responsible business conduct.

They apply to MNEs operating in or from their countries and cover various business activities, including operations, supply chains, and business relationships.

What do they cover? The provisions include:

- A range of general policies (contribute to economic, social, and environmental progress in host countries, respect human rights, encourage local capacity building and human capital formation, support and uphold good corporate principles, and so on);
- Disclosure of timely, regular, reliable, and relevant information regarding enterprises' activities, structure, financial situation and performance;
- Employment and industrial relations (enterprises should respect the rights of employees to be represented by trade unions, contribute to the effective abolition of child labour and the elimination of all forms of forced or compulsory labour, not discriminate among employees on grounds of race, colour, sex, religion and so on, and provide employee representatives with assistance in developing effective collective agreements);
- The need to protect the environment, public health and safety, and to contribute to the wider goal of sustainable development neither the offering nor accepting of bribes by enterprises;
- Regarding consumer interests, taking all reasonable steps to ensure the safety and quality of goods and services;
- The promotion of the transfer and rapid diffusion of technologies and know-how, and the performing of science and technology development work in host countries
- Competitively conducting enterprise activities, and;
- The importance of contributions of enterprises to public finances of host countries by paying their taxes on time.⁸

⁷ The Organisation for Economic Co-operation and Development (OECD), *Guidelines for multinational enterprises on responsible business conduct*, 2011.

⁸ ILO, *Glossary of labour law and industrial relations (with special reference to the European Union)*, 2005.

1.2. Social dialogue and human rights due diligence (HRDD)

Human Rights Due Diligence (HRDD) is a key element of Responsible Business Conduct (RBC) and can be found in various international guidance frameworks including the UN Guiding Principles. While the UNGPs provide the overarching framework for promoting responsible business (through the aforementioned three pillar approach), HRDD provides a process for effectively operationalizing these principles.

Human Rights Due Diligence (HRDD) is the process of identifying, preventing, mitigating, and addressing human rights impacts across business activities, including operations and supply chains. It involves assessing both actual and potential risks, integrating findings into decision-making, and monitoring the effectiveness of actions taken to manage and reduce adverse impacts.

In doing so, HRDD is an essential tool for businesses that want to enhance corporate accountability, transparency, and respect for human rights in their operations and supply chains.

Social dialogue, especially between employers and workers' representatives, is essential to effective HRDD at the enterprise level. As workers often occupy a unique position at the forefront of business operations—giving them a voice and platform to share insights, allows companies to gather crucial information on human rights risks and impacts (and their underlying causes), and helps them forge solutions in areas where worker-management cooperation is key to success.

At the same time, HRDD can also provide important ways for businesses to further strengthen social dialogue (for example by enabling managers to assess and monitor whether or not the necessary rights are in place to support meaningful stakeholder engagement).

1.2.1. The key elements of HRDD

HRDD is intended not as a one-off exercise but as a process for managing human rights impacts that should be repeated on a periodic basis. It is at its strongest when it uses a participatory approach that harnesses dialogue with key stakeholders affected by business decisions, especially workers.

HRDD assists businesses to methodically identify and address potential adverse impacts resulting from their operations or occurring through their supply chains and other business relationships. At the same time, by helping build trust and understanding with workers, HRDD can also support broader improvements to labour-management cooperation, industrial relations and business productivity.⁹

Social dialogue & HRDD in the MNE Declaration

General policy (Paragraph 10 (e))

"In order to gauge human rights risks, enterprises – including multinational enterprises – should identify and assess any actual or potential adverse human rights impacts with which they may be involved either through their own activities or as a result of their business relationships.

*This process should involve **meaningful consultation** with potentially affected groups and other relevant stakeholders including workers' organizations, as appropriate to the size of the enterprise and the nature and context of the operation.*

*To achieve the aim of the MNE Declaration, this process should take account of the central role of **freedom of association and collective bargaining** as well as **industrial relations and social dialogue** as an ongoing process."*

9 Global Deal Webinar Series: Social dialogue - A key pillar of due diligence, *The Global Deal*, 22 June 2021.

There is no universally accepted global standard for HRDD, but six general steps are commonly recognized, as follows:

► **Figure 2. General steps of Human Rights Due Diligence (HRDD)¹⁰**



Stakeholder Engagement : regularly interact and hold meaningful consultations with individuals or groups (including workers' organizations) potentially affected by the company's operations, products or services

1. Embed responsible business conduct into policies and management system

- Formulation and dissemination of human rights policy in dialogue with relevant stakeholders
- Development of internal systems, for example, by promotion of company-wide initiatives, development of systems promoting cross-functional cooperation
- Training and awareness-raising

2. Identify and assess actual and potential adverse impacts associated with the enterprises' operations, products or services

- Identifying who might be affected and assessing the human rights context prior to a proposed business activity where possible
- Ensuring opportunities for (social) dialogue, especially labour and management
- Establishment of systems and means for understanding human rights issues
- Establishing supply chain tractability

3. Cease, prevent and mitigate adverse impacts

- Preventing and mitigating adverse impacts through (social) dialogue
- Promoting and supporting the efforts of business partners
- Collaboration among companies by considering local labour laws and regulations, as well as international labour standards and emerging supply chain requirements

¹⁰ ILO, "Business and Human Rights" and responsible business conduct, 2023.

ILO, "Responsible business conduct and human rights due diligence: Good practices of Japanese companies", 2023

UNDP, "Human rights due diligence: policies, practice, and implementation", 2023

4. Track implementation and results

- Use of appropriate qualitative and quantitative indicators
- Drawing on feedback from internal and external stakeholders
- Use of monitoring results to prevent and mitigate adverse impact, and to improve HRDD methods

5. Communication of how impacts are addressed

- Efforts to improve and ensure information disclosure
- Commitment through information disclosure

6. Provide for or cooperate in remediation when appropriate

- Establishment and improvement of grievance mechanisms
- Cooperation with and support for business partners

Businesses need to gather information to identify and assess negative impacts. This can involve talking with stakeholders (such as labour unions and worker representatives), using grievance systems, surveying local business partners (through on-site inspections or worker interviews), and reviewing documents (such as questionnaires, contracts, and public information).

The appropriate method depends on the type of information to be collected, and on the particular stage of the HRDD process. For example, to accurately understand adverse human rights impacts, business enterprises should seek to have direct dialogues with their suppliers (and, where possible the associated workers) along the supply chain subject to potential adverse impacts. However, in situations where such dialogue is not possible or additional information may be needed, appropriate alternatives such as dialogues with sectoral or national workers' organizations, as well as credible and independent experts should be considered.

1.2.2. HRDD in law and policy

There is no single universal law or global standard for HRDD that applies universally across jurisdictions. However, several countries and regions have introduced or proposed legislation related to human rights due diligence (HRDD) in recent years. These laws typically aim to enhance corporate accountability for negative human rights impacts in their operations and supply chains, and often require them to conduct due diligence to identify, prevent, mitigate, and remedy such impacts.

Here are some examples of recent HRDD-related guidelines, laws and other initiatives:

1. Japan's Guidelines on Respecting Human Rights in Responsible Supply Chains (2022)¹¹



- Japan has launched voluntary guidelines that emphasize its businesses should conduct HRDD at home and abroad. This requires continuously evaluating human rights risks, including through stakeholder dialogues, and undertaking steps to prevent and mitigate adverse human rights impacts involving the business.

2. European Union (EU) Directive on Corporate Sustainability Due Diligence (2022)¹²



- The EU has proposed legislation requiring companies to conduct due diligence on human rights and environmental issues throughout their supply chains, including engaging with stakeholders to identify and mitigate risks. This directive aims to ensure that companies operating in the EU are accountable for their impacts on human rights and the environment, with penalties for non-compliance.

¹¹ Japan, Ministry of Economy, Trade and Industry, *Guidelines on respecting human rights in responsible supply chains*, 2022.

¹² European Commission, *Corporate sustainability due diligence*.

3. United Kingdom's Modern Slavery Act (2015)¹³



- The UK Modern Slavery Act requires large businesses operating in the UK to produce an annual statement detailing the steps taken to ensure that slavery and human trafficking are not taking place in their operations and supply chains. Though this Act primarily focuses on reporting and transparency, companies are encouraged to engage with stakeholders to improve their practices and ensure effective measures against modern slavery and human trafficking.

4. France's Duty of Vigilance Law (2017)¹⁴



- France has implemented legislation requiring large companies to establish and implement a vigilance plan that contains efficient consultations with stakeholders, to identify and prevent human rights abuses and environmental damage throughout their supply chains. This law imposes penalties for non-compliance and aims to promote corporate accountability.

5. Switzerland's Responsible Business Initiative (RBI)¹⁵



- Though not yet passed into law, Switzerland held a referendum on the Responsible Business Initiative, which would have required Swiss companies to conduct due diligence for human rights and environmental risks in their operations and supply chains. While the referendum did not pass, it reflects a growing trend toward HRDD legislation.

6. Germany's Corporate Due Diligence Obligations in Supply Chains Act¹⁶



- It came into force on 1 January 2023. The law regulates the responsibility of German enterprises to respect human rights in global supply chains. This includes, for example, protection against child labour, the right to fair wages, and environmental protection. The people in the supply chains, as well as enterprises and consumers, benefit from this. This Act also requires companies to consult and engage with stakeholders as part of their due diligence processes along the supply chain.

7. United States-related laws regarding human rights in the supply chain



- Though the United States does not currently have a comprehensive HRDD law that applies uniformly to both home and host countries in the supply chain, certain laws and regulations address aspects of human rights in supply chains. These primarily apply to companies' activities both domestically and internationally, although they do not form a cohesive HRDD framework. For example, the Tariff Act¹⁷ addresses forced labour, and the California Transparency in Supply Chains Act¹⁸ concerns human trafficking and forced labour.

8. Proposed Legislation in Canada¹⁹ and other countries



- Several countries, including Canada, have proposed —or are considering, legislation similar to the EU's directive, aiming to hold companies accountable for human rights abuses in their global operations and supply chains. They often include provisions for stakeholder dialogues to identify and address human rights and environmental issues in supply chains.

¹³ United Kingdom's Modern Slavery Act 2015

¹⁴ France's Law No. 2017-399 on the duty of vigilance of parent companies and contracting companies

¹⁵ Geneva Graduate Institute, *The implementation of the counter-proposal to the Responsible Business Initiative in the commodity trading industry*, 2022.

¹⁶ Germany's Act on Corporate Due Diligence Obligations in Supply Chains (Gesetz über die unternehmerischen Sorgfaltspflichten in Lieferketten) 2023

¹⁷ U.S. Smooth-Hawley Tariff Act of 1930, Section 307.

¹⁸ California Transparency in Supply Chains Act 2010

¹⁹ Friends of the Earth Canada, *Human rights and environmental due diligence legislation in Canada*.

It is important to note that HRDD laws and regulations continually change, with new proposals and initiatives emerging at both the national and international levels. Companies should stay informed about developments in this area and ensure compliance with relevant laws and regulations wherever they operate. Investing in social dialogue will position companies well to improve business and industrial relations and make HRDD compliance easier down the line in the workplace and supply chain.

1.2.3. HRDD in the automotive industry

Human rights concerns in global supply chains emerged prominently in the late 20th century as globalization fuelled growth in multinational enterprises (MNEs) and cross-border supply chains. As industries like automotive manufacturing spread across countries, disparities in labour standards became apparent. High-profile incidents and increased public awareness led to international frameworks aimed at safeguarding human rights in business.

Although legislative measures continue to expand, human rights due diligence (HRDD) in the automotive sector remains today largely a voluntary exercise that is driven by corporate initiatives (including corporate sustainability and human rights policies, supplier codes of conduct, and so on)²⁰. The effectiveness of these efforts varies, with some companies finding them beneficial but in need of more results-oriented approaches, while others struggle with complex implementation.

HRDD is typically required of companies -and often their suppliers- that are domiciled or substantively active in, or export to, countries with hard or soft law requirements for responsible business conduct. These include EU member states like France and Germany, which have national legislative requirements, and Japan, which has voluntary guidelines on responsible supply chains, and all of which have expectations for HRDD (as mentioned in Section 1.2.2 above). These are particularly important jurisdictions for the Thai automotive sector, which is home to a large number of European and Japanese companies and an even larger network of Thai supplier firms.

A growing number of countries also have National Action Plans on Business Human Rights, including Thailand²¹, which set out the national policy blueprint for countries in promoting responsible business, and which also often cite government efforts to encourage and enable businesses to conduct HRDD.

1.3. Benefits of applying bipartite social dialogue in workplace discussions

Research and case studies from around the world provide strong empirical evidence that social dialogue is an effective tool and approach to enhancing both labour relations and business performance. It plays a crucial role not only at the enterprise level but also at the sectoral and industrial one. The key roles and benefits at the different levels are outlined below:²²

Enterprise level

1. **Social dialogue can improve labour compliance.** Factories with strong social dialogue mechanisms (in the form of unionized workforces and collective bargaining, for example) have been shown to have comparably higher rates of labour compliance (with national laws), especially on issues like wages and salaries, employment contracts, and occupational safety and health (OSH) provisions.
2. **Social dialogue can build workforce trust and morale,** together with a shared commitment to company goals, which is important for business growth and sustainability.

20 **Note:** The research cites reference no.3, which is a 2023 study conducted under the ILO-Japan RISSC project on decent work and responsible business practices in Thailand's automotive manufacturing sector.

21 **Note:** On 8 September 2023, the Thai government adopted its [2nd National Action Plan on Business and Human Rights \(2023-2027\)](#).

22 ILO, *Gap analysis of ILO normative and non-normative measures to ensure decent work in supply chains*, 2021.

3. **Social dialogue can prevent workplace conflicts and disputes** which can disrupt industrial harmony and incur social and economic costs. This can have positive spinoff effects on productivity, business efficiency and rates of return on invested capital.
4. **Social dialogue underpins Industrial Relations systems**, which enable companies to solve problems, address decent work deficits, protect workers' rights, and manage transitions in a sustainable manner, more effectively. Social dialogue also supports collective bargaining processes, which help deliver consensus-based improvements to working conditions.²³

Sectoral and industrial level²⁴

1. Social dialogue can help tailor national regulations to sector-specific needs (and hence make them more relevant and applicable at the workplace/industry level).
2. Sectoral social dialogue helps establish minimum standards for all enterprises operating under similar conditions, thereby preventing unfair competition.
3. Sectoral social dialogue encourages employers to join employers' organizations since sectoral agreements can bind all enterprises operating in the sector.
4. Sectoral social dialogue between employers and workers' organizations encourages relationships based on mutual agreements, rather than relying on the influence of government regulations and laws.
5. Policies developed via consultation and consensus between social partners (which is social dialogue) are more likely to be effectively applied at the workplace level.
6. Social dialogue can be used to monitor commitments/obligations to responsible businesses (for instance, from trade agreements, international instruments like UNGPs, corporate codes of conduct) and ensure access to grievance mechanisms and remedies.

To ensure the constructive effects and results of applying social dialogue (based on their specific context), enterprises should consult key stakeholders, as well as their supply chain actors where necessary, and analyze their circumstances and needs right from the outset.²⁵

23 **Note:** Collective bargaining is an enabling right, a voluntary negotiation process between representative parties acting in good faith, and – if consensus is reached – a substantive regulatory outcome in the form of a collective agreement. It offers a unique mechanism for regulating work conditions and employment terms – one enacted by the parties themselves. More information is available on the [ILO Q&As on business and collective bargaining webpage](#).

24 **Note:** The benefits of social dialogue at the sectoral and industrial levels are also often relevant at the enterprise level due to the interconnectedness of the supply chain. Improvements achieved through broader social dialogue influence enterprises, highlighting the importance of cohesive communication across all levels to ensure consistent, mutually beneficial outcomes.

25 **Note:** Capacity building, especially on the topics related to responsible business and workplace cooperation for relevant stakeholders along the supply chain is essential to conduct better social dialogue. The ILO [training programme on Sustaining Competitive and Responsible Enterprises \(SCORE\)](#) can be one of useful resources for the automotive industry to help improve productivity and working conditions in small and medium enterprises (SMEs).





Module 2.

Improving knowledge

Chapter 2.

How social dialogue works

2.1. Principles and definition

2.1.1. What social dialogue is

According to the ILO²⁶, social dialogue is defined to include all types of negotiation, consultation or exchange of information between representatives of governments, employers and workers on issues of common interest relating to economic and social policy. The definition and concept of social dialogue vary from country to country and from region to region, and are still evolving.

The enabling conditions for social dialogue are as follows:

- Strong, independent workers' and employers' organizations with the technical and organizational capacity to make and deliver on agreements;
- Right to information, the access to the relevant information necessary to participate in social dialogue and make informed decisions;
- Political will and commitment to engage in social dialogue on the part of all the parties
- Respect for the fundamental rights of freedom of association and collective bargaining;
- Appropriate institutional support (such as legislation, administration, dispute prevention and settlement mechanisms).

For social dialogue to work, a state cannot be passive even if it is not a direct actor in the process. It is responsible for creating a stable political and civil climate that enables autonomous employers' and workers' organizations to operate freely, without fear of reprisal. Even when the dominant relationships are formally bipartite, a state has to provide essential support for the parties' actions by providing the legal, institutional and other frameworks that enable the parties to act effectively.

Social dialogue takes many different forms. It can exist as a tripartite process, with the government as an official party to the dialogue, or it may consist of bipartite relations only between labour and management (or trade unions and employers' organizations). Concertation can be informal or institutionalized, and often it is a combination of the two. It can take place at the regional, national or enterprise level. It can be inter-professional, sectoral or a combination of all of these. Social dialogue institutions are often defined by their composition.

²⁶ ILO, *Social dialogue: Finding a common voice*, 2002.

Dialogues can be two-party (bipartite), three-party (tripartite) or “tripartite plus” (more than three parties). The key three-party actors are the representatives of government, employers and workers. At times, and depending on specific national contexts, the tripartite partners may choose to open the dialogue to other relevant actors in society to gain a wider perspective, to incorporate the diverse views of other social actors and to build a wider consensus.

Social dialogue can take a variety of forms, ranging from the simple act of exchanging information to the more developed forms of concertation. The following is intended as a short-list of the most usual forms of social dialogue:

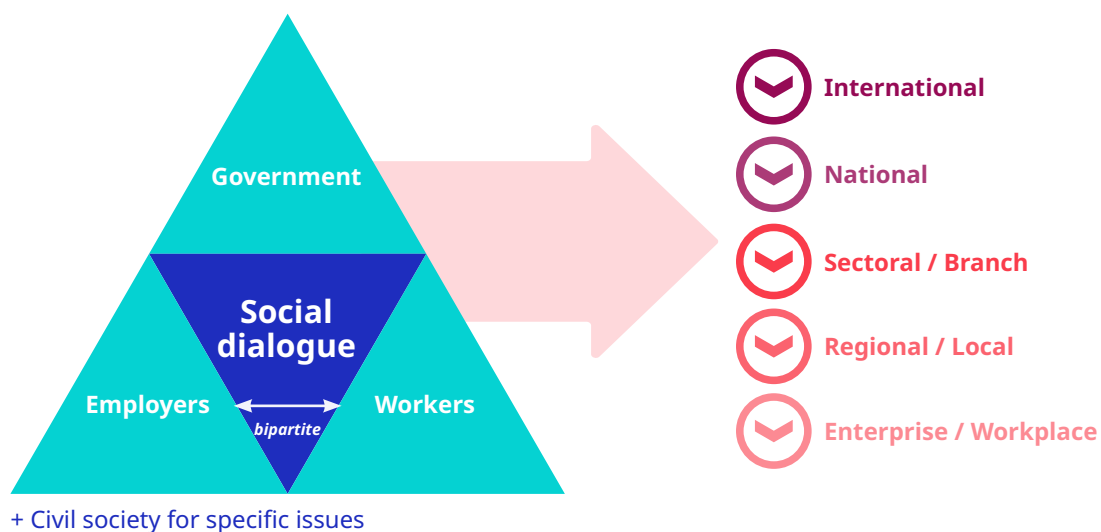
- Information-sharing is one of the most basic and indispensable elements for effective social dialogue. In itself, it implies no real discussion or action on the issues, but it is nevertheless an essential part of those processes by which dialogue and decisions take place.
- Consultation goes beyond the mere sharing of information and requires an engagement by the parties through an exchange of views that in turn can lead to more in-depth dialogue.
- Tripartite or bipartite bodies can engage in negotiations and the conclusion of agreements. While many of these institutions make use of consultation and information-sharing, some are empowered to reach agreements that can be binding. Those social dialogue institutions that do not have such a mandate normally serve in an advisory capacity to ministries, legislators and other policy-makers and decision-makers.

Social dialogue takes into account each country’s cultural, historical, economic and political context. There is no “one size fits all” model of social dialogue that can be readily exported from one country to another. Social dialogue differs greatly from country to country, though the overriding principles of freedom of association and the right to collective bargaining remain the same.

Adapting social dialogue to the national situation is key to ensuring local ownership of the process. There is a rich diversity in institutional arrangements, legal frameworks and traditions, and practices of social dialogue throughout the world.

Social dialogue is rooted essentially in **freedom of association and the right to collective bargaining** and must take account of each country’s social, cultural, historical, economic, and political context. It can take place at several levels, as illustrated below:

► Figure 3. Social dialogue structure and levels of implementation



Freedom of Association²⁷ is the right of all workers and employers to establish and join an organization of their choosing without previous authorization. Workers should be adequately protected against acts of anti-union discrimination. Workers' and employers' organizations should enjoy adequate protection against acts of interference by each other.

They should be able to carry out their activities, such as representing and promoting workers' interests, informing and protecting workers of their rights, consulting, and assisting in organizing if the workers so choose, without disrupting the company's day-to-day operations, ensuring a harmonious system.

Collective bargaining²⁸, a formal process, offers a flexible platform for trade unions (or, in their absence, worker representatives) to negotiate with management and reach a binding agreement called a Collective Bargaining Agreement. This process can be as broad in scope as the parties agree, although some minimum elements may be prescribed by law and regulations.

Bipartism – involves employers and/or employers' organizations, and workers' organizations, which exchange information, consult each other, or negotiate together, without government intervention. Bipartite social dialogue most commonly deals with working conditions and terms of employment as well as the relations between workers and employers. The objective is to improve labour relations and the organization of the labour process.

Bipartite social dialogue may involve collective bargaining or other forms of negotiation, cooperation, dispute prevention, and resolution, while tripartite social dialogue may discuss public policies, laws, and other decision-making that affect the workplace or the interests of workers and employers.²⁹

2.1.2. Key social dialogue mechanisms

The key mechanisms (or processes) are frequently undertaken in social dialogue.³⁰ They can be exemplified as follows:

1. Negotiation, consultation, and information exchange between and among the different actors

- **Negotiation** is not only an integral – and one of the most widespread – forms of social dialogue. Parties can engage in collective bargaining at the enterprise, sectoral, regional, national, and even multinational levels.
- **Consultation** requires the parties to engage through an exchange of views, which can lead to more in-depth dialogue. The parties participating in tripartite or bipartite bodies can engage in negotiations and the conclusion of formal agreements. Some are only consultative and information bodies, while others are empowered to reach agreements that are binding on the parties (such as governments, workers, and employers).
- **Information** sharing is one of the most basic and indispensable elements for effective social dialogue. In itself, it implies no real discussion or action on the issues, but it is nevertheless an essential part of those processes by which dialogue and decisions take place.

2. Collective bargaining between representatives of employers and workers

Collective bargaining is defined in the Collective Bargaining Convention, 1981 (No. 154), as: "all negotiations which take place between an employer, a group of employers or one or more employers' organizations, on the one hand, and one or more workers' organizations, on the other, for (a) determining working conditions and terms of employment; and/or (b) regulating relations between employers and workers; and/or (c) regulating relations between employers or their organizations and a workers' organization or workers' organizations."

27 ILO Helpdesk: Business and freedom of association, ILO, 22 April 2024.

28 ILO, Collective bargaining and labour relations.

29 ILO, Report VI Social dialogue: Recurrent discussion under the ILO Declaration on social justice for a fair globalization, ILC.102/VI, 2013

30 ILO, Different views, one goal, 2011.

3. Bipartite and tripartite social dialogue on matters of economic and social policy

Bipartite social dialogue involves two parties – employers and/or employers’ organizations and workers’ organizations – that agree to exchange information, consult each other, or negotiate together. It is often practiced through collective bargaining or workplace cooperation.

The ILO defines tripartism as “the interaction of government, employers, and workers (through their representatives) as equal and independent partners to seek solutions to issues of common concern.”³¹ It refers to institutions, mechanisms, and processes for consultation, negotiation, and joint decision-making, depending on arrangements agreed between the parties involved. These arrangements may be ad hoc or institutionalized.³²

4. Other instruments of social dialogue, including international framework agreements

Peak-level social dialogue involving governments and nationwide organizations of employers and workers contributes to the formulation and adoption of social, economic, and labour policies and can be applied to any decision-making that affects the workplace or the interests of employers and workers.

2.1.3. The role of social dialogue in HRDD

HRDD is increasingly important both for companies to improve business efficiency and social sustainability and to demonstrate their commitment to responsible business to internal and external stakeholders.

The automotive sector is no different: using due diligence as part of a wider commitment to decent work and responsible business can help Thai manufacturers improve their economic and social performance, enhance their reputation, secure high-value clients, and enter new product markets.

Within these frameworks, social dialogue is essential for addressing human rights impacts within operations and supply chains, fostering transparency and accountability.

Social dialogue and human rights due diligence mechanisms are *complementary and mutually reinforcing*, as both are process-orientated and require ongoing consultations. This means they can also act in a preventive manner and not only in response to reported cases of human rights violations.

Stakeholder engagement through social dialogue plays a crucial role in implementing **effective (human rights) due diligence for decent work and responsible business conduct**, for example:

1. The ILO MNE Declaration calls for HRDD to include worker voices, and social dialogue is a practical approach to achieving these objectives.
2. HRDD is about risk management; workers often know both the risks and the solutions on the factory floor. Therefore, engaging with them will strengthen HRDD processes.
3. HRDD processes can be administered through the social dialogue committee(s).
4. Remediation and grievance handling issues, which are a key part of HRDD, need to be managed through a two-party process, such as social dialogue, to be effective and sustainable.

The use of social dialogue in negotiations between employers and workers is key to a company’s human rights due diligence (HRDD) efforts. It allows workers to share insights on workplace conditions, helping companies identify and assess labour rights risks and their root causes. At the same time, HRDD strengthens social dialogue by enabling companies to evaluate whether essential rights, like freedom of association and the right to organize, are upheld for effective stakeholder engagement.

31 ILO, *Reports of the recurrent discussion committee: Social dialogue and tripartism: Resolution and conclusions submitted for adoption by the Conference*, ILC.107/VI, 2018.

32 ILO, *Glossary of labour law and industrial relations (with special reference to the European Union)*, 2005.

2.2. Relevant national and international laws, as well as the ILO Conventions

Concerning social dialogue, the ILO helps its constituents promote international labour standards and create social dialogue indicators developed as part of the overall decent work indicators. The right to freedom of association and collective bargaining are considered basic human values (as outlined in the ILO's **Fundamental Principles and Rights at Work**) and are essential elements that allow social dialogue to flourish.³³ There are several ILO Conventions and frameworks, together with Thai national laws and regulations, which relate to social dialogue.

2.2.1. ILO Conventions and standards relating to social dialogue

Most ILO standards call for the involvement of social partners in their implementation and usually require consultation with representative organization of employers and workers at the national level. The ILO Conventions and standards relating to social dialogue include³⁴:

- **The Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87)**³⁵: This Convention establishes the right of workers and employers to form and join organizations of their choosing without prior authorization. It protects the freedom to organize and promotes the independent and free functioning of workers' and employers' organizations. Thailand has not ratified this Convention.
- **The Right to Organise and Collective Bargaining Convention, 1949 (No. 98)**³⁶: This Convention, not yet ratified by Thailand, protects workers against anti-union discrimination and promotes the right to collective bargaining. It ensures that workers can organize and negotiate terms and conditions of employment collectively without interference from employers.
- **The Collective Bargaining Convention, 1981 (No. 154)**³⁷: This Convention, not yet ratified by Thailand, aims to promote voluntary negotiations between employers or employers' organization and workers' organizations to determine working conditions and terms of employment, thereby encouraging and extending collective bargaining practices.
- **The Collective Bargaining Recommendation, 1981 (No. 163)**³⁸: This Recommendation guides on implementing effective collective bargaining practices. It emphasizes the importance of good faith negotiations, the need for both parties to make efforts to reach agreements, and the role of the state in facilitating such processes without direct interference.
- **Workers' Representatives Convention, 1971 (No. 135)**³⁹: This Convention, not ratified by Thailand, focuses on ensuring that workers have the right to elect representatives to express their interests and concerns in the workplace. It establishes the principles for the appointment and functioning of these representatives, guaranteeing their protection from discrimination and ensuring they have adequate time and resources to perform their duties. This Convention aims to strengthen worker representation and dialogue within enterprises, fostering better labour relations and working conditions.

33 ILO, *ILO Declaration on fundamental principles and rights at work*, 2022.

34 **Note:** According to the ILO Declaration on Fundamental Principles and Rights at Work, all Members, even if they have not ratified one of the ILO fundamental Conventions, have an obligation arising from the very fact of membership in the Organization, to respect, promote and realize the principles concerning fundamental rights which are the subject of these Conventions, including the *freedom of association and the effective recognition of the right to collective bargaining*.

35 [Freedom of Association and Protection of the Right to Organise Convention, 1948 \(No. 87\)](#)

36 [Right to Organise and Collective Bargaining Convention, 1949 \(No. 98\)](#)

37 [Collective Bargaining Convention, 1981 \(No. 154\)](#)

38 [Collective Bargaining Recommendation, 1981 \(No. 163\)](#)

39 [Workers' Representatives Convention, 1971 \(No. 135\)](#)

- **Labour Relations (Public Service) Convention, 1978 (No. 151)⁴⁰:** This Convention addresses labour relations in the public sector. It sets out principles for collective bargaining and workers' rights within public administration, ensuring that public service employees have the freedom to join trade unions and engage in collective negotiations. The Convention also emphasizes the need for effective mechanisms to resolve disputes and protect workers' rights, aiming to promote fair and equitable labour practices in the public sector and improve working conditions. Thailand has not ratified this Convention.

Several standards focus specifically on tripartite social dialogue, in particular:

- **The Tripartite Consultation (International Labour Standards) Convention, 1976 (No. 144)⁴¹:** This Convention is ratified by Thailand. It mandates that member states engage in effective consultations between the government, employers' organizations, and workers' organizations on matters related to international labour standards. It ensures that all parties are involved in the process of adopting and applying these standards.
- **The Tripartite Consultation (Activities of the International Labour Organization) Recommendation, 1976 (No. 152)⁴²:** This Recommendation complements Convention No. 144 by guiding on implementing effective tripartite consultations. It encourages member states to establish procedures for regular and meaningful consultations involving representatives of the government, employers, and workers.
- **The Consultation (Industrial and National Levels) Recommendation, 1960 (No. 113)⁴³:** This Recommendation promotes the establishment of effective consultation mechanisms at both the industrial and national levels. It encourages ongoing dialogue between employers, workers, and their representatives to address labour issues, enhance industrial relations, and contribute to the development of labour policies.

2.2.2. Social dialogue in the Thai context

There is no "all-purpose" model of social dialogue that can be transferred from one country to another. Social dialogue differs between countries, although the fundamental principles of freedom of association and the right to collective bargaining remain the same.

Adapting social dialogue to the situation in each particular country is essential to ensuring that the local partners are included in the process. Institutional arrangements, legal frameworks, traditions, and practices about social dialogue vary widely throughout the world.⁴⁴

Thai Labour Relations Act⁴⁵

In Thailand, the liberty to unite and form an association is constitutional. Regarding workers, the Labour Relations Act (LRA) B.E. 1975 governs labour relations in private sectors. The law guarantees a worker's right to form a representative association. Subject to conditions outlined in the LRA, a worker shall have the right to form:

⁴⁰ Labour Relations (Public Service) Convention, 1978 (No. 151)

⁴¹ Tripartite Consultation (International Labour Standards) Convention, 1976 (No. 144)

⁴² Tripartite Consultation (Activities of the International Labour Organisation) Recommendation, 1976 (No. 152)

⁴³ Consultation (Industrial and National Levels) Recommendation, 1960 (No. 113)

⁴⁴ ILO, *Different views, one goal*, 2011.

⁴⁵ The Labour Relations Act B.E. 2518 (1975)

- An employee committee (50 or more workers with the same employer, and the same workplace)⁴⁶;
- A trade union (10 or more workers of the same employer, not necessarily the same workplace or 10 or more workers of the same industry not necessarily the same employer – it is noted that only a Thai worker, who is 20 years of age can form a trade union, whereas all workers aged 15 and above, regardless of nationality can join a trade union)⁴⁷;
- A labour confederation (a collective body of two or more labour unions of the same employer or the same industry); and,⁴⁸
- A labour council (a collective body of 15 or more labour unions or federations– not necessarily need to be the same employer or industry).⁴⁹

As a representative body, a trade union actively plays a role in protecting workers' rights.

According to the LRA, a trade union shall represent workers to submit a demand for an agreement relating to conditions of employment or an amendment. In addition, a trade union shall have the power to represent, manage, and perform any act or settle disputes for the benefit of its members in accordance with the objective of a labour union.

Members, committees, and leaders of unions shall be exempt from any accusation or charge of criminal and civil liability when performing any act for the benefit of union members, for instance, striking or organizing a peaceful rally.⁵⁰ A union leader shall also have the right to leave work to participate in the union's activities.⁵¹

Joining a trade union's member or activities and any other trade union's related activities shall not be a ground for termination of employment. Any termination of employment, therefore, constitutes unfair dismissal, and an impacted worker shall be compensated against such unfair dismissal or practices.⁵²

Employers also have the right to freedom of association.

According to the LRA, an employer association should be formed to protect the interests of its members concerning employment. A former or current association member must be a Thai employer or employee aged 20 years or older in the same industry. Similarly, an employer wishing to join an association must be in the same industry.

Two or more employer associations with members in the same industry may establish an employer federation to protect the employer's interests.⁵³ An employer's association or federation of not less than five organizations shall also establish an employer council.⁵⁴

During a labour dispute, an employer has the right to lock out as a refusal to permit workers to work and enter a workplace.⁵⁵ However, a lock-out measure shall strictly follow provisions under the LRA.⁵⁶ For instance, a lockout and strike shall not be permitted where such actions may adversely affect a country's economy and security (Section 36). Any party (employers or workers) wishing to exercise the right to lockout or strike must give notice to the conciliation officer and notify the other party at least 24 hours before the commencement of such action (Section 34).

46 The Labour Relations Act B.E. 2518 (1975), Section 45.

47 The Labour Relations Act B.E. 2518 (1975), Section 88, 95.

48 The Labour Relations Act B.E. 2518 (1975), Section 112, 113.

49 The Labour Relations Act B.E. 2518 (1975), Section 120.

50 The Labour Relations Act B.E. 2518 (1975), Section 99.

51 The Labour Relations Act B.E. 2518 (1975), Section 102.

52 The Labour Relations Act B.E. 2518 (1975), Section 121-123.

53 The Labour Relations Act B.E. 2518 (1975), Section 112-115.

54 The Labour Relations Act B.E. 2518 (1975), Section 119.

55 The Labour Relations Act B.E. 2518 (1975), Section 5.

56 The Labour Relations Act B.E. 2518 (1975), Section 34-36.

Thai Labour Protection Act⁵⁷

Aside from the Labour Relations Act (LRA), social dialogue can also be utilized to address fundamental rights as outlined in the Labour Protection Act (LPA). This Act contains specific regulations concerning social dialogue in sections 96 and 97, which pertain to the formation of welfare committees and the responsibilities of employers.

- **Section 96** states that in a place of business with 50 Employees or more, an Employer shall arrange for establishing a welfare committee at the place of business, comprising at least five Employee representatives. Members of the welfare committee at a place of business shall be elected according to the rules and procedures prescribed by the Director-General. Whereas an employer's place of business has an employee committee under the law on labour relations, the employee committee shall act as the welfare committee at the place of business as prescribed under this Act.
- **Section 97** states that the welfare committee at a place of business shall have powers and duties as follows:
 - (1) to jointly consult with the Employer to provide welfare to the Employees;
 - (2) to give advice and make recommendations to the Employer regarding the provision of welfare for Employees;
 - (3) to inspect, control and supervise the welfare arrangements provided for Employees;
 - (4) to make comments and propose guidelines on the welfare arrangements for the benefit of Employees to the Labour Welfare Committee.

National tripartite committees⁵⁸

In addition to laws, Thailand has established 15 national tripartite committees, chaired by the Thai Ministry of Labour. Each committee, which aims to bring relevant representatives from the government, employers' and workers' organizations to use social dialogue to advance policy and practice on key labour issues. These include the social security committee, labour relations committee, and OSH in the workplace committee, among others.

⁵⁷ The Labour Protection Act (No. 8) B.E. 2566 (2023)

⁵⁸ Thailand, Department of Labour Protection and Welfare, [National tripartite committees within the Ministry of Labour](#).

Chapter 3.

Social dialogue & representation

3.1. The role of key players in social dialogue

To ensure a healthy social dialogue, national laws and regulations, as well as the ILO Conventions define the roles and responsibilities of employers, employees, unions, and government.

3.1.1. Trade unions

Workers and their organizations play vital roles in social dialogue. Freedom of association and the effective recognition of the right to collective bargaining are the two fundamental principles and rights at work. They are also essential to the democratic process. Social dialogue is a valuable means of protecting and promoting the interests of workers by extending democracy and human dignity to the workplace. It is also a well-tested instrument for managing social and economic change while maintaining consensus and stability in society.

Through social dialogue and collective bargaining, workers and their organizations improve their working conditions and wages and, in many instances, have successfully expanded the scope of collective bargaining to include questions of workers' protection, such as safety and health at the workplace and social security schemes, workers' education and training, and even workers' participation in the management of enterprises.

Trade unions are among the world's largest voluntary membership organizations. Their organization at local, national, regional, and international levels is the primary means by which workers participate in social dialogue and, as such, serves as indispensable instruments for working people to improve their quality of life and to promote equitable and sustainable development of society as a whole.

Workers organize at different levels – the international, national, and local- which may be further divided into regional and subnational levels – and across different industries and occupations.

The labour union plays an active role in:

- Representing workers who are members and workers as a whole in collective bargaining for a revision or amendment of an agreement relating to conditions of employment.⁵⁹
- Establishing a grievance mechanism to prevent labour violations and ensure that workers have access to a remedy when a violation does occur. Collective bargaining can, therefore, provide an effective remedy with a prevention and corrective function.

According to the Thai LRA, if no negotiation or agreement was reached within the specified time, this is deemed a labour dispute.⁶⁰ A conciliation officer shall be notified to assist in dispute settlement within five days from the date of notification.⁶¹

⁵⁹ The Labour Relations Act B.E. 2518 (1975), Section 16.

⁶⁰ The Labour Relations Act B.E. 2518 (1975), Section 21.

⁶¹ The Labour Relations Act B.E. 2518 (1975), Section 22.

If a dispute cannot be settled, a labour union shall exercise negotiation, conciliation, arbitration, or strike as stipulated in the LRA. If a labour union complies with procedural steps as in the LRA, they are protected from civil and criminal allegations while undertaking labour union activities.

In Thailand, there are 1,259 registered trade unions from private enterprises and 45 registered ones from state enterprises, as of June 2024.⁶²

National trade union centres

Advocating on behalf of the labour movement and, representing unions in national and international political and administrative bodies, offering services for their affiliates and individual members (including training and education, legal advice, research and, in some cases, recruitment campaigns), and adjudicating on disputes between affiliates over domain demarcation and bargaining jurisdiction.

Many trade union centres have a coordinating function, which involves setting the agenda and proposing wage demands in annual bargaining rounds, and providing statistics, research, and information.

Nowadays, these centres rarely negotiate central agreements themselves – if they do, it is mostly on non-wage issues, as in the agreements and social pacts concluded during the COVID-19 pandemic (for instance, on the reduction of working hours and furlough schemes, teleworking, and health and safety measures). The key role in the coordination of collective bargaining, however, is played by national union confederations through their elected or appointed officers, even when the negotiations take place at the enterprise level.

The decentralization of wage bargaining over the past few decades has led to greater involvement of local, workplace-based union representatives or, in some cases, labour councils elected by an enterprise's entire workforce.⁶³

In Thailand, there are 39 registered trade union centres as of June 2024.⁶⁴ These include labour union federations, labour union councils, and state enterprise labour union federations.

Migrant workers

Organising migrant workers

Since about 2000, trade unions have become more active in representing and defending the rights of migrant workers. In particular, the American Federation of Labor and Congress of Industrial Organizations (AFL-CIO), the European Trade Union Confederation (ETUC), and various global union federations have adopted a pro-immigrant stance aimed at improving the rights and conditions of migrant workers.⁶⁵

The effective enforcement of employment standards has come to be seen as a more effective way of protecting the labour market than migration control, which tends to create irregular flows that are difficult to monitor. In a recent study drawing on European Values Study data for 2008–09 (that is, the years of the Great Recession), the study⁶⁶ found that migrant workers in Europe place a high level of trust in trade unions, more so even than domestic workers, and that this is also true of migrants from countries in Central and Eastern Europe who may hold skeptical views of unions in their countries of origin.

62 Thailand, Department of Labour Protection and Welfare, “Number of labour organization in the whole Kingdom, as of June, 2024”.

63 OECD, *Negotiating our way up: Collective bargaining in a changing world of work*, 2019.

64 Thailand, Department of Labour Protection and Welfare, “Number of labour organization in the whole Kingdom, as of June, 2024”.

65 Michael J. Donnelly, “Competition and solidarity: union members and immigration in Europe”, *West European Politics*, Vol. 39 (2015): 688-709.

66 Gorodzeisky and Richards, “Do Immigrants Trust Trade Unions? A Study of 18 European Countries”, *British Journal of Industrial Relations*, Vol. 53 (2020): 3-26.

In several Western European countries – for example, Belgium, France, Italy, the Netherlands, and the United Kingdom – trade unions have become vocal supporters of the rights of migrant workers.⁶⁷

In China, informal workers have fought for improved rights and the recognition of rural-to-urban migrants. Until 2003, these workers were excluded from China's sole legal trade union organization, the All-China Federation of Trade Unions (ACFTU). By 2007, four years after the ACFTU opened its doors to migrants, 70 million migrant workers had registered as members.⁶⁸

Migrant workers in China have also set up alternative organization, such as the Migrant Worker Documentary Centre, which collects data on working conditions, organizes workshops on domestic and international laws, monitors codes of conduct, and provides legal assistance in labour disputes and claims for unpaid wages. In the Hong Kong (China), local domestic workers joined Filipino, Nepali, and Thai migrant women and formed the Federation of Asian Domestic Workers' Unions.⁶⁹

In Thailand, migrant workers are included in the welfare committee. In some companies, migrant workers can apply to be candidates and fully participate in the welfare committee's election. They are also allowed to be members of the union, but not the union's committee. According to the Department of Labour Protection and Welfare (DLPW) data, less than 1 per cent of the 18,000 factories registered nationally have migrant workers serving as welfare committee members.

3.1.2. Employers and their organizations

Employers' and workers' organizations at different levels play a role in collective bargaining by negotiating agreements, influencing legal and policy frameworks, and providing services to their members. From the employers' side, there are now 17 employers' councils and two employer association federations, as well as 283 employer associations in Thailand.⁷⁰

According to the ILO, an employers' organization is an organization whose membership consists of individual employers, other associations of employers, or both, formed primarily to protect and promote the collective interests of members, to present a united front in dealing with organization and representatives of workers, as well as to negotiate for and provide services to members on labour-related matters.⁷¹

Employers' organizations play a crucial role in expressing the needs of businesses in a way that no other agency or individual members within their own group can. They help society establish the conditions to achieve objectives of employment and living standards and help enhance enterprise success by influencing the environment in which they do business and by providing services that improve individual performance. By providing enterprises with information, advice, and training, they contribute to their operational efficiency.

As official partners in tripartism and social dialogue, employers' organizations have a major role in strengthening employer-employee relations and building better understanding - the principles underpinning the Decent Work Agenda,⁷² actively contributing to helping countries create the conditions for achieving their objectives regarding employment and living standards since they can better convey corporate needs than any other institution or affiliates.

67 ILO and ILERA, *Trade unions and migrant workers: New contexts and challenges in Europe*, 2017.

68 Pun Ngai and Tong Xi, *Country Inventory: China's informal labor and labor organizing* (UCLA, 2012).

69 ILO and FADWU, *Agents of Change? Assessing Hong Kong employment agencies' compliance with the Code of Practice*, 2018.

70 Thailand, Department of Labour Protection and Welfare, *Number of labour organization in the whole Kingdom, as of June, 2024*.

71 ILO, *Glossary of labour law and industrial relations (with special reference to the European Union)*, 2005.

72 ILO, *Different views, one goal*, 2011.

3.1.3. Government

The government agency responsible for labour issues has two principal roles to play in social dialogue, whether tripartite or bipartite:

- As promoters under ILO international labour standards, labour administrations are responsible for promoting consultation with social partners and for taking appropriate measures to ensure that such consultation is regular and effective.
- The government needs to establish specific procedures, law and regulations within the national context to ensure and promote the participation of the social partners.
- As protagonists, the labour administration furnishes instruments to encourage dialogue between the social partners. It plays a variety of roles, including that of employer in the public sector. The Labour administration must participate in tripartism as a partner to encourage exchanges, carry forward the discussion, and even find support for its policies and actions.

The content of the social dialogue is not restricted merely to “issues related to ILO activities” but includes all matters connected with the areas of activity of labour administration at the national level, among others: “securing the social peace as a fundamental guarantee for boosting productivity in the world of work and furthering economic and social development.”

Labour administration actions concerning consultations at the national level should specifically entail creating consultation bodies attached to ministerial structures, as well as establishing permanent secretariats to ensure sustainability and efficient functioning. Such consultation and cooperation should have the general objective of promoting mutual understanding and good relations between public authorities and employers’ and workers’ organizations, as well as between these organizations, to develop the economy as a whole or individual branches thereof, improving conditions of work and raising standards of living.

3.2. Workplace negotiation: freedom of association and collective bargaining

Linking freedom of association with effective access to collective bargaining not only recognizes rights and freedoms but also gives participants the means (or voice) through which to make their needs known and in a way that enables the social partners to seek to meet the needs within and beyond the workplace. In a sense, the empowering capacity of freedom of association and the right to collective bargaining is part of a broad notion of freedom, recognizing that protection cannot simply be conferred; rather, stakeholders must play an integral role in articulating their needs.⁷³

Information-sharing, consultation, and negotiation are the activities most frequently involved in social dialogue. Despite different purposes and details, using the social dialogue approach and principle can secure effective outcomes.

Collective bargaining⁷⁴ is a voluntary negotiation process between one or more employers (or their organization) and one or more workers’ organizations (that is, trade unions). These representative parties come together to voice their respective demands, share information about what lies behind their positions, and seek to reach consensus through discussions and reciprocal trade-offs. Ideally, these negotiations conclude with the signing of a collective agreement regulating working conditions and employment terms.

⁷³ ILO, *Glossary of labour law and industrial relations (with special reference to the European Union)*, 2005.

⁷⁴ ILO, *Social dialogue report 2022: Collective bargaining for an inclusive, sustainable and resilient recovery*, 2022.

It is simultaneously an enabling right and a dynamic process of voluntary negotiation between autonomous representative parties acting in good faith between one or more employers (or their organization) and one or more workers' organizations (trade unions). Moreover, a substantive regulatory outcome is a collective agreement if consensus is reached.

A collective agreement establishes joint rules regarding working conditions and terms of employment, such as wages, working time, occupational safety and health (OSH), healthcare benefits, and training. Collective agreements may also address the rights and responsibilities of the parties and employment relations.

Like other forms of social dialogue, such as workplace consultation and cooperation, it involves exchanging information. At the same time, it is underpinned by two fundamental principles and rights at work: freedom of association and the effective recognition of the right to collective bargaining.

As enabling rights, these freedoms provide the democratic foundations of labour markets and pave the way for the inclusive and effective governance of work. While the negotiation process may sometimes be characterized by significant contestation, over time, the repeated formulation of compromises by the bargaining parties can gradually contribute to trust, stability, and labour peace.

Collective bargaining offers a unique mechanism for regulating work conditions and employment terms – one enacted by the parties themselves. Representative actors in the world of work jointly create new standards or implement, tailor, and enhance minimum statutory standards.

Collective agreements are based on concurrence and the shaping of substantive outcomes through the reciprocal exchange that considers both parties' interests.

In conclusion, the scope of collective agreements—in terms of the topics addressed and how these are addressed—can significantly contribute to the inclusive and effective governance of work.

Roles of collective agreements⁷⁵:

1. Facilitate tailoring regulatory solutions to meet specific industry, enterprise, and worker needs. In some cases, the social partners can also develop new regulatory approaches to deal with emerging issues.
2. Provisions in collective agreements can supplement social protection systems.
3. Reinforce norms in statutory provisions dealing with critical areas such as OSH.
4. Helps promote gains sharing, reduce earnings inequality, foster gender equality, and promote the inclusion of women, young people, migrant workers, and other vulnerable categories of workers.
5. Strengthen compliance with laws and regulations, allowing labour administration bodies to devote their often-scarce resources to other important tasks or sectors.

⁷⁵ ILO, *Social dialogue report 2022: Collective bargaining for an inclusive, sustainable and resilient recovery*, 2022.
ILO, *Collective agreements contribute to fighting inequality*, 2022.

3.3. Existing worker-management dialogue mechanisms

There are some interesting employers-workers committees stated in Thai laws, which can be opted for the application of social dialogue mechanism, such as:

1. **Employees committee:** A voluntary committee, stated in Thai Labour Relation law, to negotiate workers' welfare and benefits for a workplace comprising at least 50 workers. Employee representatives are elected among themselves or appointed by the trade union or both.⁷⁶
2. **Welfare committee:** The Labour Protection Act stipulates that in a workplace that employs 50 workers or more, a welfare committee of such workplace shall be established. The welfare committee shall consist of at least 5 representative workers by-election. The Welfare Committee shall act the following – provision of advice/consultation in relation to a worker's welfare and investigate the welfare arrangements provided for workers.⁷⁷

An employer shall hold a regular meeting (every quarter) or, upon request, with a welfare committee.⁷⁸ Therefore, workers can submit their complaints/comments via a welfare committee. If an employee committee is present in a workplace, such committee shall act as a welfare committee.⁷⁹

3. **Occupational Safety and Health (OSH) committee:** Mandatory committee by Thai OSH law⁸⁰, for a workplace containing at least 50 workers. Members shall comprise employers at management and supervisor levels and workers' representatives who come from the election.

Subject or interest-based committee

In some companies, special committees are established using a subject—or interest-based approach/context, such as at a canteen, in a dormitory, at a New Year's Eve party, or through sports activities. This could be a starting point for building a social dialogue in the enterprise, providing an opportunity for collaboration and joint decision-making between employer and employees.

3.4. Grievance mechanisms

Social dialogue is essential for the effective handling of grievances in the workplace. It plays an important role in various steps of the process, including receiving, investigating, implementing, and monitoring.

According to the ILO's Examination of Grievances Recommendation, 1967 (No. 130)⁸¹, "grievance" refers to a formal complaint expressed by one or more worker(s) against the management of the enterprise regarding conditions of employment, workplace practices, or any aspect of their working environment or treatment. This could involve issues related to unfair practices, violations of employment terms, or other concerns impacting the worker's rights and conditions.⁸²

⁷⁶ The Labour Relations Act B.E. 2518 (1975), Section 45.

⁷⁷ The Labour Protection Act (No. 8) B.E. 2566 (2023), Section 98.

⁷⁸ The Labour Protection Act (No. 8) B.E. 2566 (2023), Section 99.

⁷⁹ The Labour Protection Act (No. 8) B.E. 2566 (2023), Section 96.

⁸⁰ Ministerial Regulation on the Arrangement of Safety Officers B.E. 2565 (2022)

⁸¹ Examination of Grievances Recommendation, 1967 (No. 130)

⁸² **Note:** Grievance procedures cannot be used to address matters that should be dealt through collective bargaining which are new interests, or new rights and entitlements.

ILO Examination of Grievances Recommendation, 1967 (No. 130)

Adopted in 1967

General principles and procedures within the undertaking

Any worker who, acting individually or jointly with other workers, considers that he has grounds for a grievance should have the right to:

(a) Submit such grievance without suffering any prejudice whatsoever as a result; and

(b) Have such grievance examined pursuant to an appropriate procedure

Grievance procedures should aim to provide a fair, transparent, and accessible means for workers to raise concerns or complaints related to their employment. The process should allow grievances to be addressed promptly, ensuring impartiality and the opportunity for both parties (employers and workers) to present their case.

The Recommendation emphasises the need for grievance mechanisms to be handled and promotes consultation and cooperation between employers and workers or their representatives. Additionally, the procedures should seek to resolve disputes in a manner that avoids unnecessary delays or undue formality, ensuring respect for workers' rights.

Additionally, under the UNGPs, the grievance mechanism is a key component of the **remedy** pillar. It requires businesses to establish accessible, transparent, and equitable processes for raising concerns about gaps in respecting human rights. As part of **HRDD**, grievance mechanisms must offer timely, effective, and legitimate responses, providing affected parties with remedies like compensation or corrective actions. This helps ensure accountability and prevents human rights risks from escalating. In workplace relations, grievance mechanisms and social dialogue work together to create a fair and harmonious environment.

Grievance mechanisms give employees a formal process to raise individual concerns, such as discrimination or wage disputes, ensuring these issues are addressed promptly and fairly.

The effective mechanisms are grounded in social dialogue, where broader, collective issues are discussed and negotiated between employers, employees, and their representatives. Organizations build trust and openness by resolving individual grievances early and transparently, which is essential for effective social dialogue and collective bargaining. This ultimately contributes to improved working conditions and organizational policies.

Operational-level grievance mechanisms allow companies to be alerted to the possibility of causing or contributing to adverse human rights impacts or that such impacts may be directly linked to their operations, products, or services through their business relationships.

These mechanisms can, therefore, contribute to the early identification and assessment of actual and potential human rights harms, which is crucial to the practice of human rights due diligence. Further, grievance mechanisms can help clarify appropriate actions in response to different impacts.

Moreover, effective grievance mechanisms will ensure that lessons learned from grievance processes are used to prevent future grievances and harm ("continuous learning"). It helps identify and mitigate human rights risks and helps businesses achieve sustainability goals.

Here is how the grievance mechanism typically fits into the international frameworks⁸³:

1. **Hear the voice of workers:** The grievance mechanism allows workers to raise concerns about labour-related issues, ensuring their voices are heard, and their rights are upheld.
2. **Identification of risks:** The human rights due diligence process begins with identifying potential human rights risks associated with the company's activities, products, or services. The grievance mechanism involves assessing the actual and potential impacts on human rights within the company's operations and supply chain.
3. **Receiving and assessing grievances:** Grievance mechanisms receive complaints, feedback, or reports of human rights violations from stakeholders. Upon receipt, these grievances are assessed to determine their validity and severity. Companies may also conduct investigations to gather additional information and verify the claims.
4. **Response and remedy:** Once grievances are assessed, companies must respond promptly and appropriately. This may involve engaging with affected parties to address their concerns, providing remedies, implementing corrective actions to prevent future violations, and communicating transparently about the outcomes of the grievance process.
5. **Monitoring and evaluation:** Continuous monitoring and evaluation of the grievance mechanism and its effectiveness are crucial. This includes tracking the number and types of grievances received, analyzing trends, identifying systemic issues, and making improvements to the mechanism as needed.
6. **Integration into management systems:** Effective grievance mechanisms are integrated into the company's broader management systems and processes, including risk management, compliance, and corporate governance. This ensures that human rights considerations are embedded throughout the organization and that lessons learned from grievance handling are used to inform decision-making and improve practices.

Social dialogue is key to resolving grievances and achieving fair outcomes. It promotes open communication and cooperation between employees and management, fostering mutual understanding and problem-solving.

By prioritizing social dialogue, companies can more effectively address grievances, promote a positive work environment, and enhance overall organizational harmony.

It is the right of workers' organizations to nominate the workers' representatives to the grievance committee, which consists of the management team and HR representatives. The committee receives, handles, investigates, resolves, and communicates grievances. Mutual trust, ongoing learning, and capacity-building activities are essential to ensure that all parties effectively fulfil these responsibilities.

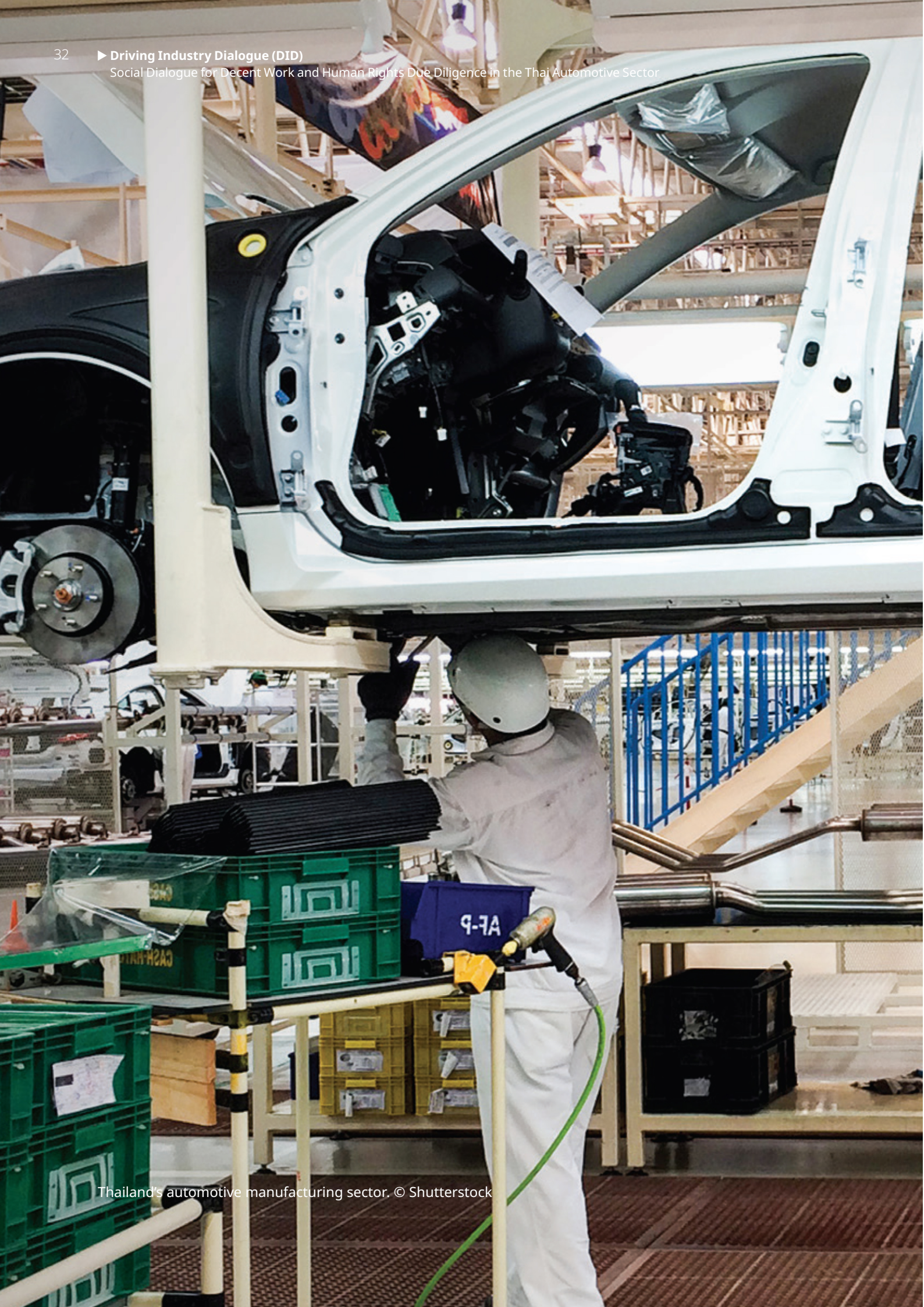
In the automotive sector, where there is formal worker representation, representatives from the trade union, employee committee, or welfare committee can play a role in the grievance committee, preventing individual and collective labour disputes in the workplace.

Grievance mechanisms, underpinned by social dialogue, play a critical role in improving labour relations in the workplace by providing a structured process for employees to voice their concerns, address grievances, and seek resolution.

83 Caroline Rees and David Vermijis, *Mapping Grievance Mechanisms in the Business and Human Rights Arena* (Harvard Kennedy School, 2008).

Here is how grievance mechanisms contribute to enhancing labour relations:

1. **Open communication:** Grievance mechanisms promote open communication channels between employees and management. They provide a platform for employees to express their concerns, complaints, or grievances without fear of retaliation, fostering a culture of transparency and trust.
2. **Conflict resolution:** When conflicts arise between employees or between employees and management, grievance mechanisms offer a structured process for resolving disputes. Providing a neutral and impartial forum to address grievances, these mechanisms help prevent conflicts from escalating and facilitate peaceful resolution.
3. **Fair treatment:** Grievance mechanisms ensure that all employees are treated fairly and have equal access to a process for addressing their concerns. This promotes a sense of fairness and equity in the workplace, enhancing employee morale and satisfaction.
4. **Identification of systemic issues:** The grievance process can identify and address recurring or systemic issues within the workplace. By analyzing grievance patterns and trends, management can identify underlying issues such as discrimination, harassment, unsafe working conditions, or violations of labour rights that need to be remedied to improve overall labour relations.
5. **Preventive measures:** Effective grievance mechanisms not only address current grievances but also help prevent future conflicts and issues. By proactively addressing employee concerns and implementing corrective actions based on feedback received through the grievance process, management can create a more positive work environment and prevent potential labour relations problems from arising.
6. **Employee empowerment:** Providing employees with a platform to voice their concerns and participate in the resolution process empowers them and fosters a sense of ownership and engagement in the workplace. When employees feel that their voices are heard and their concerns are taken seriously, they are more likely to be committed to their work and the organization.
7. **Legal compliance:** Implementing grievance mechanisms helps ensure that the organization complies with labour laws, regulations, and industry standards related to employee rights and workplace conditions. This mitigates legal risks and demonstrates the organization's commitment to upholding labour standards and respecting the rights of its employees.



Module 3. Enhancing capacity

Chapter 4. Putting social dialogue into action in automotive workplaces

Understanding and applying the principles of social dialogue can be challenging because they involve many different factors and stakeholders. For a business, employees, employers, and union representatives must understand social dialogue. They need to work together to set goals and agree on the steps to reach them. Effective social dialogue can help prevent and resolve conflicts by ensuring all parties are heard and involved in decision-making.

Studies show that businesses with strong social dialogue mechanisms face fewer conflicts and have higher employee satisfaction. This chapter outlines how to implement social dialogue, manage conflicts, and develop the skills needed to use it effectively. Mastering these skills helps businesses handle challenges smoothly and fosters a collaborative work environment, improving productivity and results.

4.1. Social Dialogue and industrial relations

Social dialogue enhances industrial relations by promoting meaningful engagement and collaboration between employers, employees, and relevant stakeholders. Here is how social dialogue contributes to improving labour relations:

1. **Shared decision-making:** Social dialogue encourages employers and employees to engage in constructive discussions and negotiations to address workplace issues. By involving both parties in the decision-making process, social dialogue promotes consensus-building and the development of mutually acceptable solutions.
2. **Building trust and mutual understanding:** Social dialogue fosters trust and mutual understanding between employers and employees by creating open and transparent communication opportunities through dialogue where both parties can gain insights into each other's perspectives, concerns, and interests, leading to more effective collaboration and problem-solving.
3. **Conflict prevention and resolution:** Social dialogue prevents conflicts by providing a platform for early intervention and resolution of issues before they escalate. By encouraging proactive communication and collaboration, social dialogue helps address grievances, conflicts, and other problems in a timely and constructive manner, minimising the risk of disputes and disruptions in the workplace.

4. **Enhanced compliance and implementation:** Involving employees and relevant stakeholders in social dialogue ensures that problem-solving or grievance mechanisms are aligned with their needs, expectations, and rights. This enhances the effectiveness of resolution processes and increases compliance with labour laws, regulations, and organizational policies. Additionally, social dialogue facilitates the implementation of agreed-upon solutions, as they are more likely to be accepted and supported by all parties and sustained in the long run.
5. **Promotion of collective bargaining:** Social dialogue creates opportunities for collective bargaining between employers and trade unions or employee representatives. Through collective bargaining, employees can negotiate better working conditions, wages, benefits, and grievance procedures, leading to fairer and more equitable outcomes for all parties.
6. **Capacity building and empowerment:** Social dialogue promotes the development of negotiation skills, communication abilities, and problem-solving capacities among both employers and employees. By engaging in dialogue and collaboration, individuals become more empowered to advocate for their rights, express their concerns, and participate actively in decision-making processes within the workplace.
7. **Continuous improvement and innovation:** Social dialogue encourages a culture of continuous improvement and innovation by facilitating the exchange of ideas, feedback, and best practices among stakeholders. By leveraging the diverse perspectives and expertise of employees, employers, and other stakeholders, organizations can identify opportunities for innovation, efficiency gains, and sustainable solutions to workplace challenges.

4.2. Power (im)balances in social dialogue

Unequal power between employees and employers is inherent in every employment relationship. Employers have capital and strong bargaining power, while individual employees often have weaker (or sometimes no) power to negotiate a decent set of employment conditions. From this unequal power (despite being balanced through the role of laws, the right to organize, collective bargaining and respect for FOA principles) between employer and employee, the need (and the struggle) for sound Industrial Relations emerged.

While many other economic and social conditions have changed over the decades, these competing interests and unequal power relations remain the key reasons why industrial relations continue to be difficult in many workplaces.

In general, an employer has a stronger focus on productivity and profit, while an employee seeks benefits related to working conditions, wages, and work-life balance. Because the two sides have different interests and goals, there is an ever-present potential for conflict in the employment relationship. But, while this conflict cannot be eliminated entirely, it can be managed through *sound industrial relations, including social dialogue*. Despite their differences, labour, and management also have many common interests.

Power dynamics in social dialogue significantly impact the outcomes of negotiations. Evaluating and understanding these dynamics is crucial before beginning any negotiation process.

Social dialogue, a cornerstone of resolving conflicts and fostering cooperation, hinges on the balance of power among involved parties. Before entering negotiations, it is vital to assess which party holds more power and the underlying reasons for this imbalance. The mediator or dialogue facilitator is instrumental in maintaining an equitable power distribution, ensuring impartiality, and preventing any party from exerting excessive influence over the other.

The conflict transformation approach focuses on the relationships between the parties involved. This approach emphasizes the necessity for ongoing dialogue and collaborative problem-solving, which help balance the power of the parties.

Social partners must learn to articulate their own needs while also listening to the needs of others. Effective conflict transformation requires that all parties develop the ability to communicate their feelings and needs openly. Analyzing the parties using the four components of nonviolence communication (NVC) provides an in-depth analysis of personal triggers and drivers.

For example, consider a negotiation between a labour union and company management. The union might feel that management holds more power due to financial control and decision-making authority. Conversely, management might perceive the union's collective bargaining power as a significant influence. The process involves active listening without judgment, understanding, and empathizing with the other party's perspective, ensuring both sides feel heard and respected.

Being able to share precise observations, articulate feelings and needs, and make a request will balance the power and lead to effective social dialogue. These practices require time, resources, regular practice, and commitment from all parties. However, they are essential for fostering respectful communication and a long-term cooperative relationship within an enterprise.

4.3. Conflict, conflict resolution, and conflict transformation

In June 2017, the International Labour Organization (ILO) adopted the Employment and Decent Work for Peace and Resilience Recommendation (No. 205). The focus of the Recommendation is on conflicts and disasters, which can destroy livelihoods, interrupt business activities, and damage workplaces.⁸⁴

Conflict has not been defined in Recommendation No. 205. Rather, it includes “armed conflicts” as well as “non-armed conflicts”. It covers many diverse situations, including situations of violence that destabilize societies and economies.

The recommendation considers the impact and consequences of conflicts and disasters on poverty, development, human rights, dignity, decent work, and sustainable enterprises.

It acknowledges the importance of employment and decent work in promoting peace, preventing crises resulting from conflicts and disasters, facilitating recovery, and building resilience and recognizes the significance of developing responses, *through social dialogue*, to crises arising from conflicts and disasters in consultation with the most representative employers' and workers' organizations and, if appropriate, with relevant civil society organization.

It emphasizes that workers' organizations are not passive bystanders during crises. They have the potential to make significant contributions to preventing and mitigating the effects of conflicts and disasters, engaging in early warning and preparedness, assisting in the immediate response, and promoting long-term recovery.

Understanding conflict and exploring various approaches to handle it effectively is crucial for strengthening social dialogue in the workplace. Conflict is a normal and inevitable part of any organization, but when managed properly, it can lead to positive changes and new opportunities.

By addressing conflict constructively, parties involved can enhance communication, foster innovation, and build stronger relationships. Viewing conflict as a chance for growth rather than an obstacle can transform a workplace, making it more dynamic and resilient. Investing time in learning about conflict management equips individuals with the skills to navigate disagreements and turn potential challenges into collaborative solutions.

84 Employment and Decent Work for Peace and Resilience Recommendation, 2017 (No. 205)

4.3.1. What ‘Conflict’ is

A conflict, in its most general terms, occurs when individuals or groups pursue their interests and objectives in a way that is seen as incompatible with the interests being pursued by other individuals or groups. In such cases, one side may seek to pressure the other side to back down; if the other side resists or counteracts such pressures in some way, then we have a “conflict.”⁸⁵

However, when one or more parties to a conflict realize they are unable to resolve their differences peacefully, they may turn the conflict into a violent confrontation. When the actors involved are states or armed groups with an internal chain of command, the use of force is called organized violence.

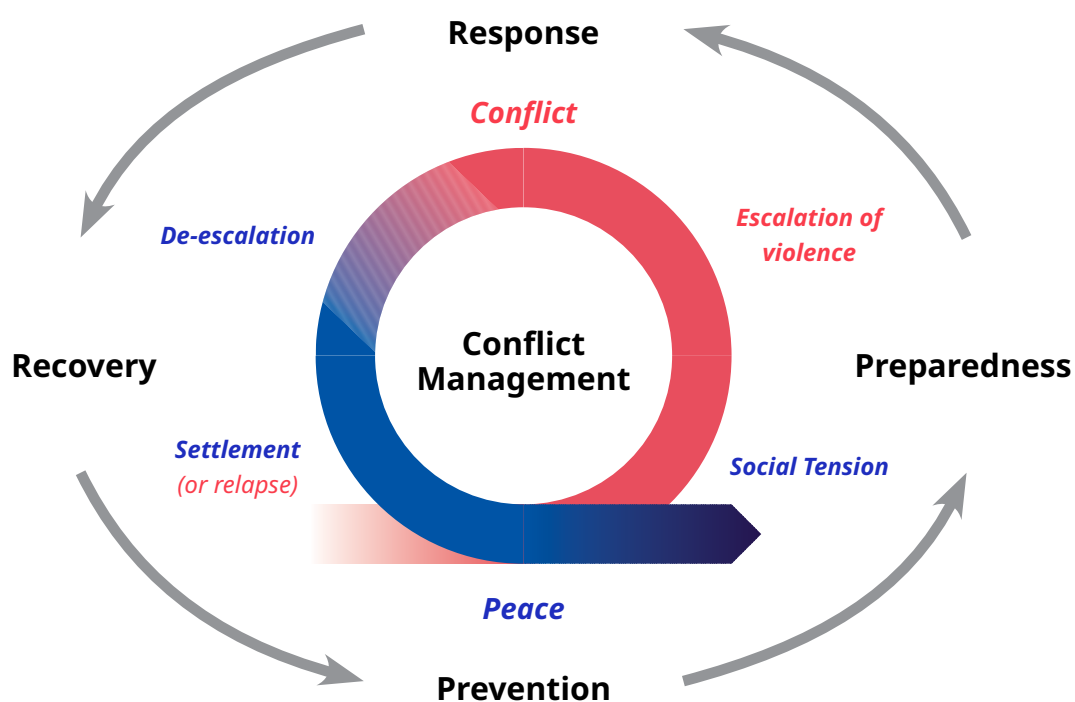
Conflict is part of every society and may not necessarily be a bad thing.

Many people view conflict as a negative thing and often try to avoid or ignore it without realizing that it is normal in every relationship. There are misunderstandings about the definition of conflict, with many assuming it always involves hostility and confrontation. However, conflict means a disagreement or clash of interests, ideas, or values. When managed properly, it can be a catalyst for growth and improvement.

It is useful to think of peace and conflict in terms of cycles, as shown in figure 4. This figure illustrates how a society can move from relative peace and stability to a crisis situation marked by communal tensions that might escalate into violence. If stakeholders are unable to prevent an escalation to outright conflict through social dialogue, then efforts shift to organizing an effective response. This response includes peace talks and agreements as well as activities to help those caught up in the conflict.

Hopefully the conflict can be resolved quickly, leading to a settlement among the conflict parties and the start of peacebuilding and reconstruction efforts. If no lasting agreement can be found, violent conflict might once again ignite, leading to a new cycle.

► **Figure 4. Conflict management cycle**⁸⁶



85 Thakore Digvijaysinh., *Conflict and Conflict Management*, *Journal of Business and Management*, No. 8 (2013): 7-16.

86 ILO, *Workers' Guide to Employment and Decent Work for Peace and Resilience Recommendation (No. 205)*, 2019.

4.3.2. Conflict resolution and conflict transformation

Theories and new approaches to conflict resolution have emerged, focusing on understanding the root causes of conflicts and addressing them constructively. For instance, the interest-based relational (IBR) approach emphasises separating people from the problem, focusing on interests rather than positions, and working together to find mutually beneficial solutions. Another approach, the integrative negotiation method, encourages open communication and collaboration to achieve win-win outcomes.

Conflict resolution and transformation are two approaches for managing conflicts within an organization, each with distinct strategies and objectives. Understanding the distinction between these two approaches is essential for enterprises aiming to foster effective social dialogue in the workplace.

Conflict resolution⁸⁷

Conflict resolution is the process of addressing and resolving specific disputes or disagreements between parties involved in a conflict. The primary goal is to find solutions to the immediate issues and reach a settlement satisfactory to all parties. However, it often overlooks the underlying issues that lead to tensions and aims for a compromise or agreement that satisfies everyone involved. The focus is on ending the conflict and restoring normalcy.

This approach often involves negotiation, mediation, or arbitration to achieve a compromise or agreement that ends the conflict.

Key characteristics of conflict resolution:

- Emphasizes finding a mutually acceptable solution to the immediate conflict
- Focuses on managing and de-escalating tensions to restore harmony
- Often involves a neutral third party to facilitate communication and compromise
- Aims to reach a resolution that meets the interests and needs of all parties involved.

Conflict transformation⁸⁸

Conflict transformation involves a more comprehensive and sustainable approach that addresses fundamental concerns, promotes dialogue, and encourages learning and growth from conflicts. It goes beyond simply resolving the immediate issues and seeks to change the underlying social structures, relationships, and dynamics that led to the conflict in the first place.

Conflict transformation aims for more profound, long-term change by addressing root causes, promoting reconciliation, and building sustainable peace. It aims to create positive changes and growth opportunities within the organization. It involves shifting attitudes, behaviours, and systems to prevent future conflicts and create a more just and equitable environment.

Key characteristics of conflict transformation:

- Focuses on understanding the root causes of conflicts and addressing them proactively
- Seeks to shift perspectives, behaviours, and structures to promote sustainable change
- Emphasises communication, dialogue, and systematic reforms to transform conflict dynamics
- Aims to create a positive and constructive environment that fosters collaboration, learning, and organizational development.⁸⁹

⁸⁷ ILO, *Guidance note: Peace and conflict analysis, a guidance note for ILO's programming in conflict and fragile contexts*, 2021.

⁸⁸ Christopher Mitchell, "Beyond Resolution: What Does Conflict Transformation Actually Transform?", *Peace and Conflict Studies*, Vol. 9, No. 1 (2002), Article 1.

⁸⁹ Jessica Katz Jameson, Andrea M. Bodtker, Tim Linker, "Facilitating Conflict Transformation: Mediator Strategies for Eliciting Emotional Communication in a Workplace Conflict", *Negotiation Journal*, No. 26 (2010): 25-48.

Simulation example: Conflict Resolution versus Conflict Transformation in the automotive sector

Context:

A major automotive manufacturer, AutoMax, is dealing with a labour dispute at one of its key manufacturing plants. The conflict is between the company's management and the factory's labour union, Trade Union X. The disagreement stems from AutoMax's decision to introduce automation technologies into the plant, which has led to fears of job losses among the workers.

The conflict has lasted for several months, with both sides becoming firmly entrenched in their positions:

- ▶ AutoMax's position: Automation was necessary to remain competitive, reduce production costs, and increase efficiency.
- ▶ Trade Union X's position: Automation would lead to significant job cuts, and workers demanded assurances of job security and retraining programmes.

The conflict involves strikes, production halts, and public confrontations, creating an urgent need for resolution.

Conflict resolution approach

Goal: To address the immediate dispute and find a mutually agreeable solution to resume production.

Methods:

1. Mediation: A neutral third-party mediator was brought in to facilitate negotiations between AutoMax and Trade Union X. The mediator focused on identifying common ground and encouraging compromise.

2. Compromise and settlement:

- ▶ AutoMax agreed to slow down the automation process.
- ▶ Trade Union X secured a commitment for severance packages for laid-off workers and a limited retraining programme for others.

3. Outcomes:

- ▶ The strike was called off, and production resumed.
- ▶ The immediate conflict was resolved, but underlying issues like trust and the fear of future automation remained unaddressed.

Analysis of conflict resolution:

- ▶ **Focus:** The primary focus of conflict resolution was on achieving a quick settlement. The dispute was handled pragmatically, and both sides made concessions to arrive at a mutually acceptable outcome.
- ▶ **Successes:** Production was resumed, and both sides avoided further financial losses.
- ▶ **Limitations:** The conflict resolution approach failed to address the root causes of the conflict—workers' fears of job loss in a rapidly changing industry—which left room for future disputes when new automation initiatives were introduced.

Conflict transformation approach

Goal: To address the deeper underlying issues and transform the relationship between AutoMax and Trade Union X.

Methods:

1. Long-term engagement: AutoMax and Trade Union X entered a dialogue facilitated by a professional conflict transformation consultant. This process aimed to create lasting structural change in the relationship and the organization's approach to technological disruption.

2. Understanding needs:

- ▶ The workers' fear of losing jobs was reframed as a need for economic security and empowerment in the face of change.
- ▶ AutoMax's need for increased efficiency was examined as a challenge that could be met through cooperation and innovation.

3. Collaborative solutions:

- ▶ A joint innovation committee involving management, workers, and external experts was formed to develop a roadmap for integrating automation with minimal job disruption.
- ▶ AutoMax committed to an upskilling programme that would retrain workers for new roles in the company, such as in programming, maintenance of automated systems, and design.
- ▶ Profit-sharing mechanisms were introduced, where workers could benefit from productivity increases due to automation.

4. Building Trust: Regular town hall meetings, transparent communication on automation plans, and collaborative decision-making were introduced to build trust and reduce the adversarial nature of the relationship.

5. Outcomes:

- ▶ The process took longer but led to a sustainable change in the way AutoMax and Trade Union X interacted.
- ▶ Workers were more willing to accept automation as they had a clearer vision of their future in the company.
- ▶ The company's culture shifted towards a "shared ownership of change" rather than seeing technological progress as a threat.

Analysis of conflict transformation:

- ▶ **Focus:** Conflict transformation went beyond resolving the immediate dispute. It sought to change the underlying social structures and attitudes that had contributed to the conflict.
- ▶ **Successes:** The relationship between management and workers improved, with a stronger sense of trust and mutual understanding. The company became more agile in adapting to future technological changes.
- ▶ **Challenges:** The process took longer, required more resources, and demanded ongoing engagement from both sides.

Conclusion:

In the AutoMax case, conflict resolution offered a quick, pragmatic fix to a critical issue, allowing production to continue. However, it left deeper fears and systemic matters unresolved. In contrast, the conflict transformation approach led to more sustainable outcomes by addressing the root causes of the conflict and transforming the relationship between workers and management. The difference between the two approaches highlights that while conflict resolution is essential for immediate issues, conflict transformation is crucial for creating long-term peace and cooperation, particularly in industries like automotive, where technological advancements constantly reshape the landscape.

Several studies confirm that when businesses adopt these conflict resolution and transformation strategies, they often see improved employee morale, more vital teamwork, and a more positive organizational climate.

Effective conflict management can transform potentially destructive situations into opportunities for learning and collaboration. Fostering a culture of open dialogue, mutual respect, and understanding can ultimately lead to more resilient and cohesive work environments and healthier relationships.

An enterprise that understands the difference between conflict resolution and transformation is better equipped to navigate complex interpersonal dynamics, promote open communication, and proactively address underlying tensions. By embracing conflict transformation, organizations can turn conflicts into opportunities for innovation, collaboration, and positive change, ultimately fostering a culture of mutual respect, understanding, and continuous improvement.

4.3.3. Social dialogue in the context of conflict

Social dialogue, conflict resolution, and conflict transformation are interconnected concepts that foster effective communication, collaboration, and workplace organizational harmony.

Social dialogue is both a communication strategy and a process and always a means to an end (such as a way of reaching a balanced compromise or a collective agreement). It is a crucial vehicle for making the voices and interests of workers heard in deliberative exchanges that foster democratic representation, accountability, and the establishment of sustainable peace. As such, social dialogue is a key resource for dealing with conflicts and disasters in a peaceful, just, and inclusive manner.

Social dialogue can be a powerful mechanism in the search for creative solutions to prevent societal conflict from turning into violence or mitigate some of the effects of impending or actual disasters—if activated at the right moment and by leaders who are accepted by all parts of society as fair and well-intended representatives of their constituents.

Social dialogue involves discussions, consultations, negotiations, and joint actions between employers, employees, and their representatives. It aims to promote mutual understanding, address workplace issues, and reach agreements that benefit all parties involved. By establishing a framework for regular communication and cooperation, social dialogue helps prevent conflicts from escalating and creates an environment where issues can be addressed constructively. Through ongoing dialogue, organizations can build trust, encourage participation, and ensure that the voices of all stakeholders are heard and valued.

4.4. Conflict analysis⁹⁰

Conflict analysis aims to understand the immediate and structural causes of conflict, violence, hardship, triggers, and critical drivers of parties. Understanding the needs of each party, what drives them, and their values will make the dialogue more successful.

It involves listing the parties involved, specifying their motivations, needs, and interests, and considering the incentives they may have to either continue with the conflict or work towards establishing a sustainable peace.

It is important to stress that conflict analysis is not a scientific task seeking to “prove the facts”—it is an analytical, real-time process, often undertaken in a team within an organization, to inform decision-making. It is not about academic research, although existing documents can and should be referred to inform the process. However, it need not be a lengthy, “data-driven” exercise.

It is also worth noting that peace and conflict analysis should not only be undertaken during times of conflict and violence. Many crucial activities for workers’ organizations revolve around the themes of prevention, early warning, and preparedness: it is just as important to engage in such analysis when societal tensions risk escalating as it is when violent conflict has broken out.

Many organizations, including UN agencies, international NGOs, government ministries, and private-sector corporations, have developed their own set of tools to analyze conflicts and/or disasters.

Overall, this analysis covers two main angles:

- *How did we get here?* – this involves understanding past and present conflict dynamics and;
- *Where could and should we go —from here?* – this involves looking into future scenarios for how sustainable peace can be maintained or attained.

Applying analytical lenses that differentiate between social fault lines, conflict drivers, conflict triggers, and amplifiers can help answer these questions. It is crucial to analyze internal and external factors and stakeholders’ interests to find solutions.

4.4.1. Nonviolent communication approach and process

Nonviolent Communication (NVC) is an approach to analyze the internal factors and stakeholders’ interests at the deep level to find quick-fix and long-term solutions.⁹¹

NVC builds honest and empathic relationships in which everyone can fulfil their needs. It believes that all human behaviours are to meet their underlying needs, and people only resort to violence because they think that is the only possibility to fulfil their needs. NVC involves the self, one’s communication with others, one’s communication with the larger community, and communication among people in communities and the world.⁹²

This approach refers to nonviolent communication, with the essential premise that human beings have a “natural state of compassion.” In some other communities, this is known as compassionate communication. While we may not consider the way we talk to be “violent,” words often lead to hurt and pain, whether for others or ourselves.

Nonviolent communication is founded on the principle of nonviolence and the basic dignity and rights of every human being, who is equal and has the same constitution of physical body, heart, and mind. There are four components of NVC: observations, feelings, needs, and requests.

To establish long-term relationships and uphold human dignity, the company can use these four components to assess conflicts, identify the underlying causes of human needs, and develop lasting solutions for all parties involved.

90 ILO, *Guidance note: Peace and conflict analysis, a guidance note for ILO’s programming in conflict and fragile contexts*, 2021.

91 Marshall B. Rosenberg, *Nonviolent Communication: A language of life* (California: PuddleDancer Press, 2015).

92 Belinda F. Espiritu, “Nonviolence, Peace, and Nonviolent Communication Towards a Holistic Framework for a Nonviolent World”, *Future Human Image Journal*, Vol. 20 (2023): 18-34.

Observations refer to what we and others see, hear, smell, touch, or taste. They describe objective data only, free from evaluations, criticism, interpretations, moral judgments, or feelings. It has to be as specific as possible.

Providing opportunities for conflicting parties to share their observations openly and honestly provides a complete picture of the situation and ensures everyone in the conflict sees the same things.

This is a crucial first step in conflict resolution and transformation. Many conflicts arise from differing views of the situation. Engaging in open dialogue with the concerned parties, allowing them to share their perspectives, observations, memories, and thoughts based on their experiences, ensures their voices are heard. From a conflict analysis standpoint, gathering input from each concerned party provides a solid foundation for the next steps.

Feelings refer to how we and others feel about what we and others have observed. The expression of feelings does not include stories or thoughts, only emotions. NVC views another person's behaviour as a trigger for one's feelings but not as the cause of one's feelings.

Expressing one's feelings is the second component of NVC, which might sound easier than it is, especially since professional codes often discourage people from expressing emotions. Within the second component, it is crucial to be able to express oneself and one's emotional state clearly.

Within NVC, one should remember that it will be easier to connect when one identifies one's emotions. One reason for this can be that when expressing one's feelings, one simultaneously expresses a sense of vulnerability, which might be helpful when resolving different types of conflicts.⁹³

Acknowledging the stakeholders' feelings is important because people react emotionally to the same situation differently based on their experiences and background. Understanding the level of emotions will lead to a more successful social dialogue.

Understanding the emotions and feelings of parties is crucial for effective social dialogue, conflict resolution, and transformation. People react to the same situation differently based on their experiences, causing different emotions. It is unrealistic to assume people have the same feelings about a situation. Understanding and knowing the feelings of concerned parties is integral to conflict analysis. Social dialogue helps people open their minds, be more transparent and trustworthy, and share their inner feelings.

Needs refer to what we and others need or value (rather than a preference or a specific action) that affects our and others' feelings. It causes feelings. Needs are universal and ongoing and are never right or wrong. Conflicts arise over disagreement about strategies chosen to meet a need, not over the need itself.

For instance, there is no disagreement over whether people should have life security. But differences and conflicts appear when people choose how to make their lives secure.

In conflict analysis, it is crucial to understand the needs of the parties involved and what sets off the conflict. When we have a clear understanding of these factors, it becomes easier to identify areas of agreement and work towards finding solutions. Understanding the root causes and motivations behind the conflict is fundamental to reaching a resolution that satisfies all parties involved.

Requests refer to the concrete actions we and others want to be taken. These observations, feelings, needs, and requests are sent back and forth endlessly between ourselves and others.

Requests usually serve one of the two purposes:

- Connection requests aim to deepen the connection between parties. It's an action to have a better understanding of the other's feelings and needs.
- Action requests ask for the other's person willingness to do something that meets the needs of the one who makes a request.⁹⁴

93 B. Ask, "How to influence and improve peace negotiations and conflict resolutions by communication: A comparative analysis of nonviolent communication and strategic communication", Uppsala University, Diva Portal Thesis Repository (unpublished).

94 Rachel M. MacNair, *Working for peace: a handbook of practical psychology and other tools* (California: Impact Publishers, 2006).

Both types of requests must use the positive action language, what we want the person to do, not what we don't want them to do, to avoid confusion. However, many people are confused and usually use negative language to make requests and many times it turns out to be a power-over demand.

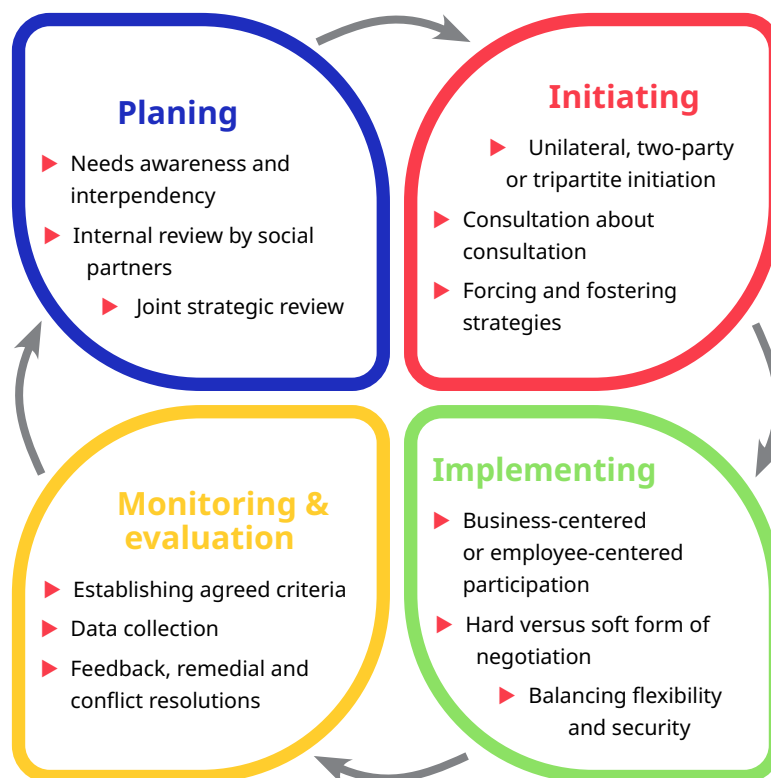
The analysis of conflicts helps in several ways. It allows us to gain a better understanding of the perspectives and needs of all parties involved. By examining the words and statements made by the parties, we can identify the root causes of the conflict and understand the emotions and needs of each party. This understanding forms the basis for finding effective and sustainable solutions that can satisfy all parties, leading to a resolution of the conflict. Additionally, conflict analysis aids in preventing future conflicts by addressing underlying issues and establishing better communication and understanding among the conflicting parties.

4.5. Key steps for social dialogue, consultation and negotiation in automotive workplaces

Social dialogue should not be a one-off event to address specific issues but a continuous and wide-ranging process subject to monitoring and evaluation. In this way, feedback can be used to revise the current process and improve future social dialogue planning, initiation, and implementation.

The flow chart below illustrates the recommended steps for achieving effective social dialogue across all levels and sectors⁹⁵, including the automotive industry, which features complex supply chains and multiple production and material supplier tiers. It is important to note that problems typically stem from a combination of internal and external factors. By comprehending and implementing these steps, social dialogue can be made more effective, well-structured, and trusted by all stakeholders.

► Figure 5. Key steps for social dialogue



95 ILO, *Social dialogue in the health services: A tool for practical guidance, The handbook for practitioners*, 2004.

4.5.1. Planning

Planning for social dialogue should start with assessing whether the social partners accept the need for change. Do they share similar views of changes or problems, and are they aware of their interdependencies? The employer and employee can jointly conduct a self-assessment (an example is shown in Annex I) to identify the gaps and lay out a strong foundation of engagement, which is crucial for effective social dialogue. The identified gaps help prepare the parties to be aware of the potential challenges.

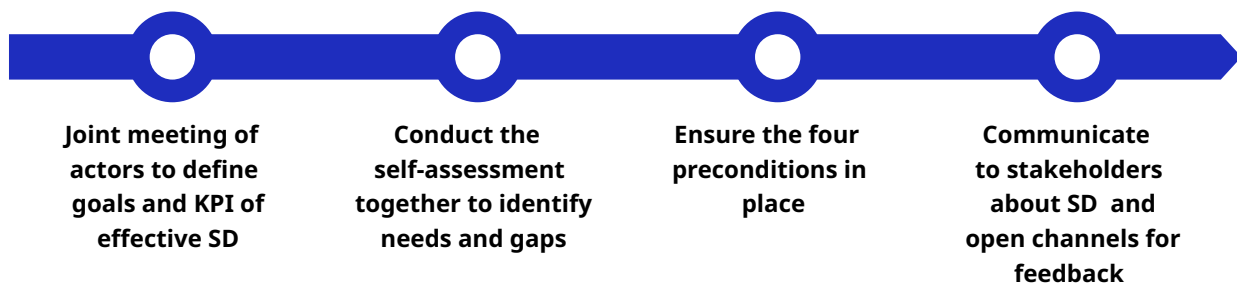
This may require an internal review by individual and representative organizations (such as employers' associations and workers' organizations) before formal discussions are underway. If the social partners concur on the need for change, then the planning stage can be carried out through a process of social dialogue.

This will allow the actors to inform each other of their intentions and capacities at the very earliest stage and enable the social partners and other stakeholders to identify all the options that might be open to them. A joint strategic review of the situation will enable the social partners to maximize the potential for mutual gains.⁹⁶

There are four preconditions for effective social dialogue, which is important for planning stages, including:

- Respect for fundamental rights and freedoms, including freedom of association and the effective recognition of the right to collective bargaining;
- Independent, strong, and representative employers' and workers' organizations;
- Political will and commitment of all parties to engage in good-faith dialogue;
- Enabling legal and institutional framework. Until these preconditions are in place, any social dialogue institution will struggle to function effectively. These principles are, therefore, fundamental to the ILO's SAM-SDI and should be kept in mind throughout the assessment process.

► **Figure 6. Primary steps of planning effective social dialogue⁹⁷**



Additional components for planning effective social dialogue

Note: These are suggested inputs collected from the tripartite constituents and automotive companies in Thailand at the *ILO Training on Social Dialogue for Decent Work and Human Rights Due Diligence*, held on 9-10 September 2024 by the RISSC project in Thailand.

1. Co-creation of key performance indicators (KPIs):

The company and the union should collaboratively define KPIs, ensuring they reflect the shared objectives of both parties. Once established, these KPIs should be communicated transparently to all workers in the company, ensuring clarity on the goals and expectations across all levels.

⁹⁶ ILO, *Social dialogue in the process of structural adjustment and private sector participation in ports: a practical guidance manual*, 2005.

⁹⁷ ILO, *The self-assessment method for social dialogue institutions (SAM-SDI)*, 2021.

2. Continuous feedback and collective inputs:

The union should actively engage its members by regularly gathering their opinions, ideas, and concerns. This participatory process will help the union represent the collective interests of the workforce. The feedback collected should be aligned with the agreed KPIs and provide valuable input for their ongoing measurement and refinement.

3. Consideration of economic and industry context:

In defining and evaluating KPIs, it is crucial to consider the broader economic environment, particularly the current national economic situation, and trends within the automotive industry in Thailand. This ensures the goals are realistic, context-sensitive, and relevant to the industry's dynamics.

4. Strategic planning for resource allocation:

The company and the union should collaboratively plan the necessary resources to facilitate social dialogue. This includes determining the appropriate time allocation, budget, venue, and other essential equipment. Effective resource planning is critical to ensuring that social dialogue processes are well-supported and can be carried out efficiently.

5. Systematic and optimised communication:

Communication should be structured and strategically managed across all available online and onsite channels. Clear, consistent, and timely communication ensures that all stakeholders are informed and engaged. This includes using digital platforms, in-person meetings, and other relevant communication tools to foster an open and effective dialogue within the organization.

4.5.2. Initiating

Although the different phases of social dialogue tend to overlap, making it challenging to distinguish initiating from planning, it is nonetheless important to highlight several important features usually associated with initiating social dialogue with new social partners or a new agenda.

For example, different actors might initiate social dialogue for different reasons, in different ways, and contexts. Once the social dialogue has been initiated, engaging in consultation or negotiations about how it will proceed may be necessary, especially if one or more partners are proposing significant changes. During the collective bargaining agreement negotiation, this step is crucial because it allows the union and employer to be prepared, avoiding unexpected conflicts or misunderstandings.

Then, suppose the social partners are genuinely committed to cooperation, democratic involvement, consensus building, and a problem-solving approach to the challenges ahead. In that case, they must foster strong relationships based on trust and mutual respect. This may take time, but it is vital to establish an agreed agenda to be implemented through future social dialogue.

Consultation about consultation (Pre-consultation)

Regardless of who initiates social dialogue, it is crucial to establish the ground rules for dialogue between the social partners, especially where the initiative is linked.

Thus, it is sometimes necessary to have a consultation or negotiations about negotiations (or pre-consultation) to establish the ground rules for future dialogue. These rules might include respect for confidentiality and sensitivity of information, a commitment to avoid taking up publicly-entrenched positions, and avoiding inflammatory or derogatory words and deeds.

The typical questions or issues that will need to be addressed by the social partners in this stage are:

- What is the purpose of social dialogue, both in general and in the context of specific changes?
- What will be the roles and responsibilities of the social partners?
- How will the social partners be held accountable for their actions and reactions?
- How will the social partners support each other?
- What forms of behaviour are deemed acceptable and unacceptable (such as behaviour that demonstrates mutual trust and respect or the opposite)
- What is the preferred level (such as workplace, company, or industry-wide, or some combination thereof) and forms of social dialogue (that is what combination of information sharing, consultation, and negotiation is preferred over particular issues).

Forcing and fostering strategies

One important outcome of consultation is establishing that social dialogue is a problem-solving process that deepens the interdependencies between the social partners. Unless social dialogue is initiated on this basis, it is unlikely to bear fruit.

A problem-solving approach implies a “fostering” as opposed to a “forcing” strategy by all parties, especially on the part of management and worker representatives. A fostering strategy is based on integrative techniques (such as an open exchange of information), the formation of positive inter-group attitudes, and the promotion of a broad consensus and constructive use of differences within one’s own and the other parties’ organization.

Forcing strategies, in contrast, are based on a distortion of information (such as disputing and debating known facts), heightening negative inter-group attitudes (such as anger towards other stakeholders), and promoting solidarity within one’s organization while seeking to exploit any divisions with the ranks of the other parties.

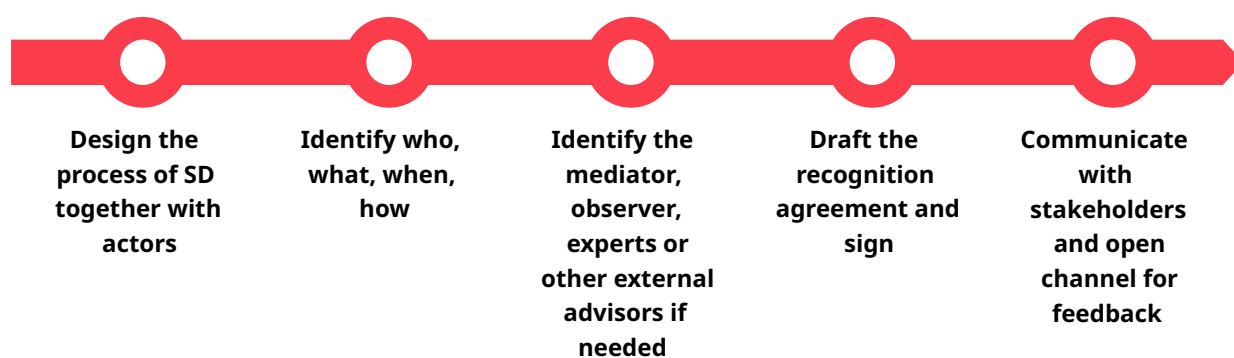
► **Table 1: Forcing and fostering strategies for implementing social dialogue**

Steps / items	Forcing	Fostering
Bargaining	Distributive: distortion of information, debating proposed solutions, coercion and so on.	Integrative: open and accurate exchange of information, exploration of underlying interests, persuasion, education and so on.
Shaping inter-group attitudes	Promote uncertainty and heighten negative inter-group attitudes.	Promote positive affect and build trust.
Managing internal differences	Promote solidarity in own party and division with the other party during the phase of reaching agreement; seek consensus in both parties when trying to sell the deal.	Promote broad consensus and constructive use of differences in both own and other organizations.

The questions that will need to be addressed by social partners at this stage are as follows:

- Who will take the initiative and promote new forms of social dialogue, or refocus existing institutions and processes towards the challenges of structural adjustment?
- Should social dialogue start as an informal process (such as consultation about consultation) between the social partners or as a more formal process initiated by the major stakeholders, such as the state?
- What are the ground rules for social dialogue?
- Are the social partners committed to a problem-solving approach that draws predominantly on a fostering strategy?
- What will be the agreed agenda for this initial stage of social dialogue?

► **Figure 7. Primary steps for initiating effective social dialogue**



Additional components for initiating effective social dialogue

Note: These are suggested inputs collected from the tripartite constituents and automotive companies in Thailand at the *ILO Training on Social Dialogue for Decent Work and Human Rights Due Diligence*, held on 9-10 September 2024 by the RISSC project in Thailand.

1. Ongoing communication of negotiation progress by the company:

The company should maintain a consistent and transparent communication strategy to update all employees on the initiation and progress of negotiations. This ongoing communication fosters trust keeps the workforce informed and ensures employees feel engaged in the negotiation process. Timely and transparent updates also help mitigate misunderstandings and reduce uncertainty within the organization.

2. Continuous communication and feedback collection by the trade union:

Similarly, the union should regularly communicate the status of negotiations to its members. This two-way communication is vital—not only does it provide updates, but it also facilitates the collection of feedback and concerns from union members. The insights gathered from the workforce can then be integrated into the negotiation process, ensuring that the collective voice of the workers is adequately represented and that their interests are dynamically addressed as negotiations evolve.

3. Consideration of organizational culture:

The organizational culture plays a pivotal role in shaping the effectiveness of social dialogue. The company and union should carefully assess and align their approaches with the workplace's existing cultural values, norms, and practices. A culture that encourages openness, respect, and collaboration will significantly enhance the likelihood of successful dialogue, whereas a misalignment between cultural practices and dialogue efforts may hinder progress. Ensuring that social dialogue aligns with and fosters a supportive organizational culture is crucial for its initiation and sustainability.

4. Use of mediators as a last resort:

The involvement of a mediator should be reserved as a final measure, to be employed only when direct negotiations between the company and the union have reached an impasse. If required, both parties should mutually agree upon the mediator, ensuring impartiality and trust. Mediators can provide an objective perspective and help navigate deadlock situations, but their use should be considered a supplementary option rather than a primary tool in the negotiation process.

4.5.3. Implementing

If social dialogue is well planned and appropriately initiated, the major tasks in the implementation phase are managing and facilitating dialogue. In other words, how will social dialogue be implemented?

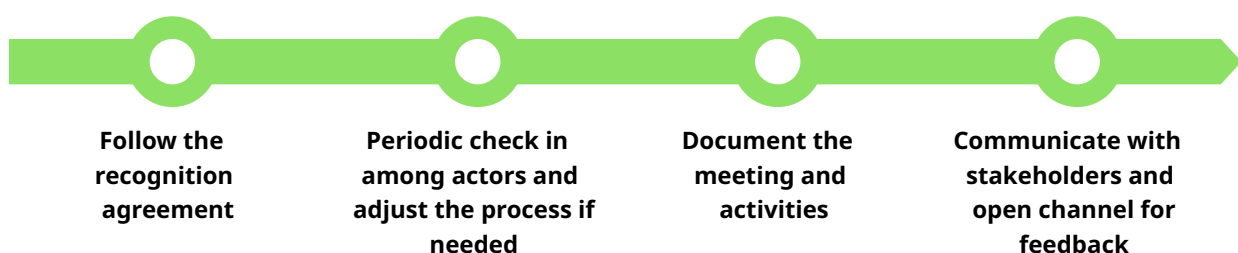
There is often also a shift from tripartite dialogue involving the State, employers, and trade union(s) to bipartite dialogue between management and labour. In this situation, implementation can become more heavily dependent on management. This raises questions about management's approach to human resource management in general, the implementation of social dialogue in particular, and the different forms that implementation might take.

Will it be "business-centred" or "employee-centred"? How will the social partners balance workers' traditional demands for security with the modern-day demands of flexibility and a much more robust customer orientation?

The questions that will need to be addressed by social partners at this stage are as follows:

- Who will manage and facilitate the process of social dialogue?
- How will the automotive sector firms integrate social dialogue into their human resource management strategies?
- Will implementation be characterized by hard or soft forms of regulation?
- How will the firm's demand for flexibility and efficiency be reconciled with the employees' need for security?

► **Figure 8. Primary steps for implementing effective social dialogue**



Additional components for implementing effective social dialogue

Note: These are suggested inputs collected from the tripartite constituents and automotive companies in Thailand at the *ILO Training on Social Dialogue for Decent Work and Human Rights Due Diligence*, held on 9-10 September 2024 by the RISSC project in Thailand.

1. Joint identification of timeframe and development of communication strategies:

The company and trade union should collaboratively determine and formalise the timeframe for the negotiation process. This includes setting clear deadlines for key milestones and ensuring that both parties are aligned on the pace and structure of negotiations. In parallel, a comprehensive communication strategy should be developed to keep workers informed. This strategy should include both internal and external channels, detailing how and when updates will be shared with employees and ensuring transparency and inclusivity throughout the negotiation process.

2. Agreement on follow-up and evaluation mechanisms:

Both parties must agree upon a structured follow-up process to monitor the implementation of the agreement. This includes establishing clear evaluation mechanisms to assess the effectiveness of the agreement and ensuring that the intended outcomes are being achieved. Regular assessments should be built into this process, with provisions for adjustments as needed. Continuous evaluation will help both parties identify potential challenges and areas for improvement, contributing to the successful and sustainable implementation of the agreement.

3. Continuous stakeholder communication during implementation:

Throughout the implementation phase, ongoing communication with all stakeholders is essential. Workers, in particular, should receive regular updates to ensure they are fully informed about the progress of implementation and any relevant developments. This communication should emphasize that their feedback is valued and is integral to the process. By fostering an environment of open dialogue, both the company and the union can enhance workers' understanding of the changes and reinforce their trust in the process, thereby contributing to smoother implementation and long-term success.

4.5.4. Monitoring and evaluation

It is very important to establish that monitoring and evaluation are, or should be, an ongoing process that informs and improves future social dialogue. To do this, the social partners must agree upon the evaluation criteria, particularly whether the focus will be on the outcomes or the process of social dialogue.

Data collection is significant for monitoring and evaluation and should be undertaken by the social partners as a matter of course, possibly with some assistance from third parties (such as specialist government agencies or independent researchers commissioned to examine specific social dialogue processes or outcomes). The latter might be particularly important when remedial action is needed to address deficiencies in the social dialogue or to help resolve conflicts between the social partners.

Establishing agreed criteria

Although the intention is to monitor and evaluate the process of social dialogue, in practice, it is often difficult to divorce this from an evaluation of progress toward the agreed outcomes (or agenda) of social dialogue. Therefore, it is essential to establish agreed-upon criteria for evaluating social dialogue.

It should be recalled that the primary aims of social dialogue are to build trust and credible commitments between the social partners, promote democratic involvement, and provide a setting for more efficient bargaining by helping to separate bargaining over “the state of the world” from that over the division of costs and benefits.

Democratic involvement may raise new issues that were previously suppressed. Although it may now be possible to identify a course of action superior to the status quo for all concerned, it may take longer to negotiate “fair shares” during the inevitable stage of distributive bargaining.

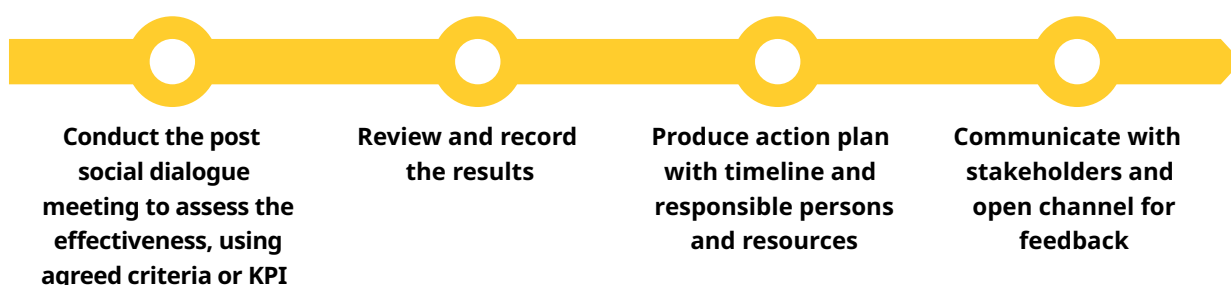
Criteria such as trust, commitment, and democratic involvement can be complex to evaluate or, indeed, to weigh against other criteria, such as the time taken to reach an agreement. If negotiations take longer than expected, but the outcome is a stronger commitment to integrative bargaining in the future, how can this be measured against the costs incurred today regarding higher costs, and so on?

Trust, commitment, and democratic involvement are vital to building the “social capital” that modern-day organization need to promote innovation, agility, and flexibility. Moreover, they are precisely the kind of indicators that the European Commission and other agencies have proposed for a “qualitative dialogue in industrial relations” and “quality indicators” in employment and industrial relations more broadly defined.⁹⁸

The questions the social partners should address are as follows:

- What criteria should be used to evaluate and monitor the process of social dialogue, and who should be involved in setting these criteria?
- Should the monitoring and evaluation of social dialogue focus solely on the process or include agreed outcomes from the agenda?
- Who should undertake the evaluation of social dialogue?
- What data is available and/or required?
- How will conflicts between the social partners during the dialogue process be resolved?

► **Figure 9. Primary steps for monitoring and evaluation of social dialogue**



Additional components for monitoring and evaluation of social dialogue

Note: These are suggested inputs collected from the tripartite constituents and automotive companies in Thailand at the *ILO Training on Social Dialogue for Decent Work and Human Rights Due Diligence*, held on 9-10 September 2024 by the RISSC project in Thailand.

1. Monitoring alignment of social dialogue with agreed scope and timeframe:

During the negotiation process, the company and the union should continuously assess whether the social dialogue is adhering to the previously agreed-upon scope and timeframe. This includes regularly verifying that critical decision-makers are involved and aligned with the negotiation outcomes. Ensuring the dialogue stays within these predefined boundaries is crucial for maintaining focus, efficiency, and accountability throughout the process.

98 ILO, *Social dialogue in the process of structural adjustment and private sector participation in ports: a practical guidance manual*, 2005.

2. Comprehensive monitoring from planning to implementation:

The entire process—encompassing planning, initiation, and implementation phases—should be carefully monitored to ensure consistency with the original agreement. This includes ongoing evaluation of how feedback from union members is incorporated into both the content and negotiation methods. By maintaining oversight at each stage, the company and union can ensure that the process is reflective of the agreement and responsive to the evolving needs and inputs of the workforce.

3. After-action review workshop for continuous improvement:

Following the conclusion of the negotiation, an after-action review workshop should be conducted to reflect on the challenges encountered, opportunities realized, and lessons learned. This reflective process allows both parties to identify strengths and areas for improvement, which can inform future negotiations. Additionally, sharing these insights with union members ensures transparency and contributes to the organization's collective learning, preventing the recurrence of similar challenges in future social dialogue.

4. Establishing open channels for continuous feedback:

An open and accessible feedback channel should be maintained to allow the trade union members to provide input on the negotiation and its outcomes. This feedback mechanism is essential not only for continuously improving the current process but also for gathering insights that can be utilized in future dialogues. By institutionalizing this feedback loop, the company and union can enhance worker engagement and ensure the social dialogue remains dynamic and responsive to employee needs.



Automotive company employee works in a distribution centre in the Bangkok Free Trade Zone, Bangna-Trad Road Km23. © Shutterstock

Module 4. Strengthening systems

Chapter 5. Steps to integrate social dialogue into management system(s)

5.1. Effective environment for social dialogue

To enable an **effective environment for social dialogue**, there are **five key pre-conditions**⁹⁹, including:

1. Strong, independent representative workers' and employers' organizations with the technical capacity and access to the relevant information to participate in social dialogue
2. Respect for the fundamental rights of freedom of association and collective bargaining (as enshrined in ILO Conventions no. 87 and no.98)
3. Political will and commitment by all parties to engage in good-faith social dialogue
4. Appropriate institutional support (where needed)
5. The representatives (of the social partners) engaging in the dialogue are recognized as equal partners by each other.

5.2. Key components of the management system and the integration of social dialogue into the management system(s)

In addition to the four steps of social dialogue, employers' and employees' organizations need a management system to enhance effective dialogue and maintain a sustainable relationship. Such a system provides a structure and process to ensure long-term implementation and results.

A management system is a set of policies, processes, and procedures an organization uses to ensure that it can fulfil the tasks required to achieve its objectives. These objectives cover many aspects of the organization's operations including production and product quality (including QA and QC), safety and health, client relationships, legislative and regulatory compliance, worker management and labour relations, contributing to continuous firm-wide improvement.

⁹⁹ ILO, *Social dialogue: Finding a common voice*, 2002.

There are many types of management systems, but all share the common aim of *improving efficiency and organizational performance* by applying appropriate policies and procedures.

The amount of detail in a management system will vary according to the size, complexity, and resources of the organization. It is the entity's responsibility to determine the level of detail and the content of the management system appropriate to its own business and the risks it faces by analyzing past and present HR/OSH and associated needs for improvements.

A management system ensures an effective and sustainable social dialogue and begins with creating policies and procedures, designating responsible individuals and resources, communicating with stakeholders, taking action, and conducting internal reviews. These steps help to develop long-term strategies for maintaining the quality of social dialogue within the company. An example of a system we would like to introduce is the PDCA cycle (Plan, Do, Check, Act), which is familiar to many companies in the automotive sector and has proven effective in addressing various issues.

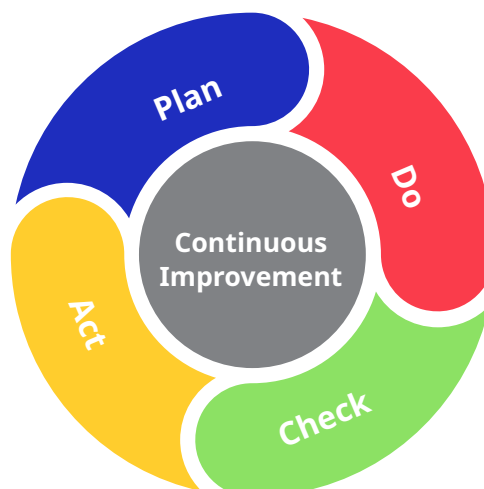
5.2.1. What PDCA is

An approach to systems is based on the **Plan-Do-Check-Act (PDCA) cycle**, which is well-known to most companies in the automotive sector. This cycle is mainly used to improve productivity, product quality, and occupational health and safety issues. This approach facilitates the development and implementation of (existing) management systems and labour relations systems *in factories with a trade union through advisory, training, and assessment services*.

PDCA is an iterative four-step management method used in business to control and continuously improve processes and products. It provides structure to much of the work at different levels as follows:¹⁰⁰

1. **Plan:** Put in place policies, procedures, people, resources, KPIs and targets
Where are we going to change as a result?
2. **Do:** Implement through training and communication
How are we implementing these changes?
3. **Check:** Monitor through measurement, records, internal and external audits
Is it working?
4. **Act:** Management review and investigations that lead to change

► **Figure 10. Plan-Do-Check-Act (PDCA) cycle**



100 ILO, Grievance toolkits for advisory session, 2024 (unpublished).

5.2.2. PDCA and social dialogue

Worker and management representatives can work through a dialogue process to establish and sustain the company's systems and procedures, including systems of labour relations, such as grievance mechanisms, negotiation forums, and dispute resolution procedures.

One of the clearest examples of a system linked with Social Dialogue and IR is the grievance handling process and grievance mechanism.¹⁰¹ From the perspective of many employers, the grievance mechanism is an HR function. However, the ILO constituents have noted in the ILO Examination of Grievances Recommendation of 1964 that such procedures “can contribute to a climate of confidence between management and workers, which is necessary for labour-management relations.

To improve the management system of social dialogue, the company must establish a clear policy on freedom of association, labour relations, and employee engagement. It is important to have defined procedures, allocate resources, and create implementation plans to ensure compliance with these policies. Additionally, the company needs to collaborate with employees to develop a monitoring system and conduct regular management reviews to update the policies and procedures to comply with international requirements and due diligence laws.

PDCA can also enhance the development of the labour relations systems by supporting employers and trade unions in improving the administration of collective bargaining agreements and improving the process by which the parties prepare for and negotiate agreements. The management system will ensure the long-term and sustainable solutions for all.

5.3. Ways forward to improve automotive industrial relations, business performance, and productivity through effective social dialogue

Proactive approaches are important to ensure effective social dialogue and long-term outcomes for all social partners.

5.3.1. Communication and continuous learning

Communication activities and advocacy campaigns are essential parts of social dialogue. They are crucial instruments for challenging the status quo and strengthening respect for workers' rights.

At the same time, the social partners, including workers' organizations and employer's organizations, have a critical responsibility for planning their communication activities to prevent the escalation of violence and support sustainable peace. They can achieve this by maintaining a constructive, open dialogue with policymakers, employers, and workers' communities.

All social partners need to undertake continuous research to define the profile of their target audiences and understand their interests, beliefs, and levels of knowledge on relevant issues.

The appropriate communication channels (such as social media, informal meetings, high-level dialogues and so on) can be identified based on this. Effective campaigning can strengthen the impact of messages and actions aimed at raising awareness to prevent or mitigate the impact of conflicts, and it ensures that the voices of all social partners are respected and heard throughout the dialogue processes.

Social dialogue is a process. Understanding the cause, analyzing it, planning for prevention, and putting efforts into improvement are ways forward for all social partners to secure a long-term relationship and constructive outcomes.

101 Examination of Grievances Recommendation, 1967 (No. 130)

5.3.2. Self-assessment and monitoring

Internal monitoring plays a significant role in preventing conflicts. The company can use the self-assessment tool to diagnose the situation and proactively resolve issues before they become problems.

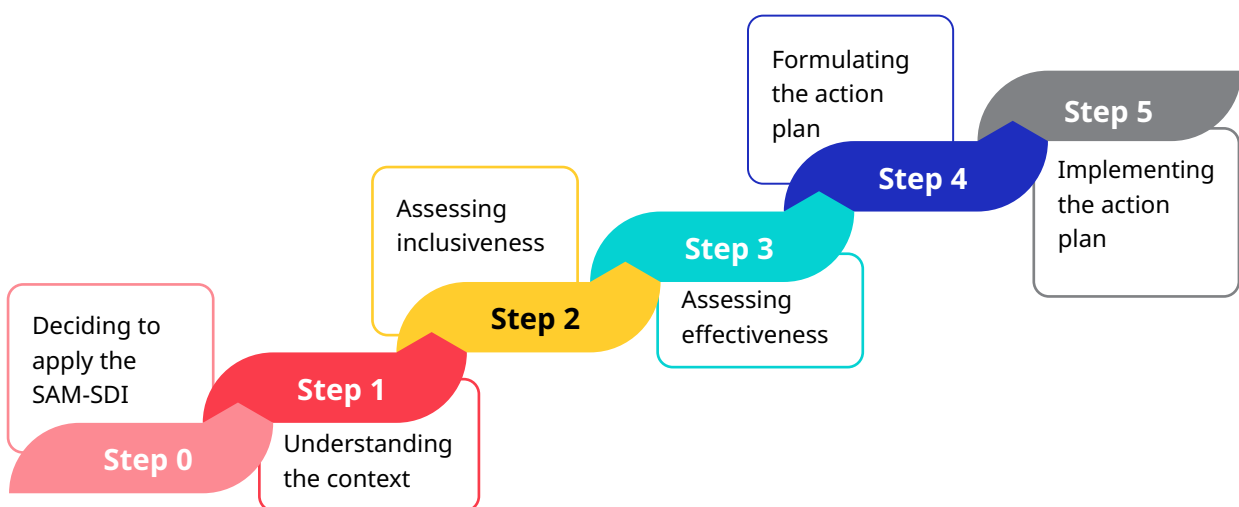
The example of self-assessment checklist in Annex I serves as a strategic instrument for the company and the trade union (or worker organization) to **collaboratively evaluate** performance and identify areas for enhancement. Through its structured framework, the checklist enables both parties to critically assess current practices, pinpoint existing gaps, and recognize opportunities for improvement. Furthermore, the checklist integrates key management systems elements, which are vital for the ongoing development and institutionalization of effective social dialogue in the workplace.

This approach facilitates a comprehensive evaluation of current performance and promotes the sustained advancement of constructive communication and cooperation between management and the workforce, ultimately contributing to a more robust and resilient workplace environment.

In addition to asking questions, the process of conducting self-assessment is crucial. Another example from the International Labour Organization (ILO) is the self-assessment method for social dialogue institutions (SAM-SDI) (2021)¹⁰² that provides a checklist and can be applied to ensure the practicality of all processes of RISSC-developed tools, including further pilot use. It also focuses on the inclusiveness and effectiveness of social dialogue.

- SAM-SDI is a tool/method to enable the members of a social dialogue institution (SDI) to undertake an in-depth self-assessment of their institution and devise an action plan to enhance its **inclusiveness and effectiveness**.
- The goal of the SAM-SDI is to enable countries to achieve more socially just and economically sustainable policy outcomes by strengthening the contribution of social dialogue institutions to national policy-making processes.
- While SAM-SDI is mainly targeted at three-party social dialogue institutions operating at the national or state/provincial levels, the method is suitable for application by social dialogue institutions of differing size, composition, mandate, and resource availability.
- It is inappropriate for use by newly established institutions in the very early stages of development.¹⁰³

► **Figure 11. Steps of the self-assessment method for social dialogue institutions (SAM-SDI)**



¹⁰² ILO, *The self-assessment method for social dialogue institutions (SAM-SDI)*, 2021.

¹⁰³ **Note:** Some useful elements may be extracted and adapted as appropriate, especially for the issues of inclusiveness and effectiveness.

Annex.

Example templates for companies to measure social dialogue in the workplace (pre- and post-assessment)

Below are the checklists¹⁰⁴ for specific topics related to **planning, monitoring and evaluating effective workplace social dialogue**, which can be further adapted for other relevant issues, depending on each company's context.

Topic 1: Grievance handling in the workplace management system

Please take your time to reflect on your current performance on grievance handling.

Go through the list and tick whether you are complying (YES), not complying (NO) or partially complying (PART). If you tick NO or PART, please write the planned and/or required actions in the comment section.

Questions	Yes	No	Part	Comments
Workplace management system				
Do you have a written policy on handling grievances?				
Have you established the written procedures for how the policy will be implemented?				
Do you provide training to the employees on the policy and procedures?				
Do you have an implementation plan to comply with the policy and procedure?				
Do you communicate and provide orientation/training to workers on laws, standards, requirements, policies, and procedures?				
Do you have multiple ways for workers to confidently raise a grievance, with no retaliation or reprisal for the worker who raised the issue?				
Has the grievance-handling system been developed through consultation with the workers/unions and management?				

¹⁰⁴ **Note:** The checklists have been compiled and consolidated from multiple documents, including:

ILO, *Access to labour justice: A diagnostic tool for self-assessing the effectiveness of labour dispute prevention and resolution*, 2023.
ILO, *A self-assessment tool for enterprises based on the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (MNE Declaration)*, 2022.

Questions	Yes	No	Part	Comments
Are workers aware of the ways to raise a grievance?				
Do you resolve grievances as mandated by the law?				
Do you encourage workers to raise their grievances by establishing a constructive environment where workers' privacy is protected, sensitive issues are involved, and workers do not fear reprisal or retaliation?				
Are grievances resolved in a timely manner, following the steps laid out in the policy and procedures?				
Is there a follow-up to ensure the agreed-upon action steps are implemented effectively?				
Are workers not retaliated against for filing a grievance?				
Can workers appeal the outcome of a decision through the process outlined in the company policy?				
Do you communicate the result of grievance handling with the workers in a language that workers can understand?				
Do the management and workers' representatives meet at least twice a year to review the grievance handling processes and adjust policy and procedures as necessary?				

Topic 2: Freedom of association policy and practice in the workplace

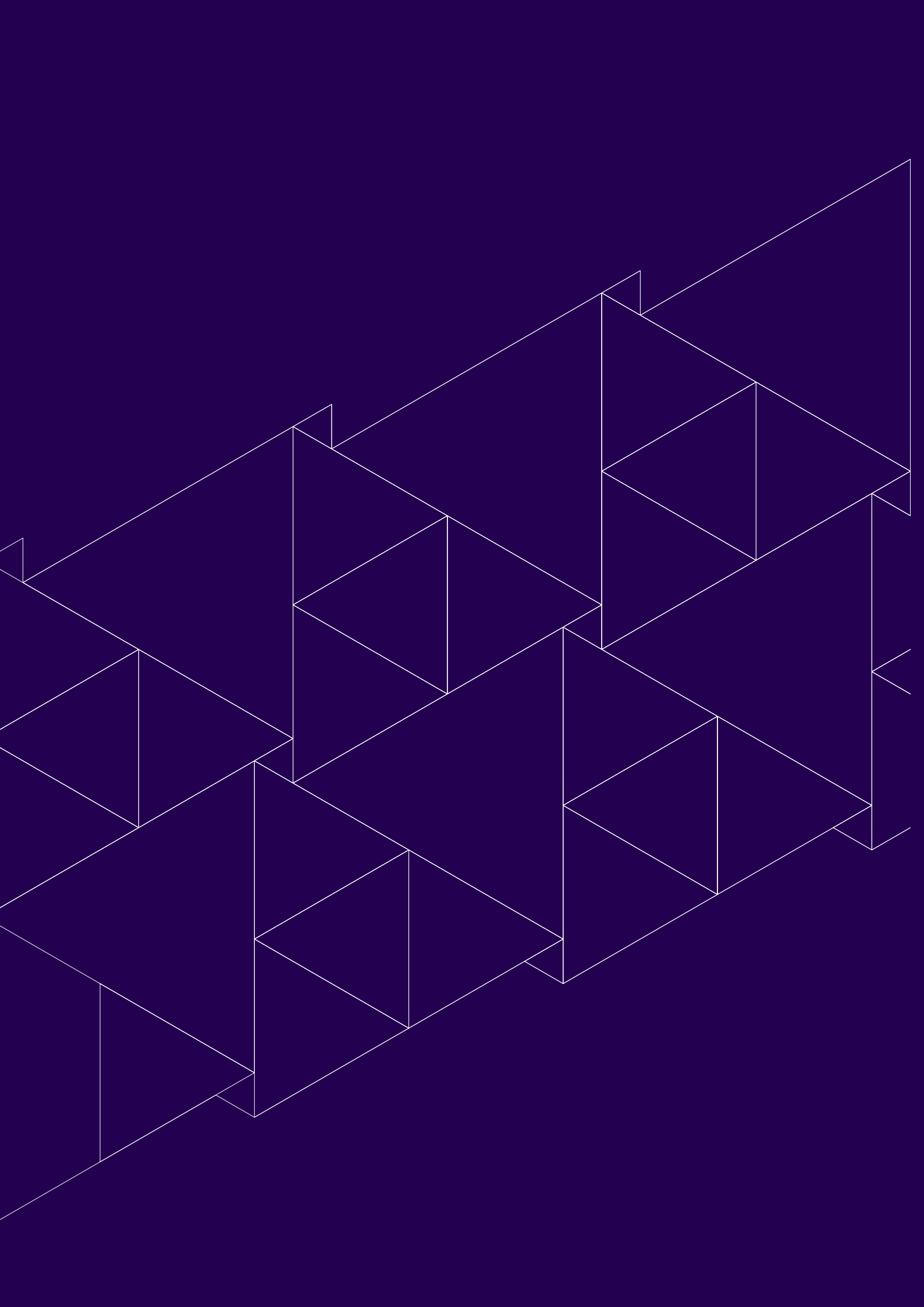
Please take your time to reflect on your current policy and practice on freedom of association and workplace improvement.

Go through the list and tick whether you are complying (YES), not complying (NO) or partially complying (PART). If you tick NO or PART, please write the planned and/or required actions in the comment section.

Questions	Yes	No	Part	Comments
Policy, practices, and workplace improvement				
Do you have a written policy to show management commitment to comply with the laws and requirements of standards?				
Have you established the written procedures for how the policy will be implemented?				
Do you provide training to every employee on the policy and procedures?				
Do you have an implementation plan to comply with the policy and procedure?				
Do you allocate budget and resources to implement the policy and procedures?				
Do you communicate and provide orientation/training to workers on laws, standards, requirements, policies, and procedures?				
Can workers freely join workers' organizations, including trade unions, of their choice without interference from the company?				

Questions	Yes	No	Part	Comments
Do workers elect their representatives freely?				
Do most workers know who their representatives are?				
Can workers' representatives actively reach out to their peers to obtain input for discussions?				
Is there the regular dialogue or discussion between management and workers' organizations on issues of mutual concern, such as whether the management wants to introduce a productivity improvement system or whether workers would like to improve the canteen food?				
Do management representatives maintain open communication channels with the trade union(s)?				
Do the management representatives with decision-making power regularly participate in the social dialogue with workers' representatives or trade unions?				
Do the management representatives know their rights and responsibilities and have the skills to participate in social dialogue?				
Do you make time and space available to representatives to carry out their functions? This includes, for example, providing time off (within reason) to carry out activities and providing meeting and office space.				
Does the management refrain from trying to influence the workers' representatives?				
Does the management remain neutral if multiple workers' organizations exist in the workplace?				
Does the management bargain collectively with the workers through their chosen representative(s) if they so choose?				
Do you comply with the terms in any collective agreement signed with the workers?				
Has there been a follow-up on the action points mentioned in the meeting minutes, and have updates been provided to all workers?				
Do you discriminate against trade union members? This includes refusing to hire a union member, not renewing a contract, dismissing the worker because of union membership or activities, moving the union member to a different production site because of union activities, or harassing or intimidating a union member.				
Has there been any retaliation against workers' representatives or unions for their involvement?				

Questions	Yes	No	Part	Comments
Do migrant workers have the right to participate in meetings and activities of trade unions and any other associations established by law?				
Do you have a welfare or an employee committee? (or any similar committee, please specify)				
Do the committee members mentioned above come from the election?				
If there are migrant workers, do they elect their representatives to join these committees?				
Is there a regular meeting of these committees? (for example, every quarter)				



► Driving Industry Dialogue (DID)

Social Dialogue for Decent Work and Human Rights Due Diligence in the Thai Automotive Sector

This publication offers a comprehensive guide to implementing social dialogue in the Thai automotive industry, emphasizing its role in advancing decent work and supporting effective Human Rights Due Diligence (HRDD) for more responsible and competitive businesses.

Developed through extensive consultation with ILO tripartite constituents and industry partners—including key automotive and auto-parts companies in Thailand—these guidelines represent a collaborative effort to address sector-specific challenges and opportunities, including those brought about by technology, transitions and evolving supply chain requirements.

The document provides foundational insights into the role and importance of social dialogue, including its links to national and international frameworks, and how its integration into workplace policies and practices can help businesses ensure both legal compliance and continuous improvement.

Practical examples illustrate how social dialogue can resolve industry-specific issues, strengthen trust and relations between employers and workers, and enhance overall business performance through Decent Work. By applying these guidelines, companies can foster the workplace culture, relationships and practices that will support a more resilient, inclusive, and sustainable automotive supply chain.

Produced by:

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Supply Chains (RISSC) Project**

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