



ILO

Briefing Notes

DECENT WORK IN ARGENTINA



International
Labour
Office



December 2011 The ILO notion of Decent Work and its adoption in Argentina

I. Decent Work: from its introduction through to its institutionalization

Decent Work is a concept developed by the International Labour Organization to establish the characteristics of a labour relationship in agreement with international standards, so that work is carried out in conditions of freedom, equality, safety and human dignity. This idea was proposed by Juan Somavía in his first report as Director-General of the International Labour Office¹ in 1999, and was later adopted by the Organization's constituents –governments, workers and employers– during the 1999 International Labour Conference.

The concept of Decent Work is based on the recognition that work is a source of personal dignity, family stability, social peace, democracies to deliver for people and economic growth, besides increasing productive work opportunities and companies' sustainable development. Decent work reflects the priorities of the social, economic and political agenda of countries and international system. In a relatively brief period, there has been global consensus among governments, employers, workers, civil society and the international community on this notion, and the fact that productive employment and decent work are essential elements to achieve a fairer globalization, reduce poverty and promote equitable, inclusive and sustainable development.

After almost a decade of work in the development and application of the Decent Work Agenda, the International Labour Organization unanimously adopted the ILO Declaration on Social Justice for a Fair Globalization, on 10 June 2008. This is the third declaration of broad scope principles and policies adopted by the International Labour Conference since ILO's creation in 1919. It is the legacy of the Philadelphia Declaration of 1944, and of the ILO Declaration on Fundamental Principles and Rights at Work and its 1998 follow-up. The 2008 Declaration states the contemporary vision of the ILO mandate in the era of globalization, and institutionalizes the notion of Decent Work, placing it at the center of the Organization's policies to achieve its constitutional objectives. This document appeared at the advent of the most important economic and financial crisis since the thirties, and reflects the debates that arose based on the observations of the World Commission on the Social Dimension of Globalization, warning about the risks of globalization for social justice. Thus, and to avoid the adverse effects of globalization, the Declaration promotes policies based on ILO strategic objectives, and emphasizes the importance of having an holistic, integrated approach, by recognizing that these objectives are inseparable, interrelated and mutually reinforced, thus ensuring the function of international labour standards as a useful means to achieve such objectives.

Decent Work Country Programmes

As a development agency, the ILO offers support through Decent Work Country Programmes, implemented in collaboration with its constituents. Its priorities and objectives are defined within the context of national development frameworks, with the purpose of overcoming the main deficiencies of decent work. In this regard, through pertinent, effective and efficient programmes, the idea is to apply four strategic ILO objectives which include gender equality as a cross-cutting objective: i) to create employment, through an economy that generates investment opportunities, business initiatives, skill development, jobs and sustainable ways of life; ii) to guarantee workers' rights so as to achieve recognition and respect for the rights of all workers, particularly, the least favoured ones or people below the poverty line that require representation, participation and appropriate laws; iii) to extend social protection so as to promote social inclusion and productivity, by ensuring that men and women have safe working conditions that give them appropriate rest and leisure time, take into account family and social values, consider an appropriate remuneration in the case of a loss or reduction of income, and allow access to adequate health care too; and iv) to promote social dialogue by participating in sound, independent workers' and employers' organizations which are essential to increase productivity, avoid labour conflicts and favour the development of cohesion-based societies.

1. Please note that the International Labour Office is the Technical Secretariat of the International Labour Organization; the latter made up of constituents from the governments and most representative workers' and employers' organizations.

II. The adoption of the Decent Work Agenda in Argentina

The year the concept of Decent Work was introduced, Argentina was about to suffer a significant economic and institutional crisis. In the 1990s, severe transformations took place in the economic policy, which negatively affected the labour market and its institutional machinery. Therefore, only as from the crisis of 2001-2002 did Decent Work arise more visibly in the country as a tool to face the severe consequences of the crisis. ILO thus participated in the Argentine Dialogue in 2002 and promoted the adoption of a Decent Work Agenda by the Government and employers' and workers' organizations, based on the technical cooperation project "Facing the Challenges of Decent Work within the Argentine Crisis" (2003-2006).

In 2003, at the request of ILO, the Argentine Government, in agreement with the UN System, included "Objective 3: To Promote Decent Work" among the Millennium Development Goals for Argentina. On the other hand, National Law No. 25,877 on "Structuring of the labour regime", enacted in 2004, establishes in Section 7 that "The Ministry of Labour, Employment and Social Security will promote the inclusion of the decent work concept in national, provincial and municipal public policies". Since then, the notion of Decent Work –and the need to promote it– has been included in legal standards, budgets, declarations and, furthermore, in the speeches of presidents, Labour ministers and Ministers of Foreign Affairs, as well as in the pronouncements of social players in different forums, besides being considered and analyzed in several news articles.

In June 2004, the execution of the 2005-2007 National Programme on Decent Work was agreed upon, based on two pillars: the first, regarding the integration of economic and social policies with the purpose of promoting the creation of decent employment and, the second, regarding the strengthening of policies of the Ministry of Labour, Employment and Social Security in employment and training, regularization of non-registered work, improvement of working conditions and eradication of child labour, together with the quest for better labour incomes and the enhancement of the social protection and unemployment benefits.

After a satisfactory independent evaluation of the first National Programme on Decent Work, and taking into consideration the recommendations formulated in the "Tripartite Assessment", signed by the Ministry of Labour, Employment and Social Security

(MTEySS), the Argentine Industrial Union (UIA) and the General Workers' Confederation of Argentina (CGT-RA), a new programme was agreed upon by consensus for 2008-2011.² This programme resulted from a collective construction process that very actively and decisively involved ILO constituents and the ILO Country Office for Argentina, and led to the signing on 3 September 2008, of a Memorandum of Understanding for the launching in Argentina of the Decent Work Country Programme 2008-2011.³ This new programme provided continuity to the previous one and enhanced the actions on normalization of the economic and social situation as from 2003. The priorities agreed upon included the following: i) to coordinate the national labour policy with policies having an impact on the quantity and quality of employment; ii) to improve employment and employability conditions, emphasizing decent employment for youths and local economic development; iii) to contribute to child labour prevention and eradication; iv) to extend social protection coverage; v) to strengthen effective social dialogue for constituents to promote the dimensions of decent work in social and labour policies; and vi) to support the reduction of the informal economy and undeclared employment.

It is worth highlighting that the Argentine Government provided for year 2011 to be declared "Year of Decent Work, Health and Safety of Workers" (according to Decree No. 75/2011), and that this year a series of laws were enacted to adopt International Labour Conventions on workers' health and safety, the promotional framework for occupational safety and health (Conventions No. 155 and No. 187) and work in the fishing sector (Convention No. 188).⁴ Furthermore, in April 2011, the 2011-2015 Argentine Strategy on Safety and Health at Work was signed,⁵ including an agreement for tripartite programme actions. Finally, Law No. 26,678 enacted in May 2011, approved Convention No. 102 on social security (minimum standard).

Provincial governments have shown a growing interest in promoting the Decent Work agenda in their public policies. The Governments of Santa Fe –in 2008–, and of Salta –in 2009– signed agreements with ILO to promote Decent Work within their government agendas, thus supplementing the national programme.

At the international level, Argentina has played a leading role in promoting the concept of Decent Work. Since 2003, as a country initiative, the idea begins to be included in several regional declarations and statements, such as the "Buenos Aires Consensus" 2003 and the "Copacabana Minutes" 2004. Both documents were signed by the Presidents of Argentina and Brazil.

2. Please see document at: http://www.ilo.org/wcmsp5/groups/public/---ed_norm/---relconf/documents/meetingdocument/wcms_084948.pdf

3. Please see document at: http://www.oit.org.ar/documentos/ptdp_2008_2011.pdf

4. Laws No. 26,693; No. 26,694 and No. 26,669, respectively.

5. Please see document at: http://www.oiss.org/IMG/pdf/Estrategia_Argentina_2011_reducido_-3.pdf

On the other hand, the Regional Conference on Employment, organized by the MERCOSUR Social-Labour Committee, and held in Buenos Aires, in April 2004, concluded with a Declaration signed by the Ministers of Labour of the Member States of the bloc. The document includes most of the proposals submitted by ILO in the document the organization presented for discussion.⁶ The declaration asserts that “In view of the recommendations of the International Labour Organization, MERCOSUR countries, as ILO members, assume that decent work is an essential condition for the sustainable development of the Member countries and for the success of the region’s economic integration”. Finally, the Fourth Presidential Summit of the Americas held in Mar del Plata, in November 2005, included -at the request of the Argentine Minister of Foreign Affairs- a meeting on “Creating work to face poverty and strengthen democratic governance”. During this meeting, the ILO reached a pre-eminent position on the agenda, and its Director-General presented the strategic vision of the Organization. Thanks to the above, the Declaration of the Summit remarkably reflects the notion of Decent Work. More recently, as from 2009, the Argentine Government, together with the Brazilian Government, promoted and achieved the inclusion of the ILO as an international agency of reference for the G-20 deliberations on the global crisis.

III. Decent Work as a response to the world economic and financial crisis

In 2008, when the new Decent Work Country Programme had just been started, the global economic and financial crisis broke out. The first programme had supported the process of rebuilding and consolidation of labour institutions and had actively collaborated to provide constituents with tools and a policy discussion framework in response to the crisis of 2001-2002. Therefore, the country had certain experience to face a new crisis.

At the global level, the ILO quickly responded to the world crisis through a proposal to set up a Global Jobs Pact (GJP). Thus, at the International Labour Conference of 2009 attended by many world leaders, among them, the Presidents of France, Brazil and Argentina, the GJP was adopted as a call upon all Member States to take measures at the national level to overcome the crisis. The GJP advocates a greater consistency in international policies and a better coordination among. Furthermore, the GJP recognizes and promotes international actions to shape a fair and sustainable globalization, pursuant to the provisions of the ILO Declaration

on Social Justice for a Fair Globalization, and commits the ILO to assign the necessary human and financial resources to provide assistance to constituents. The relevance of the GJP became clear when the United Nations Economic and Social Council (ECOSOC) adopted the Resolution “To recover from the global economic and financial crisis: a Global Jobs Pact”. It reflects the need to follow up -together with ILO- on the recommendations of the Pact and requests the UN Secretary General to submit a report on its application through UN System programmes.

The ILO has committed to establish mechanisms to promote the application of GJP in those Member States that have expressed their interest, among them, Argentina. Guy Ryder, Executive Director of the Standards and Fundamental Principles and Rights at Work Sector, made two important comments during the Tripartite Meeting “Policies to face the crisis: the Global Jobs Pact in Argentina”, held in Buenos Aires in April 2011.⁷ The first refers to the fact that the country has been one of the most active and present in the GJP follow-up. This not only refers to the active role of the Ministry of Labour, Employment and Social Security (through its minister Carlos A. Tomada), but also of employers’ representatives (Daniel Funes de Rioja) and workers’ representatives (Gerardo Martínez). The second comment is related to one of the conclusions drawn from experience in the last two years (2009-2010), which is that countries with strong conditions favouring social dialogue and with firm, effective labour institutions have been able to face the crisis with greater success than others that do not have such conditions.

As it was already highlighted, Argentina had favourable precedents in social dialogue, and the notion of Decent Work was fully installed on the public agenda before the international crisis of 2008-2009. Thus, during the crisis and recovery phase, a series of structural measures were taken that must not be directly attributed to the implementation of the GJP. However, on the one hand, the Pact has facilitated awareness-raising on the need to reach consensus on programmes and policies aimed at tackling the economic crisis and the situation on the labour market. On the other hand, it has allowed to make visible and to prioritize on the current agenda of the Decent Work Country Programme a few strategic issues for the crisis, such as the need to have a renewed employment strategy within a context of globalization, and greater weakness of the world economy (particularly in the USA and Europe), and the need to approach the problem of youth employment.

6. Please see document at: http://www.ilo.org.ar/documentos/confmercosur_enfoqueoit.pdf

7. Please see document at: http://www.ilo.org.ar/documentos/pme_final_web_2011.pdf

IV. Decent Work in Argentina: scope and challenges

In 2010, Argentina regained the economic growth path of 2003-2008 that was interrupted in 2009 due to the international financial crisis. This was supported by a quick recovery of employment, which led to minimizing certain economic and social costs of long-term unemployment, and to promoting domestic demand. Since the labour market is the main source of income of households, the lack of dynamism in economic activities usually brings about big economic and social costs. Argentina now faces the challenge of consolidating a macroeconomic scheme that will keep growth rates high, while minimizing real and nominal volatility. This scheme, together with the rest of the economic and labour policies, must be coordinated so as to generate greater dynamism in the labour market and in income-generation, developing policies that are consistent with the strategy of placing Decent Work as the pillar linking the functioning of the economy and household wellbeing.

During this last crisis, labour institutions continued to operate and there was an active recovery policy regarding minimum and average wages. Since 2004 (after 11 years of inactivity) the Council on Productivity, Employment and Minimum Adjustable Salaries has been convened on an annual basis. The institution of collective bargaining was kept active and, besides salary guidelines, the trade unions and companies agreed on clauses to soften the impact of the crisis on the most affected sectors and companies. Furthermore, policies and programmes were reinforced to sustain employment and protect the income of vulnerable families. The MTEySS inspection capacity was also rebuilt, and plans and actions were developed to regularize the situation of non-registered workers.

On the other hand, in the last few years there has been a great growth in the horizontal coverage of social protection for the vulnerable population so as to improve economic security. Specifically, the welfare inclusion plan and the Universal Child Allowance (AUH) have contributed in this regard, providing support to the income of the elderly that did not meet the requirements to access a pension, and to girls, boys and adolescents living in households that suffer the consequences of unemployment and labour informality. The latter action is relevant to the extent that social protection -if well conceived- provides a double dividend:

on the one hand, it allows an increase in benefit coverage and, on the other hand, it helps to economic growth.

Finally, Law No. 26,390 on the Prohibition of Child Labour and Protection of Adolescent Work of 2008 -which, among other things, increased to 16 the minimum age for admission to employment- meant a significant progress in the matter, reinforced by a set of actions for improving youth employability: the Programme More and Better Jobs for Youths, the Law on Traineeships and the Continuous Learning Network.

Significant progress has been achieved but there are still several challenges ahead, such as increasing coverage of employment policies, adapting training programmes to the productive sector needs, and consolidating progress achieved in labour policies. Undoubtedly, it is necessary to articulate employment policies -such as institutions of the labour world- with social protection policies that will lead to increasing efficiency and productivity, as well as to ensuring progress in equality.

In Argentina, policy-related responses to the consequences of the global crisis have been promissory as to the outcomes. The economy has responded side-by-side with the continuity and reinforcement of the fundamental pillars of Decent Work: respect for labour rights, employment generation, strengthening and enhancement of social protection and the social dialogue exercise. The social and labour agenda presents several challenges in the short, medium and long term, although recovery within a context of democracy and social dialogue generates favourable prospects so that the national Government and social players can coordinate the advantages and restrictions imposed by globalization, to favour inclusive growth, in which macroeconomic stability, labour and social protection policies become decisive to achieve sustained improvements in decent work and in equality-based social development. It is therefore necessary to ensure that the next 2012-2015 Decent Work Country Programme in Argentina allows the consolidation and enhancement of such longed for improvements.

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8. The programme consists of a monetary transfer to families in the informal economy, domestic workers and the unemployed, which entails co-responsibilities in the health and education of girls, boys and adolescents under 18 (although for the disabled there is no age limit). In 2011, the programme was extended to pregnant women as from the third month of pregnancy.