

# 9<sup>th</sup> European Regional Meeting

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**Jobs, growth and social justice**



International  
Labour  
Organization

## Introductory note to the thematic panel discussion on Chapter 4: Promoting international labour standards and policy coherence in Europe and Central Asia

While support is regularly expressed for ensuring coherence between economic, employment and social policies, the global financial and economic crisis has put these policy aspirations to the test. Policy decisions that have focussed on fiscal austerity have sometimes been associated with an inconsistent application of international labour standards, occasionally involving the neglect or violation of the fundamental principles and rights at work (FPRW) and particularly the right to freedom of association and collective bargaining. This has aggravated labour market conditions in those countries, further deepened poverty risks and negatively impacted on the social climate, sustainable economic and job-rich growth. This has threatened the European Social Model, which needs to be restored in order to avoid a massive social crisis and political backlash.

In charting a new path for a sustainable recovery, the ILO and its tripartite constituency will need to seek renewed coherence in national, regional and international policies.

A first step towards achieving coherent policies is to recognize the need for a common values and rights-based approach to economic and social policy ensuring the centrality of the FPRW. Macroeconomic, employment and social policies to promote growth and social justice need to be based on respect for common values and principles as

enshrined in international labour standards. Such standards provide a normative guide for achieving coherence between economic and social policies to ensure that economic growth can be translated into improvements in the quantity and quality of jobs, working conditions, skills development, social protection and thus into the social justice that is a guiding principle of the ILO Declaration of Philadelphia and also belongs to the founding values of the European Union. Yet this requires the recognition by all that ratified international labour standards have to be fully implemented and can thus serve as a driver for social and economic development.

A second step to reconciling social with economic development would be to consider a new job-centred paradigm that recognizes employment as a source of growth and targets employment in line with FPRW and social dialogue, alongside economic objectives. This also applies to international, regional and national policies.

The broad involvement of the social partners in such policy approaches is important in ensuring inclusive and coherent processes. In addition, the use of comprehensive early warning mechanisms may prevent imbalances and facilitate the coordination of economic, social and employment policies.

## Participants may wish to discuss the following questions:

1. In your experience what role have the FPRW and other international labour standards played in shaping policy responses in your country, and how could such a role be enhanced to achieve balanced macroeconomic policies aiming at job-rich growth and quality jobs? What should be the role of social dialogue in this respect?
2. In which areas do you see gaps in the proper implementation of international labour standards in your country? How could the ILO assist your country in strengthening policy coherence through the implementation of the FPRW and other international labour standards?
3. Many strategies, initiatives and policies favourable to employment and social goals have been launched by the EU institutions. At the same time, the fiscal consolidation measures in many crisis-hit countries have had largely negative effects on industrial relations, employment including youth employment, as well as on wages and social protection. How can national and EU policies of an economic and financial character be reviewed to assess the degree to which they promote or hinder sustainable economic growth and social justice? Should labour ministries and social partners have a stronger say in such policy-making processes? What role can the ILO play in this respect?
4. Policy coherence in the pursuit of decent work is also a matter of coordination and cooperation between international organizations and regional institutions, particularly the IMF, the OECD, the World Bank, the ILO and the EU. How can international coordination reconcile the goal of fiscal consolidation with continuous investment in employment and social policies? Can the ILO and the IMF translate the conclusions of their 2010 Oslo Conference into broader and more intensive cooperation, particularly in countries adopting highly controversial labour market reforms?
5. In order to put in place timely, preventive and remedial policy responses, countries could establish national early warning and monitoring systems based on a number of key indicators as an option to anticipate and detect economic risks, fiscal imbalances, high unemployment and under-employment, inequalities, and shortcomings with regard to the compliance with the FPRW and social dialogue. Do such mechanisms exist in your country? If not, could seek ILO assistance help in that respect?