



Tenth European Regional Meeting

Istanbul, Turkey, 2–5 October 2017

ERM.10/D.11

Report

Elections and appointments

1. The Tenth European Regional Meeting of the ILO was held in Istanbul, Turkey, from 2 to 5 October 2017.
2. On behalf of the Government group, a Government representative of Germany put forward a candidate for the position of Chairperson of the Regional Meeting, and the Meeting unanimously elected Ms Jülide Sarieroğlu, Minister of Labour and Social Security of Turkey, to this post. The Meeting unanimously elected Ms Mira Carovska, Minister of Labour and Social Policy of the former Yugoslav Republic of Macedonia, as Government Vice-Chairperson, Ms Renate Hornung-Draus, Managing Director, European and International Affairs, Confederation of German Employers' Associations (BDA), Germany, as Employer Vice-Chairperson and Mr Nikolay Shatokhin, Chairperson, Trade Union of Industrial Engineers, Russian Federation, as Worker Vice-Chairperson.
3. In accordance with the *Rules for Regional Meetings*, 2008 (the *Rules*), the Meeting appointed the members of its Credentials Committee as follows: Mr Claude March (Government, Malta), Mr Flemming Dreesen (Employer, Denmark), and Mr Jahangir Aliyev (Worker, Azerbaijan).
4. The Meeting established a Drafting Committee to prepare the conclusions of the Meeting, composed of five Government representatives, five Employer representatives and three Worker representatives, with the following members:

Government representatives:

- Estonia
- France
- Russian Federation
- Sweden
- Turkey

Employer representatives:

- Ms R. Hornung-Draus (Germany)
- Mr J. Lacasa Aso (Spain)
- Mr H. Munthe (Norway)
- Mr B. Matthey (Switzerland)
- Mr Z. Yildiz (Turkey)

Worker representatives:

- Mr J. Sattarova (Azerbaijan)
- Mr A. Panychev (Russian Federation)
- Mr O. Yildiz (Turkey)

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5. The Meeting suspended the application of certain provisions of the *Rules*, in accordance with article 8.¹
 6. The Director-General, charged with the organization of the Meeting under article 7 of the *Rules*, brought to the attention of the Officers of the Meeting a communication received on 27 September 2017 from the General Secretaries of the International Trade Union Confederation (ITUC) and the European Trade Union Confederation (ETUC) requesting its distribution to all participants of the Meeting. The Officers, in discharging their duties under article 6 of the *Rules*, unanimously decided not to proceed with distribution, and agreed that this decision be reflected in the Meeting's report.

Opening addresses

7. *The Chairperson* welcomed participants to the Tenth European Regional Meeting and to Istanbul, a cradle of civilization. She thanked the social partner organizations for the perspectives that they had brought to the preparations for the Meeting, the last European Regional Meeting before the ILO centenary. The high-level composition of the Meeting would make for a rich discussion on employment and labour market issues. The Future of Work Initiative and the promotion of the 2030 Agenda for Sustainable Development (2030 Agenda) would strengthen the cooperation between the member States of the region. As the Director-General's Report indicated, all 51 countries of the region had been able to generate employment opportunities, admittedly with too few skilled jobs created. Full employment should be sought without losing sight of decent work goals, including workers' rights, and social protection systems. Some countries were recording record employment levels, including youth employment, but the policy-making environment remained challenging. Efforts should go towards increasing skills, promoting work for women and for youth, health and safety measures, and strengthening the link between education and employment.
8. The present period had produced astonishing achievements in science and technology. The reverse of the coin was the political upheaval in the world. Turkey was particularly affected by the seven years of civil war in Syria, which had provoked the largest migration since the Second World War. Refugees were often victims of xenophobia. Turkey practised an open-gate policy and had so far provided humanitarian aid amounting to a total of US\$30 billion. There were more than 3 million refugees in Turkey, but the Government would continue to assist them and give them access to the labour market.
9. A number of crises had marked recent years, including the financial crash of 2008. Unemployment had risen in the wake of this, but had now returned to the pre-crisis level of 10.2 per cent. Turkey had also been struck by a failed military coup on 15 July 2016, causing a deplorable number of deaths and injuries, as well as damage to infrastructure, in particular to the Parliament building. Ultimately, Turkey's democracy had held strong and the coup had been overcome by the will of the people. Despite the coup, the economy had grown by 5.1 per cent in the second quarter of 2017; women's labour market participation had increased, and incentives to generate employment, based on active labour market policies were starting to pay off. These included vocational and entrepreneurial training and aid programmes for the unemployed. Social dialogue, solidarity and cooperation were consistently promoted.

¹ Article 11 of the *Rules* was suspended with regard to the functioning of the Drafting Committee on the conclusions of the Meeting, in order to allow it to fulfil its function efficiently and decide on its own modalities, and article 10 on the right to speak was suspended with regard to the organization of the special plenary debates, to allow greater flexibility in the organization of their work.

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10. *The Director-General* thanked the Government of Turkey for the great efforts made to facilitate organization of the Regional Meeting in Istanbul, the perfect meeting place in which to bring together all parts of Europe and Central Asia. The future appeared filled with uncertainty. Since the last European Regional Meeting (Oslo, Norway, 2013), Europe, whose greatest achievement had been to maintain peace since the middle of the last century, had been tested by terrorism and destabilized by the unprecedented influx of refugees fleeing conflict and deprivation. This brought home two lessons. Firstly, that Turkey was currently hosting more refugees than any other country in the world and its populations were extending solidarity, compassion and assistance to these most vulnerable of people. That should be an example to others. And secondly, that Europe was not isolated from events in other regions.
 11. Recovery since the 2008 economic, social and labour crisis had been slow, uncertain and sometimes fragile, though macroeconomic figures in the region were improving. However, high unemployment, stagnating wage levels and youth unemployment persisted. Improving labour markets, increasing decent work opportunities and engineering more equitable labour market outcomes was essential to halt growing inequality, itself a drag on growth and job creation. Nor should relatively low levels of unemployment mask structural problems such as involuntary part-time or temporary work. The public's loss of confidence in policy-makers and institutions' ability to respond to their expectations credibly and effectively was a powerful incentive to do better.
 12. Europe and Central Asia, with well-established social protection systems and strong, independent and representative social partners, was well-equipped to meet these challenges. Moreover, with the ratification by Uzbekistan of the Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87), the region had achieved 100 per cent ratification of the ILO fundamental Conventions. The ILO supervisory mechanisms would work to ensure that ratification and implementation went together.
 13. Turkey's successful and courageous defence of its democratic rights and freedoms during the coup of 15 July 2016 had been welcomed by the international community, including the ILO, and the Organization joined with the people of Turkey in profoundly regretting the tragic loss of life. However, the measures taken to sustain those democratic rights, including emergency measures, should be consistent with the fundamental rights at work protected by ratified ILO Conventions. Large-scale dismissals of public sector employees must not be tainted by discrimination, punishment of the innocent or obstruction of legitimate strike action or collective bargaining. These issues were the source of the concerns that had discouraged large numbers of Workers' delegates from attending the Meeting. The way forward was through dialogue, and the Meeting itself could provide the means of allaying such concerns by initiating that dialogue.
 14. The rapidly changing world of work required ILO activities in Europe and Central Asia to evolve too. Europe provided the best picture of what the ILO's ideals and practices looked like when put into action. The ILO had worked with countries affected by the 2008 crisis and its after-effects in the field of youth employment, and in tackling other labour challenges. It continued its new work for refugees in Turkey. It had successfully strengthened its partnership with the European Commission. Much would change before the 11th European Regional Meeting, by which time the world should be almost half way to achieving the 2030 Agenda Sustainable Development Goals (SDGs), including the goal of inclusive growth, full employment and decent work for all. The ILO would have passed its centenary by then, with the launch of the report of the Global Commission on the Future of Work. Every European Member State from Lisbon to Dushanbe, from Valetta to Helsinki, had a role to play in deciphering the future of work. The discussions at the Tenth European Regional Meeting could prove crucial in this.
 15. *The Employer Vice-Chairperson* noted that this Tenth European Regional Meeting was unusual due to the low participation rate of the Workers' delegates. In this respect, she

deplored the ITUC and ETUC boycott, which she considered to show a lack of respect for tripartism and multilateralism, core values of the ILO. Despite this, the Employers' group was expecting a strong tripartite declaration as an outcome.

16. Many countries in the region had taken measures in line with the "Oslo Declaration", which had established a framework for overcoming the negative economic, social and political consequences of the financial crisis. Encouraging signs of recovery, but at different rates of growth among countries, highlighted the need to assess what worked and what did not.
17. Harnessing the potential and the opportunities that the future would bring to the economic and social situation in the region was a good basis to look at the future of work. Previous industrial and technological revolutions had resulted in the growth of economies and productivity, as well as the creation of new jobs. Despite short-term challenges resulting from the replacement of manual labour and the need to upscale skills and competencies, the pace of transformation allowed for education and training to catch up, and to equip low and mid-skilled workers with the new skills and competencies to function productively.
18. One of the main challenges was to ensure that disappearing jobs were replaced with new jobs in information technology, computing, logistics and other more complex tasks. With regard to providing for labour market regulation, the issue was not whether new rules were required, but rather that the rules were fit to regulate more diverse forms of employment. She underlined that this was not a call for deregulation but rather redesigning social security to ensure all forms of employment were covered, with sustainable financing.
19. New policies on education, skills and training would be required to address growing demand in science, technology, engineering and mathematics, as well as in the health and social care sectors. Reskilling of those whose jobs would become redundant as a result of automation was important. The ILO should explore opportunities to include the information technology economy in representative structures so as to strengthen their respective representation.
20. The Employers expectations in Europe and Central Asia included policies that fostered growth, decent work, and opportunities for all; active labour market policies as well as measures to boost competition and productivity growth, including macroeconomic policy frameworks; promotion of business dynamism and investment; support of entrepreneurship; an enabling environment for enterprises, including for the establishment of new and innovative businesses in the formal economy. Policies should ensure the best use of technologies and innovation and grasp the potential of the future of work, greater social coherence and stronger sustainable growth. Skills development should be designed to overcome skills mismatches, through closer cooperation between business and the education and training sector. Strong, modern social protection systems were required, to ensure the protection of all workers, especially during job transitions. Migration programmes facilitating the recognition and certification of skills and the employment of migrant workers; a culture of lifelong learning; innovative workplace organizations; and strong, representative, inclusive and effective social dialogue were all also needed.
21. *The Worker spokesperson* noted that it was difficult for him to take the floor given the limited numbers of Worker representatives present. He nevertheless hoped to provide a clear description of the political situation in the region and the impact on workers as well as the view of the Workers' group on the challenges and potential of globalization and the future of work.
22. Many countries, and a number of European countries in particular, had experienced economic, social and other difficulties. Events arising from the 2008 financial crisis were still rumbling on today and affecting countries and business in ways which could not be ignored. Citizens' and workers' living conditions had worsened, conflicts arose, migration and inflation increased; all these issues must be addressed. The Workers' group sought a

stronger economy, a higher and more prosperous population. This should be achieved through social dialogue. He recommended that the outcomes of the Istanbul meeting be brought to the attention of the G20.

23. He sought more involvement of workers' organizations in policy-making and attached great importance to the fundamental principles and values of the ILO. The ongoing changes – misbalance of revenue and pay – was having a major impact on economies. Policies to address the impact of globalization on work and workplaces were key to sustainable economies, high levels of employment, consideration of the quality of life of workers and increased productivity. In recent years, the spread of revenue had not been fair, leading to a growing gap between the wealth of different countries. He emphasized that this led to discontent among workers, lost jobs and salaries below a living wage. Economic growth was based on labour as a factor of production. The circumstances of life and work needed to be taken into account.
24. The problems countries were facing weakened cooperation and social dialogue, leading to misunderstandings among countries, which could trigger conflicts. Conflicts must be resolved on the basis of a dialogue, facilitated by the ILO.

Special address by His Excellency, Mr Binali Yıldırım, Prime Minister of the Republic of Turkey

25. *Prime Minister Binali Yıldırım of the Republic of Turkey* acknowledged the near-century of the ILO's work in promoting social justice and thanked the Governing Body for selecting Turkey as the host country of the Regional Meeting. He welcomed all participants to Istanbul, a global city.
26. Recent years had brought a wave of changes to the world of work, impacting both employers and workers. Many countries had suffered following the 2008 financial crisis. Countries had been affected by terrorism, internal disruption, demographic changes and instability, and governments had been obliged to take remedial action.
27. Civil war raged in Syria. In the past six years, Turkey had received 3.5 million Syrian refugees. Turkey had displayed exceptional generosity and great hospitality in welcoming these people. That was part of national culture. For this, it had received the praise of the international community, but nothing more. In particular, the European Union (EU) Member States had stood by apparently indifferent to the problems facing Turkey. The country however did not regret receiving the Syrian civil war refugees. On current counts it was spending the second highest proportion of GDP on humanitarian aid in the world, after the United States.
28. The economic crisis continued with some countries on the verge of bankruptcy; Turkey was surrounded by areas of instability, had absorbed huge numbers of refugees and had withstood a coup. Yet in the first half of 2017, its economy had grown by 5 per cent, the second highest of the OECD countries, and third in the world after China and India. The rate was twice that of the EU average. The country's strong commitment to democracy made it able to surmount the crises. It continued to play its role as a unique bridge between different geographical and cultural regions. Civil aviation exemplified a major economic shift. In the 1970s, the United States had been the most important aviation hub; in the 1980s it had been Western Europe. A new airport was under construction in Turkey which would be able to cope with 200 million passengers annually, turning the country into a major international platform. The hub was now shifting eastwards. The developed countries of the West were saturated and those of the East and Far East were more economically dynamic. However, the fate of all countries

was interconnected and problems must be solved together. Nor would anything be solved by closing doors. A loss of authority in neighbouring areas was breeding terrorism which Turkey was preventing from entering Europe. The numbers of refugees crossing the Aegean had been greatly reduced through Turkey's efforts. At the same time, Turkey noted that the Kurdistan Workers Party (PKK) members were being welcomed in Europe. To safeguard peace, the EU, the Commonwealth of Independent States (CIS), and the international community, including the ILO, needed to work together.

29. The coup of 15 July was a very grave attack on democracy, human rights and society. Fatah had for years infiltrated the Turkish military, police, judiciary and civil service, thus gaining control of key institutions which they had attempted to hijack and turn against the people of Turkey. The coup was averted by millions of people who stood by their faith in democracy and mounted a passive resistance to the armed uprising. The Government had a right to punish those who perpetrated this crime. There was a parallel to this situation in Western Europe. When Western and Eastern Germany were reunited, 500,000 civil servants from Eastern Germany were dismissed. The Government admitted that some persons might have been wrongfully imprisoned, but had faith in legal process to rectify these situations: a mechanism had been put in place to receive complaints.
30. The main theme of the Regional Meeting was the future of work. Work was changing, with old activities disappearing, less labour-intensive activities, less work in agriculture. New, more intellectual occupations were emerging. Efficient solutions were required to answer the concerns this raised. Unions should concentrate on sustainability of employment, rather than on wages. Employers and workers should come together to find ways to make their employment sustainable. In Turkey, labour force participation had grown in recent years from 45 to 55 per cent. A million new jobs were created annually, but 1.3 million people were entering the labour market each year. Though the Turkish economy and per capita income had increased threefold over the past 15 years, there was a need to further strengthen the economy. To maintain social peace, fair distribution, health and safety measures and unionization should be promoted. The golden triangle of social partnership must be maintained. Turkey also had an asset in its young population and was taking steps to improve its schooling and its professional and vocational training. The goal was to reduce unemployment and increase the supply of decent jobs. By 2020, Turkey would have graduated from a middle- to a high-income country.
31. Turkey gave social dialogue a central place in regulating all aspects of work. Dialogue was not always easy and occasionally resembled the action of bringing oxygen together with fire, but governments' duty was to bridge gaps and provide space for dialogue. This Regional Meeting was just such a space. Regional and global peace could only be achieved by uniting in dialogue and joining forces. The problems of today should not be bequeathed to generations to come.

General discussion on the Report of the Director-General: *What future for decent work in Europe and Central Asia: Opportunities and challenges*

Presentation of the Report

32. *The ILO Regional Director for Europe and Central Asia* introduced the Director-General's Report, *What future for decent work in Europe and Central Asia: Opportunities and Challenges*. He noted that recovery was gradually, though unevenly, taking hold across the region as inclusive growth continued to remain elusive for many. A snapshot of the economic and social situation and the main labour market trends across the region, and its subregions, painted a mixed picture of increasing inequalities between, and within, member States – as well as frustrations and uncertainties about the future, which had also had a political impact in some countries.
33. The Report outlined the wide range of responses adopted by countries – from supportive macroeconomic and fiscal policies, structural reform, various employment promotion and training programmes, social protection measures, including minimum wages, changes to labour market governance, and the promotion of entrepreneurship and labour mobility.
34. The ILO had increased its scope of activities, covering more countries in the region, across all subregions, including in some EU Member States. The policy agenda agreed in Oslo remained as relevant as it was in 2013, with considerable need to strengthen the coherence of macroeconomic, labour market, education and social policies across the region. The sustainability of social protection systems, low productivity, in spite of technological advances, low levels of public and private investment and gender gaps in terms of income and social protection, labour market participation and quality of jobs continued to challenge a number of countries. Despite a high level of commitment to the values eschewed in international labour standards and ratifications, there were still significant challenges in application and compliance.
35. Social dialogue was a powerful tool for promoting decent work and addressing these labour market challenges and seizing opportunities. However, the crisis had shown that tripartite social dialogue was not self-sustaining; it required a firm and renewed commitment by all. Its practice had declined in many countries of the region, even though tripartism had never had greater importance in ensuring that everyone's voice was heard and that the future of work included decent jobs and protection for all.
36. The Future of Work Initiative challenged member States to reflect on: the society we want to live in; the future we want to shape; how and where we create enough decent jobs for everyone; how new and emerging forms of organization of work and production impact the nature of work, including the employment relationship, respective rights and responsibilities of labour market actors; the roles and responsibilities of respective players; and how governance institutions should operate and function.

Discussion of the Report of the Director-General

37. *The Employer spokesperson* welcomed the practical and concrete approach of showcasing real case studies. The region had experienced economic and employment growth but challenges remained and the Report promoted the 2030 Agenda to address these. Employers had provided inputs to the Report and requested a balanced approach which took account of

the needs both of workers and enterprises. Emphasis was also placed on the need to secure growth through investment, structural reforms and fiscal consolidation measures.

38. The labour market trends and future of work presented in the Report painted a pessimistic view, leading to fears and misconceptions, while the policy responses were more positive, focusing on employment promotion, youth employment, entrepreneurship policies, employment services, social protection, governance and social dialogue. The Employers' group appreciated the ILO activities undertaken since the Oslo Declaration, but felt more focus on skills development, addressing skills mismatch were warranted. Modern and sustainable social protection systems would need further monitoring and analysis.
39. The Report did not consider the region's specific characteristics and challenges. Many statements were not backed by data nor supported by the trends, notably job growth in Eastern Europe. Possible causes were mentioned, but not supported by evidence. The rise in non-standard forms of employment was negatively presented, which was neither useful nor realistic. Non-standard forms of work, which were only a small portion of employment, could be a stepping stone from unemployment into the labour market.
40. She pleaded for a discussion of rules and frameworks that allowed countries to harness opportunities provided by technology, provided necessary protection for workers while promoting an inclusive approach for new forms of work to be part of the formal labour market.
41. *The Worker spokesperson* highlighted that the workers were not responsible for crises. The Oslo Declaration remained valid; policy measures identified needed to be implemented with a fair distribution of the gains of growth. Turkey hosted more refugees than any other country and many labour market initiatives had been implemented to address their needs as well as those of host communities, but an international solution was imperative.
42. The decline in trade unionism could be attributed to new forms of work, an area the ILO could help address. There was a need to reignite social dialogue and recognize that unionization increased productivity. ILO cooperation on occupational safety and health (OSH) and working conditions were important to reduce the number of work accidents but more needed to be done.
43. The Tenth European Regional Meeting included Worker participation from only seven of the 51 countries in the region, while the Employers had representatives from 41 countries. Although the ITUC and its affiliates were called on to participate, they had declined, weakening the voice of workers. Issues around child labour, women's participation in the labour market, unionization, subcontracting should be addressed in forums such as the Tenth European Regional Meeting.
44. *A Government representative of Estonia*, speaking on behalf of the EU and its Member States said that Norway was aligned with the statement. The EU supported the Future of Work Initiative and many of the countries had held national dialogues on this topic, hoping for concrete and innovative proposals on how to tackle the transformations in the world of work, driven by globalization, automation, digitalization, demographic changes and international migration. Data, as well as a spectrum of policy tools, should be provided by the ILO, in order to accompany the tripartite parties through the fourth Industrial Revolution and ensure that no one was left behind, as stated in the 2030 Agenda. He regretted that a solution had not been found to allow all Worker representatives to participate in the Tenth European Regional Meeting. Such an exceptional situation should not undermine the ILO's credibility; the outcome of the discussions was for all tripartite partners. Youth employment was a priority in the regions and the support from the ILO on Youth Guarantee Schemes was welcomed. The potential of digitalization needed to be harnessed, reflecting on new forms of work and work relationships to ensure decent and productive work.

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45. Skills development, vocational training, lifelong learning and the need to address skills mismatches were essential to ensure that workers remained employable and responsive to labour market dynamics. Investments in better labour market research to better match skills supply and demand were essential. Developing and implementing policies that allowed both men and women to balance their work and family life to foster greater participation in the labour market, were also needed. The unprecedented changes in the world of work had led to increased inequalities. In order to mitigate these potential effects, adequate and sustainable social protection systems were needed.
46. The EU was the largest donor in the region. The ILO played a key role in terms of technical assistance particularly in promoting decent work, fundamental principles and rights at work, transition from informal to formal economy, strengthening labour inspection, and fostering social dialogue. The EU supported the ILO in its efforts to address challenges posed by increased migration, as well as the refugee crisis.
47. *The Minister of Labour and Social Protection of the Population of Azerbaijan* supported the ILO's Future of Work Initiative. The main strategic aim of his country had been the creation of a new economy, focused on increasing productivity and improving social welfare. Azerbaijan had become one of the leading countries in terms of economic growth due to modern approaches, national economic priorities and extremely well-designed reforms. The Government aimed to increase decent work opportunities, fight informal employment, encourage private enterprises, and improve vocational training, social security and working conditions, gender equality and public employment services. The importance of social dialogue was acknowledged by the establishment in 2016 of the national tripartite commission. New employment strategies were being prepared under the Decent Work Country Programme for 2016–20.
48. *The Minister of Labour and Social Protection of the Russian Federation* stated that his Government, together with the social partners, had been actively involved in the Future of Work Initiative and addressing labour standards. Notably, the Government had made the important decision to link the minimum wage to the minimum cost of living by 2019. New mechanisms were needed for assessment of standards for education and training outcomes which would meet employers' requirements. New technologies should be further analysed by the ILO to assess the impact on the labour market, for example, data technologies could lead to improved financial accountability.
49. *The Employers' delegate from Portugal* shared the concerns expressed in the Director-General's Report on the impact of demographic changes, work organization and social protection systems. His country's ageing population presented social protection challenges. Better work and reinforced social protection systems would fundamentally contribute to the achievement of the SDGs. For this purpose, instruments such as bilateral trade and labour agreements which set out common rules were important to protect small economies such as Portugal from unfair competition. Regarding migrants and refugees, he noted that Portuguese experience could serve as good practice in integrating them in a non-discriminatory manner.
50. *The Minister of Employment and Labour Relations of Uzbekistan* stated that the Director-General's Report provided a good picture of trends and future challenges facing Central Asian countries. He stressed that policies and programmes needed to reflect specific national situations. In this regard, he appreciated the successful collaboration with the ILO which contributed to improving the standard of living, creating employment opportunities and improving working conditions. The recent ratification of ILO Convention No. 87 by Uzbekistan meant that all member States in Central Asia had ratified the eight ILO fundamental Conventions. He said that major strides had been made in eradicating child and forced labour in cotton harvesting in his country, by means of a monitoring system introduced with ILO assistance.

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51. *The Vice-Minister of Social Security and Labour of Lithuania* agreed that challenges such as demographic ageing, migration and social development were impacting on the world of work. The key to creating more decent jobs rested with social dialogue, which required real commitment from the tripartite partners. She regretted that many delegations at the Tenth European Regional Meeting were not tripartite, threatening the ILO's core values. She highlighted the importance of gender equality, skills development to address mismatch through upskilling, entrepreneurship training and lifelong learning. She cited Lithuania's National Human Resource Monitoring System, the new Lithuanian social model to address poverty and a new labour law that addressed flexible working hours and recruitment/dismissal rules. In closing, she reiterated the need to constantly engage in social dialogue; the ILO was best placed to advise on the best ways to do this.
52. *The Employers' delegate from the Russian Federation* stated that the turbulent social and economic situation had resulted in instability, which challenged decent work. It was important to create conditions enabling high-quality jobs and increased productivity, which often depended on new technologies. More investment in technology was needed to remain competitive and productive. Demand for highly qualified managers relied on national qualification frameworks and regional skills recognition arrangements. In the Russian Federation, 25 branch councils were established to certify qualification and accredit training programmes. Social protection was needed, based on a proper, contributory, social insurance system, with a reasonable contribution rate. He cited a new indicator measuring business sustainability, corporate governance and accountability.
53. *The Deputy Minister of Labour and Social Protection of Belarus* noted that the Director-General's Report was a good basis for discussion, presenting a diversity of practical approaches. In Belarus, the imbalance in the labour market was due to a shortage of skilled labour. In this regard, a management training system had been established to anticipate labour market needs. New forms of work required greater flexibility in labour legislation and Belarus had recently introduced a new chapter on telework.
54. *The European Commissioner for Employment, Social Affairs, Skills and Labour Mobility* aligned herself with the statement by the Government representative of Estonia speaking on behalf of the EU and its Member States. Referring to the unprecedented absence of the ITUC and ETUC and of a large proportion of the Workers' group at the Tenth European Regional Meeting, she called very clearly for respect, in law and practice, for fundamental rights at work and rule of law, as enshrined in ILO international labour Conventions and in the European Human Rights Convention. She called on Turkey to take urgent action on the treatment of Turkish workers to ensure their right to appeal and right to freedom of expression, which was the basis of peaceful and productive dialogue.
55. Ten years since the crisis struck, the European economy was bouncing back, providing an opportunity to look beyond urgencies at the way we wanted to shape the future. The Future of Work Initiative had attracted a lot of attention with many national dialogues reflecting on long-term changes in the world of work and the design of appropriate policy orientations. She emphasized that the importance of the future of work was reflected in the EU initiative for the European Pillar of Social Rights, a political commitment to deliver on a more social and fair Europe. It had benefited from important contributions from the ILO and it now contributed to the ILO's work.
56. In addition to employment and social protection, the challenges of fundamental rights and social dialogue were identified in the Report. Universal ratification was important, but effective application needed to follow. She noted that the EU and the ILO needed to do more on capacity building and research for social dialogue to reach its full potential.
57. *The State Secretary, Ministry of Social Policy of Ukraine* emphasized that the Ukrainian Government had carried out reforms leading to favourable trends in the economy, including

doubling the minimum wage, adapting labour law, better labour inspection, and stronger collective bargaining. It had greatly encouraged the development of better employment levels, including the deregulation of the economy and changes to laws regulating how businesses were run. A successful strategy on small and medium-sized enterprises (SMEs) up to 2020 had also been introduced. Ukraine supported international standards and other instruments to ensure human rights for migrants and refugees; 1.8 million internally displaced persons in Ukraine needed assistance. The Government had worked with the EU and had reached an agreement in respect of combating breaches of human rights.

58. *The State Secretary, Government of Finland* noted that in his country wages were set by collective bargaining. According to a Finnish survey, nearly 90 per cent of public and private employees were covered by collective agreements. The future challenges in the European and Central Asian labour markets were remarkable, fast and impossible to predict. Whatever the changes, decent work and livelihoods for all must be safeguarded. Governments and social partners must fight against climate change, discrimination, inequalities, unacceptable working conditions and infringements of human rights. The European and Central Asian region was the first to achieve universal ratification of all eight ILO fundamental Conventions. Although ratification was a positive sign of commitment, application and implementation were key.
59. *The State Secretary for Labour, Employment, Veterans and Social Affairs of Serbia* stated that this Tenth European Regional Meeting would contribute to developing strong social partnerships in European countries and serve as an example and incentive for regional and worldwide cooperation. He supported the continuation of intensive cooperation with the ILO. Serbia would continue to apply the standards set out in ILO Conventions and other ILO instruments, such as the 2008 Social Justice Declaration. Serbia's Decent Work Country Programme for 2013–17 had brought many positive improvements. The fight against the informal economy, building the capacity of the labour inspectorate and compliance enforcement were priorities for Serbia, focusing on public awareness raising on how citizens could benefit from declared work; support for entrepreneurs and SMEs; and elimination of child labour.
60. *The Secretary of State for Economic Affairs of Switzerland* welcomed the Director-General's centenary Initiative, which must bear fruit beyond 2019, and which placed women and men at the heart of the world of work. Social dialogue must be open to new ideas, since it was no longer only about the classic employer–worker model. ILO advice in three areas was of critical importance: (1) how to move into the digital economy and organize the requisite new types of labour relations; (2) how to create a new business environment as processes evolved; and (3) how to ensure social justice. Future labour markets would lead to new types of social and worker protection, requiring social dialogue and full respect for, fundamental principles and rights at work, including the promotion of gender equality and the abolition of forced and child labour. Mutual trust between parties was key. Action needed to be taken to protect the social partners, for which Switzerland was preparing a declaration for 2018 to encourage the use of collective bargaining to protect Swiss workers.

Informal ministerial meeting

61. *Labour Ministers and heads of delegations* gathered for an informal ministerial meeting on fair and effective access to labour markets for migrants and refugees, with the participation of the social partners. The meeting was chaired by the Minister of Labour and Social Security of Turkey, Ms Jülide Sarıeroğlu. The Director-General of the ILO introduced the topic, while Ms Marianne Thyssen, European Commissioner for Employment, Social Affairs, Skills and Labour Mobility, delivered the keynote address. This was followed by an intervention from the Employer representative, Mr Erol Kiresepi, the President of the International Organisation of Employers and Member of the Board of the Turkish Confederation of

Employer Associations, and from the Worker representative, the General Secretary of the Confederation of Turkish Real Trade Unions, Mr Mahmut Arslan.

62. The discussion was frank and emotional. Migration and refugee issues were among the biggest and defining issues of the times, making good governance an imperative for virtually all countries. The issues had risen to the top of national and international policy agendas, as reflected in the 2030 Agenda, the ongoing discussion towards the adoption of the two Global Compacts on Migrants and Refugees, and the adoption in June 2017 of the Employment and Decent Work for Peace and Resilience Recommendation, 2017 (No. 205). These international commitments should enable and not replace action at the national level.
63. Migration, although complex and challenging, was also seen as an opportunity. The need to distinguish between migrants and refugees was highlighted: international law afforded distinct protections to migrants and refugees, and the policy implications were quite different.
64. Despite a strong economic case for labour migration, there was considerable political and social reticence. A number of possible measures were suggested to curb irregular migration, which could be associated with human trafficking and smuggling, including: organizing return of migrants in an irregular situation; creating job opportunities in countries of origin; and opening legal pathways to migration.
65. The Employers' group added that the private sector had a central role to play in preventing unfair competition and contributing to the good governance of labour migration. To this end, immigration policies should be informed by labour market needs; innovative partnerships for entrepreneurship, skills upgrading and skills and job matching, while portability of social security would help mobility and make it easier for migrants to eventually return home.
66. Speakers acknowledged the extraordinary efforts deployed by the Government of Turkey in the past six years to deal with the Syrian refugee crisis. Turkey hosted about 3.5 million Syrian refugees and was facilitating access of those of employment age to the labour market. It was noted, including by the Worker representative, that assistance to and protection of refugees, was a human rights issue and that the situation in Turkey was not sustainable in the long run. Solidarity and a more equitable sharing of responsibilities among European countries was necessary.
67. Tackling informality and discrimination among refugees and migrant workers was referred to as one of the most effective means to address social dumping and of ensuring effective integration. For low-skilled workers, informal ways of learning should be developed. Syrian women refugees required special attention as they faced higher barriers due to cultural norms. No single country nor actor could solve the issues at hand alone. Cooperation and coordination at different levels, among different organizations and ministries and across countries was indispensable. At the country level, a whole-of-government approach, which encouraged synergies among employment, education, migration and social policies, was essential.
68. Partnerships with civil society organizations could help provide support and services more promptly to people in need. This, in turn, had to be matched by coordination and synergies among the relevant national and international organizations.
69. It was noted that government-to-government agreements could play an important role in reducing excessive recruitment costs borne by migrant workers, especially the low-skilled, thereby contributing to fair recruitment. This was consistent with the recent ILO global estimates on forced labour, which showed that half of the estimated 25 million people in forced labour were trapped in debt bondage because of poor recruitment practices.

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70. Despite the diverse country circumstances, the importance of helping asylum seekers access paid employment was stressed. Measures including the release of work permits under temporary protection; language courses; on-the-job training; the identification and recognition of skills; labour market needs assessments and referring asylum seekers to employment vacancies had been put in place. Holistic approaches, combining access to labour markets with assistance in respect of housing, health, education, and cultural activities were noted.
 71. National policy failures or outstanding policy challenges, despite the mobilization of significant human and financial resources, demonstrated the complexity of the issues at hand and the importance of learning from each other through experience sharing. The multiplication of international policies, guidelines and commitments, and the persistent gap between words and action was highlighted. There was a call to implement these commitments, and it was suggested that the next Regional Meeting should offer an opportunity to inform each other of progress made on the ground. This was aligned with the conclusions of the general discussion on labour migration of June 2017 which stressed the need for developing platforms for regular exchanges among the ILO's tripartite constituents.
 72. The good governance of labour migration and refugee flows would indeed benefit from social dialogue and the full involvement of employers' and workers' organizations to find solutions to address these complex and difficult issues. In several instances, social partners had been involved in the responses and the European Commission and the EU social partners were finalizing a partnership for the integration of refugees in the labour market.

Discussion of the Report of the Director-General (cont.)

73. *The Deputy Minister of Labour and Social Policy of Bulgaria* noted the challenges the region had experienced since the Oslo Meeting, particularly instability, the refugee crisis and Brexit. She highlighted demographic changes such as the ageing population and youth unemployment.
74. In the recent past, Bulgaria had experienced a stable downward trend in unemployment. The unemployment rate was at 6 per cent, which was lower than the EU average and youth unemployment was at 14 per cent. However, Bulgaria faced the challenge of insufficient qualified workers. The Government had taken measures to support workers and especially those excluded from the labour market through traineeship programmes and financial support to employers recruiting young people. The country was committed to achieving gender equality and women's empowerment. In this regard, it was promoting a work-life balance and a legislative procedure had been introduced to facilitate women's reintegration into the world of work after a period of absence.
75. *The Under-Secretary of Labour of Turkey* said that, despite the impact of the crisis, Turkey was recording good indicators, for example the growth rate was at 5 per cent which was twice the OECD growth rate and the unemployment rate had remained stable. The positive situation was due to such policies as on-the-job training programmes and incentives for employers who hired women and youth. Concerning migration, Turkey was a country of origin, transit and destination and had therefore put in place policies to regulate migratory flows.
76. New challenges required new policies to create inclusive development models. To this end, cooperation with the ILO had assisted Turkey in the recent ratification of the Safety and Health in Construction Convention, 1988 (No. 167), and the Safety and Health in Mines Convention, 1995 (No. 176), as well as in the elaboration of a safety and health training module for Syrian workers.

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77. *The Workers' delegate from Belarus* expressed her hope that all trade unions heed the discussions of the Tenth European Regional Meeting and endorse the solutions identified. She recalled the major threats that had impacted the world of work recently which required strategies such as unemployment insurance, retraining to address redundancies and requalification schemes. She noted the rise of trade union free zones, making social dialogue, the most powerful policy development instrument, impossible.
78. *The State Secretary of the Ministry of Labour, Family, Social Affairs and Equal Opportunities of Slovenia* indicated that his Government, together with the social partners, were seeking ways to address the challenges in the world of work. The Future of Work Initiative was key to promote the highest possible standards for new forms of work. A national policy paper on decent work identified risks around new forms of work and envisaged strategies on health and safety, forecasting skills needs, and better analyses of trends and impact of digital changes.
79. *A Workers' adviser and substitute delegate from Turkey* said that trade unions, in their duty to promote decent work, uphold the rights of freedom of association and collective bargaining, were now confronted with the additional and increasing problems of war and terrorism. The Tenth European Regional Meeting therefore provided a space for dialogue at a welcome moment. Attempts to prevent the Meeting from taking place were regrettable. Trade union rights problems in the country, particularly affecting public service workers, were undeniable, but they should be discussed openly, allowing the ILO to fulfil its function.
80. Turkey had faced up to the failed coup of 15 July 2016, and it had provided shelter for the Syrian refugees and yet, as the Director-General's Report showed, the economic situation of the country was positive. However, Turkey remained out of kilter with ILO international labour standards and especially in respect of Conventions Nos 87 and 98. Job security, subcontracting and, in particular, the employment models introduced by recently adopted articles all provoked concern. The public service collective agreement of 2017 was very disappointing, and fairer non-discriminatory recruitment practices should rapidly be adopted.
81. It was time for the state of emergency declared after the attempted coup to be lifted with a return to rule of law, and unlawful practices against public servants must stop. The emergency measures had been taken to deal with exceptional circumstances, therefore a less hostile attitude towards the country was warranted. The way forward was through social dialogue.
82. *A Government delegate of Sweden* said that Europe was faced with 35 million unemployed and many deprived of fundamental principles and rights at work. The moment was apt to discuss how the benefits of technological development could be harnessed to improve the world of work. However, workers should be protected, through adequate social security as well as through retraining and skills upgrading. Provision should be made to allow greater participation of women in the labour market through affordable childcare, for example. In Sweden, the recent Global Deal initiative, developed with ILO support, aimed at addressing the challenges in the global market, enabling people to profit from globalization. The Director-General's Report stated that Sweden was considering the introduction of a minimum wage. However, in Sweden, wages were successfully governed by collective agreement between employers and workers. The Government had no intention of introducing legislation in this field. Sweden maintained that the rights to work, to organize and bargain collectively without interference or intimidation, were essential to social justice and peace.
83. *A representative of the General Confederation of Trade Unions (GCTU)* noted the negative trends in the CIS subregion. These included falling GDP, lower levels of investment, and stagnating retail trade profits. Bankruptcies had increased, and informal employment was

becoming more widespread. Unemployment across the subregion averaged at 6 per cent, and pensions were no longer indexed to the cost of living. The principle of solidarity was on the wane in countries, and governments were increasingly turning deaf ears to trade unions. Digitalization, information and communication technologies presented opportunities, but could also increase precarious and non-standard employment, and working time. Artificial intelligence and robots would eliminate jobs and could affect tax revenue for governments. Trade unions must seek new ways of functioning, as their capacities would be affected by these changes. On 12 September 2017, the GCTU had adopted a resolution on achieving the fourth industrial revolution to the benefit of workers.

- 84.** *A Government delegate of France* supported the ILO Future of Work Initiative for the ILO centenary and welcomed the opportunity provided by the Regional Meeting to discuss challenges. A political response was essential if an inclusive future with decent work was to be obtained. The rapid transformations, demographic evolution and climate change required solutions. If increasing inequality was to be avoided, then economic performance must go with social performance. The French Government was undertaking labour market reforms, and while these were not fully endorsed by the social partners, proper social dialogue had been engaged. Their aim was to strengthen social dialogue at enterprise level. The rules of play should be universal, and the ILO could help attain this.
- 85.** Digitalization had led to forms of work that could pose social protection problems. It was time to invent new social rights inherent to the person, rather than attached to the status. This was the aim of France's "Personal Activity Account" (CPA) which had been initiated in January 2017. Such measures should be accompanied by an active employment policy, aimed in particular towards the green economy. France had put in motion a major plan to promote youth employment in the green economy. To make the work of the future truly human, in its centenary year the ILO should reinforce the potential of the Philadelphia Declaration by adopting a protocol to implement it.
- 86.** *The Employers' delegate from Belgium* said that the tone of the Report was over-pessimistic and built on fear. Pessimism did not lead to answers, and more realism was needed. The future of work would bring many opportunities. It was more productive to talk about talent on the move, rather than about a refugee crisis. Indeed, the notion of talent was more useful than that of skills. Talent came first, skills followed. There was no magic solution, but the mechanism to make the adjustments required to deal with change was in place already: social dialogue. It was regrettable therefore that this Regional Meeting was not truly representative. Change was endemic, and there was no revolution – just constant evolution. An open-end contract did not provide absolute protection; neither did a short-term contract. People should be the motors of change. Jobs must be designed to match the changes taking place. The future of work offered opportunities to create decent, sustainable work, but it must be built on trust, and trust was built on dialogue.
- 87.** *A Government delegate of the Netherlands* supported the Future of Work Initiative. It was encouraging that the region had ratified the highest number of ILO Conventions and that all countries of the region had ratified the eight fundamental Conventions. Implementation remained a challenge. Social dialogue and freedom of association were more important than ever. He hoped that the absence of the ETUC and ITUC was only temporary and that real dialogue would resume.
- 88.** *An Employers' adviser and substitute delegate from Spain* noted the growth in GDP across the region, acknowledging that this varied from country to country. Spain had implemented fiscal measures and made structural adjustments to deal with the economic crisis. These were paying off. GDP was growing by 3 per cent for the second year running. Half a million new jobs had been created. Social dialogue had proved effective in containing wages at a sustainable level to provide a solid basis for growth. Exports accounted for 33 per cent of GDP and the current account balance was positive. Digitalization and an ageing

demographic posed challenges, the latter for the social protection system. Spain supported the innovative suggestions put forward in the Report, such as promotion of the VET system, training and infrastructure. The ILO could assist by facilitating exchange of experience. The new forms of employment should be integrated into the regulatory framework. The speaker regretted the sparse representation of Workers.

89. *A Government delegate of Germany* said his Government understood the Workers' concerns regarding attendance at the Meeting and respected their decision. The future of work required serious consideration. Germany had held a national dialogue on the future of work, and this had resulted in White Paper 4.0, which he was happy to share with participants. Initial and further training, working hours balanced with family life, data protection for workers in the digital age, better social protection for digital workers and OSH issues were all considered important questions that should be addressed by policy measures. Labour market policies should be framed more preventively in order to yield more sustainable results.
90. *The Government delegate of Israel* thanked all participants for promoting Israel's acceptance into the Western European group. New technologies in manufacturing and advanced digitalization could be detrimental to job security. Certain occupations, such as brokers, insurance agents, travel agents and bookkeepers were reducing their activity or moving to other fields. Increased life expectancy generated work in the care sector, and in the leisure and recreation sectors. Labour-intensive jobs were diminishing, while professions requiring higher intellectual skills and creativity were growing. The labour market exhibited a certain flexibility in accommodating change, and the development of new branches of the economy, such as green jobs, renewable energy, hi-tech innovations, medical equipment and the medical sector were generating jobs. Planning was required to integrate these new areas into the economy. Tripartite dialogue must be maintained if the challenges posed by the future of work were to be appropriately met.
91. In Israel, the Government had for many years been concentrating on two population groups whose labour market participation was markedly low: ultra-orthodox Jewish men and Arab women. Active labour market policies had been successfully applied and progress had been made in the employment rate for both groups. In closing, the speaker said Israel supported, and was glad to participate in, ILO action to promote employment opportunities for Roma youth.
92. *An Employers' adviser and substitute delegate from Malta* said that in many countries the macroeconomic aggregates had improved over the previous years, albeit not all equally. In some others, there were higher expectations – better quality jobs, a better return on investment. The Report provided a platform for countries to establish their respective policies. National and international social dialogue must be engaged to consider issues in a manner which did not stifle economic and social progress. In Malta, although part-time employment had increased over the past few years, and currently stood at 14 per cent of total jobs, 90 per cent of such part-time work was voluntary and mostly taken up by women seeking a better work–life balance. Some 6.5 per cent of the workforce had temporary contracts, but 97 per cent of these were voluntary. These types of diverse work relationships had made economic recovery possible and had contributed, together with other active labour market policies, to record low unemployment. A level of regulation to guarantee employees their rights at work was required, but such regulation had to be calibrated to generate employment, and not reduce it by discouraging enterprise. Special consideration should be given to the needs of micro- and small enterprises. In Malta, an agreement had been reached under which increases to the minimum wage were guaranteed after the successive second and third year of employment with the same employer. Migration, and an increase in labour market participation, had solved labour supply shortages in Malta. Challenges, and especially opportunities, should be identified to map the best way through the changing world of work.

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93. *The Employers' delegate from Israel* regretted the scarcity of Worker representation at the Meeting. The challenge for Israel was to ensure the availability of sufficiently skilled workers to replace the roughly 1 million professional workers who had migrated from the former Soviet Union, but were now reaching retirement age. The future of work was not a threat, but rather a challenge that should be looked at with optimism. The task was to ensure a smooth transition to a new economy within which better jobs, qualifications and salaries would be available.
94. *A Government delegate of Denmark* noted that changes in the employment market gave rise to concerns among populations worldwide. Denmark had established the "Disruption Council" – a Partnership for Denmark's future. The partnership analysed, considered and offered suggestions on how to make technological opportunities work beneficially for all Danes, while maintaining and expanding the labour market. An important factor in Denmark's success had been the Danish labour market model, the flexicurity model, designed with the full involvement of the social partners in decisions related to the labour market. Social dialogue and tripartism were preconditions for sustainable global solutions. Challenges for the future of work existed, although human work would remain crucial – the more automation there was, the more human capacities such as creativity, analysing skills, decision-making processes, human interaction, would be required. Vocational and continuous training were essential. New forms of work could provide more flexibility for workers and cost reductions for employers; they could also result in worse working and employment conditions. Sustainable global solutions were called for, adjusting legislation where needed. Action by one government alone was not possible, and thus Denmark was committed to global cooperation and close cooperation with the ILO.
95. *The Employers' delegate from Montenegro* said that the Report provided good guidance, but lacked sufficiently strong data. It should have adopted a more positive approach to flexible forms of employment and of contracts: greater flexibility was required. Montenegro had introduced many labour market reform measures, such as promoting an enabling environment for sustainable enterprises (ESEE), with the involvement of the social partners. Social dialogue should be reinforced in the country as a tool for the creation of sustainable policies. A stable, simple regulatory framework was needed to ensure predictability and efficiency. Jobs would be generated by developing entrepreneurial culture, creating a strong linkage between the private sector and the education system, and by developing new skills. In this respect, further ILO support was required because small countries, in particular, needed support to bring their systems into harmony with international standards.
96. *The Employers' delegate from the United Kingdom*, said the priority must be to deliver good work in the context of a new economy, supporting fundamental principles and sustainable enterprises. He noted that the ILO acknowledged that the future world of work held as many opportunities as challenges for workers and enterprises. Governments needed to develop their education and social welfare policies to help prepare young people for the new labour market, and to help older workers retrain. Employers' and workers' organizations needed to ensure that they planned for the changes required – and support staff through them. In the United Kingdom, trade unions and employers had worked to produce a wide range of suggestions for future policy. This showed that a strong employee voice within enterprises was important to productivity, and to fairness. With the formation of the Global Commission on the Future of Work, the ILO had started to take steps to understand the process of change. But the first step was to realize that it had the potential to be good. Negative language, such as constant references to "non-standard employment", were not helpful. Evidence showed that these new forms of work were widely popular. The aim should be to ensure that these new forms of work were of good quality. The Confederation of British Industry (CBI) had been successful in including many new economy companies as CBI members and also as members of a new, CBI-supported sectoral organization for the sharing economy. Enterprise and workers must be ready to welcome these new economy companies and understand the challenges they faced. There were practices in fast-developing labour markets that should be

regulated to ensure good work, but the huge potential of these new industries should be harnessed to support growth and jobs throughout the next century.

97. *A representative of UN Women* said that gender gaps and gender-based discrimination continued. Women's labour market participation varied between countries but never reached parity and decent work remained a distant reality for most women. The gender wage gap was caused by occupational gender segregation in low-paid jobs, driven by gender stereotypical access to education and a lack of access to managerial positions. A record number of migrant workers were female, presenting them with opportunities but also risks of exploitation. Women, across the board, worked longer hours than men, when unpaid work was taken into account. Women's share of unpaid work was 2.5 times more than that of men. It was estimated that women's unpaid work would be equal to between 10 and 50 per cent of GDP if it were given a monetary value. As a result, women often resorted to part-time work and were more likely to work without contract. Macroeconomic policies should be designed to enhance women's empowerment, and their access to technologies and financial services, to encourage their entry into male-dominated spheres of education and close the digital divide. Childcare provision should be increased, employers should ensure family-friendly working conditions, and the gender dimension should be introduced into pension reforms to recognize the years of unpaid care provided by women.

Special plenary debates

98. The Regional Meeting held four special plenary debates on the following topics: decent jobs for all; organization of work and production, including the promotion and application of the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy; governance and work; work and society.

Decent jobs for all

99. *The Chairperson* welcomed the moderator, Ms Connie Czymoch, a journalist from Germany, and the panellists. The panel was composed as follows: Mr Jose Antonio Vieira da Silva, Minister of Labour, Solidarity and Social Security, Portugal; Mr José María Lacasa Aso, President of the Spanish Confederation of Employers' Organizations (CEOE) Foundation; Professor Cem Kiliç, Gazi University, Ankara, Turkey; Mr David Foden, Adviser on Industrial Relations, European Foundation for the Improvement of Living and Working Conditions (Eurofound).
100. *The moderator* pointed out that economies and their labour markets in the region were undergoing fundamental adjustments, driven by technological advance, migration, and demographic and climate change. The high levels of youth unemployment, the disadvantaged situation of women and older workers and the targets laid down in the SDGs to be reached by 2030 were related issues. All these parameters contained threats and challenges but also opportunities. She identified the following questions as leading the discussion: how to shape the future of work; how to make sure that nobody fell behind; how to create enough decent jobs for all; and how to ensure that everybody received education and training to equip them with relevant labour market skills.
101. *Mr Vieira da Silva*, responding to the question on how Portugal addressed the challenge of employment, emphasized that macroeconomic policies, combined with labour market policies, had helped Portugal to master the economic crisis and shape the recovery process, which was characterized by the highest level of job creation in this century. Confidence in all parts of society and investment in education and training (initial training as well as lifelong training) were also relevant. He saw two main drivers of economies – competitiveness in the globalized world and demand determined internationally and locally.

He added that labour market tools and social dialogue were needed. He stressed the importance of flexible economies and enterprises, emphasizing that flexibility did not mean hire and fire strategies but ways to adjust quickly to changes. The success in Portugal's recovery was that more jobs were created than had been destroyed.

- 102.** *Mr Lacasa Aso* provided insights on the major concerns of employers' organizations and how they could respond to the winds of change caused by dynamic processes such as digitalization, the growth of the digital economy and other technological advances. Digitalization affected the ways in which people worked, lived, communicated, produced, and sold goods and services. As was the case for other revolutions, which were surrounded by fear, this revolution could ultimately also trigger positive change. Transformations should be approached constructively, as they carried both opportunities and risks. In this respect, Business Europe and the ETUC prepared a joint statement recognizing the merits of globalization for growth, production, job creation, and support of welfare States. This joint approach could provide inspiration to others. A Eurostat study showed that 40 per cent of the European population did not have sufficient training in information technologies while 90 per cent of jobs required some level of technological skills. The skills gaps could be bridged by identifying the required skills and ensuring that training provided a leverage for productivity. SMEs had specific and urgent needs which required specific tools for their identification as new technologies emerged.
- 103.** *Professor Kiliç* noted that workers' organizations acknowledged that industrial relations had changed considerably since the notion of decent work was introduced by the ILO in 1999. New forms of employment had emerged in Turkey and new articles had been added to the Labour Code to deal with these changes. Turkey had to provide opportunities for 700,000 new labour market entrants every year and for an increasing number of migrant workers. This demanded interventions focused on skills development, progress in the field of vocational education and training, as well as better linkages between education and employment.
- 104.** *Mr Foden* recognized that full employment and inclusive labour markets were the backdrop of the discussion but that assessing job quality was also key. Looking beyond earnings into specific characteristics such as the health and well-being of workers was equally important. A survey on working conditions in Europe had found that OSH and elements of the physical environment were as important as the social environment of workers, including the relationship with colleagues and with management. Issues related to discrimination, harassment and violence at work were also considered essential aspects of job quality, as was workers' capacity to make themselves heard with regard to work intensity in its multiple dimensions, including working time, pace, and emotional demands. Finally, being able to use skills, decision-making and autonomy at work improved the quality of working experiences. These criteria could be applied across professions and countries.
- 105.** *Mr Vieira da Silva* stressed that confidence, investment, innovations and dialogue were needed during recession and recovery. Over the past two-and-a-half years, Portugal had experienced relatively high growth rates and jobs were created in sectors with the highest levels of demand, for example tourism. In a small and open economy, innovation had to spread beyond the IT sector to traditional sectors like agriculture and manufacturing. In the past, Portugal had lost jobs in the textile industry, but these had now been recovered thanks to strong investment, including in training and education and innovations, such as the development of new textiles. He mentioned that for many EU countries, freedom of movement for workers was associated with brain drain. Mobility was valuable for the EU but could prove challenging for certain economies. Migration seemed to be the best option especially for young people as they were often trapped in a series of precarious jobs or were unable to find jobs in Portugal. In order to retain highly skilled workers, besides other incentives, Portugal needed social dialogue to recover to the pre-crisis level.

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- 106.** *Mr Lacasa Aso* emphasized that employers had a responsibility to identify their skills needs and should speak to trade unions and other organizations in order to translate these needs into effective training programmes. The long tradition of social dialogue around skills and training policies contributed to the competitiveness of the Spanish economy. Dialogue was essential to address the skills mismatch and develop innovative training programmes. Investments in on-the-job training, vocational education and training, and improving apprenticeship systems were crucial. The EU had wide experience in these fields, and Spain was renewing its effort in this direction. Employers in Spain supported the Global Apprenticeship Network in developing better practices and mainstreaming the use of new technology in training. Training fuelled productivity and productivity was the basis for job creation and growth.
- 107.** *Professor Kiliç* provided further insights on the perspective of trade unions with regard to the provision of relevant skills to the 700,000 new labour market entrants in Turkey every year. Atypical contracts and forms of work, subcontracting practices, the incidence of unpaid family work, the downward pressure on wages as a result of migrant workers providing an additional source of labour, created a very difficult environment for unionization. Unionization needed to be encouraged, including by raising employers' awareness of its advantages. In recent years, the Government of Turkey had successfully concentrated on improving the labour market outcomes of young people and women, but could not eliminate subcontracting practices. According to an OECD study, Turkey was also moving in the right direction with regard to inclusiveness in social security but there was still room for improvement regarding unionization and employability. Improving labour market supply, skills levels and productivity required the Government, the school system, and the new forces in education such as Massive Open Online Courses (MOOC) to all work effectively. He emphasized the need for a better link between education and the labour market and a shared responsibility for all in this regard.
- 108.** *Mr Foden* said that a hollowing out of jobs for semi-skilled people was a reality in some, but not all, EU labour markets before and after the crisis but had been the reality for most countries during the crisis. When looking at individual countries after the crisis, a continuous drop in mid-skilled jobs in Spain, Greece and Ireland could be seen, whereas downgrading skills levels seems to be the main trend in Slovenia and Hungary. In a number of countries, for example the Nordic and Benelux countries, a trend towards higher-level jobs with higher levels of skills requirements was observable as a result of measures including minimum wages, active labour market policies, employment protection, as these could have an important influence on whether jobs and what type of jobs were created or not. Investment in skills and training was needed; it was particularly important that education and training went beyond schools and occurred in the workplace as formal training. Skills mismatches presented a double challenge: while, on the one hand, parts of the workforce lacked the requisite skills, a large part of the labour force possessed high skills that went unused. This was a threat for individuals as well as for societies. Social dialogue could help to overcome these problems.
- 109.** *A Government representative of Estonia*, speaking on behalf of the EU and its Member States, said that the Director-General's Report showed that newly created jobs were mainly found in services: 14 million in five years. He pointed to the need for employers to fill half a million ICT vacancies in the EU by 2025, while at the same time other jobs would be lost, especially in agriculture and manufacturing but also in secretarial, accounting and tax work. For people in these sectors and professions a skills upgrade was needed. He listed some initiatives such as the EU Upskilling Pathways Initiative, which aimed to improve basic literacy, numeracy and digital skills, and the EU's intention to use big data to identify skills needs across Europe. The European Skills Agenda set the tone for future interventions and strategies. The EU's "Our Digital Skills and Jobs Coalition" brought together EU Member States, companies and education providers to work on these issues. Experiences and

suggestions on skills policies focusing on digital change and its impact on skills needs were interesting.

110. *The Employers' delegate from Belgium* asked whether decent work should be interpreted from a situational perspective rather than a procedural perspective as the decency of work depended more on the situation in which workers found themselves rather than on a list of indicators such as working time and others.
111. *The Vice-Minister of Social Security and Labour of Lithuania* stressed the importance of tackling the youth unemployment crisis in Europe. She mentioned the relevance of Youth Guarantee Schemes and asked what other types of employment and labour market policies could be implemented to overcome the crisis.
112. *The Minister of Employment and Labour Relations of Uzbekistan* stressed the importance of good vocational training systems supported by governments and employers. Due to a strong and dynamic labour market, 500,000 new entrants were absorbed every year in his country. This was also due to a tripartite body established to discuss skills needs and training programmes. Keeping all trained young people in the country was problematic.
113. *Mr Viera da Silva* noted that, in principle, young people wanted to stay close to their homes. A major incentive for them not to migrate would be to provide stability through quality jobs. A series of short-term contracts could not provide such stability. He emphasized the need for strong linkages between jobs and social protection to ensure long-term security and thus stability. On the issue of skills, he stressed that skills forecasts were needed and that the most effective training institutions were those managed by the State and social partners together, as they were closest to the labour market realities.
114. *Mr Lacasa Aso* noted that jobs were created by economic growth in competitive economies. This required effectively managed budgetary and fiscal systems, reforms to the financial systems and social dialogue. He again stressed the skills shortfall in the ICT sector. He also pointed to the shared responsibilities for skills development and for appropriate reactions to changes in the world of work. It was important also to focus on transversal skills such as the ability to work in teams and effective management skills. The ILO should concentrate on areas where it had a direct impact. These included education and skills, SMEs and their needs for digital skills, and how new and old jobs could be integrated within one economy, and what new regulations would be needed. The dual training systems in Germany could provide examples of good practice in equipping young people with skills.
115. *Professor Kiliç* admitted that Turkey had ignored the link between jobs, employment and training: there was a strong need to address this, especially given the rapid changes in a fast-moving world. He pointed to the difference between Turkey and Germany, with a much larger share of young people going to universities in the former and the majority receiving vocational training in the latter. He also mentioned the high number of open vacancies in his country (approximately 500,000) due to a lack of required skills. This reinforced the need for the Government to work closely with the private sector and workers to avoid such mismatches.
116. In response to the comment made by the Employers' delegate from Belgium, Mr Foden noted that Eurofound had taken into account dimensions that had proven to have an impact on the health and well-being of workers when characterizing job quality. He agreed that change in the well-being of workers must come at the local level: through quality management, strong participation and quality local dialogue. Countries had to work harder to make mobility and the transition between work and education – and vice versa – easier, to strengthen workplace learning and to build a good basic foundation in basic and initial education to enhance learning capacity. Subsequently, the system should be made more flexible so as to allow for lifelong learning. Qualifications and skills were vital for

efficiency, but also for people to get paid. Recognizing what people had learned through experience was as important as what they had learned through education.

117. *Mr Vieira da Silva* stated that the decent jobs concept was one of the most important to have recently appeared in the global arena, because it could be used in different geographical situations and in countries with different levels of development. It had started as a concept and had evolved into a global agenda, well recognized around the world. Global initiatives such as the one on decent jobs for youth were important to promote the concept and to push forward the agenda at the national level.
118. *Mr Lacasa Aso* reiterated that the entire world needed an institution that could contribute to the debate on youth employment and the future of work and that this institution was the ILO, because of its tripartite nature.
119. *Mr Viera da Silva* stressed that digitalization was a challenge but that its impact depended on our choices. Professor Kilic stressed that it would generate more work opportunities in the future. Mr Foden added that it would create and destroy jobs, and change the nature of jobs. Mr Lacasa Aso pointed to the importance of supporting digitalization.
120. *The panellists* considered it important that young people: study STEM (sciences, technology, engineering and mathematics) and other subjects that are important in the world today, develop transversal skills, and listen to the requirements expressed by employers; stay informed and open-minded and follow the development of new technologies; develop self-discipline, travel the world and learn how to relate to people, and find out their passions, study history, and learn about cultures and values such as equality and freedom.

Organization of work and promotion and implementation of the ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (MNE Declaration)

121. *The Chairperson welcomed the moderator, Ms Connie Czymoch*, and the panellists and indicated that the session was also part of the regional follow-up mechanism of the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (MNE Declaration). The panel was composed as follows: Mr Janar Holm, Deputy Secretary-General on Labour and Employment Policy, Ministry of Social Affairs of Estonia (EU presidency); Ms Renate Hornung-Draus, Confederation of German Employers Association (BDA); Mr Jahangir Aliyev, Chairman, Azerbaijan Oil and Gas Industry Workers Trade Union Republican Committee; Professor Florence Palpacuer, Professor in Management Studies, Institute for Enterprise Sciences and Management, University of Montpellier, France; and Mr Yury Pikhtovnikov, Head of the Organizational Development and Career Management Department, Lukoil.
122. *The moderator* introduced the special plenary debate by highlighting a number of major challenges for the world of work that had already been identified in the first special plenary debate: major technological changes, demographic pressure, migration, globalization and digitalization, all having major impacts on the way production was organized and consequently on working life. Fragmentation of production through global supply chains was a key feature of how major companies organized production and this raised questions of social responsibilities of companies for workers in these chains.
123. *Mr Holm*, in response to the question on the role of governments to ensure that companies operated in a responsible way, explained that governments needed to better understand the new forms of enterprises operating in the gig economy and through crowd platforms. Not

only had enterprises changed but also the types of jobs had changed. Risks and opportunities related to digitalization and automation in OECD countries were very high but it was important to recognize that such new technologies not only destroyed jobs, but also carried the potential of job creation on the condition that governments put smart policies in place. He highlighted three specific focus areas for the government: creation of an enabling environment for enterprise development and workers protection; a social security framework for those losing their jobs; and investment in the development of the right skills for the future.

124. *Ms Hornung-Draus*, responding to the question on how companies could contribute to achieving a “fair globalization”, stressed the need to demystify the debate about global supply chains as supply chains were not a new phenomenon. What was new however was free trade across national borders, promoted by political decisions that had been inspired by the benefits that free trade would bring for employment and production. Technology had further facilitated the development of such global supply chains. She explained that to achieve a fair globalization, the State had the primary responsibility to ensure decent working conditions through proper legislation and law enforcement. Companies needed to respect such laws and regulations. In addition, victims had to be given access to remedy in case of abuses. These distinct responsibilities were reflected in the three pillars of the UN “Protect, Respect and Remedy” Framework and *Guiding Principles on Business and Human Rights* that provided the architecture for a fair globalization.
125. The situation of workers in the gig economy and crowd platforms was a different issue however, reflecting a new way of work organization that offered many opportunities for workers, for instance a better work–life balance. Crowd work opportunities also reduced entry barriers for independent workers and entrepreneurs. She pointed out that these developments had sometimes blurred the boundaries between employers and employees and that new legislation might be needed to address issues such as social security. It was clearly the responsibility of parliaments to work on such new legislation together with the social partners and then the responsibility of governments to ensure implementation of the legislation.
126. *Mr Aliyev* explained how in Azerbaijan the unions had used the ILO MNE Declaration as the basis to engage with MNEs on collective bargaining. This positive development however had been challenged by the economic crisis, which had had negative impacts on oil-producing countries. He stressed that even if MNEs could not fulfil all their commitments it was important to have a good social partnership with them to discuss issues related to conditions of work, including challenges related to the future of work. He stressed that training and skilling of the workers were key elements in that engagement. There had been a time when the majority of the workers in Azerbaijan were from abroad due to the lack of national capabilities and specialists, but this was no longer the case now. The ILO MNE Declaration should be further adjusted to respond to the challenges of the future. He also elaborated on the environmental improvements in the oil industry in Azerbaijan and highlighted the influence of the ILO MNE Declaration in legislative processes on transnational cooperation. Future legislation would enable a more holistic approach to help strengthen the role of the unions and boost cooperation.
127. *Professor Palpacuer* expressed her concern over the fact that the Regional Meeting was taking place without the participation of trade unions. She also hoped for a fruitful way forward given that tripartism was crucial in addressing challenges arising in global supply chains. The organization of production and work inside and outside national borders was the result of strategic choices. The optimization of economic gains had been the main driver for the organization of production and work in the form of global value chains or global supply chains. Social and environmental concerns had not been part of such strategic decisions and that explained why the biggest recent social and environmental scandals occurred in global supply chains. Both the Rana Plaza tragedy and the accident on the BP platform in Florida were the result of subcontracting practices where workers on these sites had seen the

problems but had not been in a position to have their voices heard. These were illustrations of what she called “social domination in global supply chains”, the non-respect of fundamental workers’ rights through subcontracting.

128. *Mr Holm*, returning to the responsibility of governments to put smart policies in place, said that regulations alone did not keep workers in the job. Hence there was a need for measures and tools developed through interactions between government and business. He provided the example of taxation in Estonia. Government needed to engage with enterprises to find good solutions to challenges and to protect the workers. Trust between the different partners was key in achieving such smart policies.
129. *Mr Pikhtovnikov* said that the oil and gas sector was one of the most highly technological sectors in the world, and was subject to constant technological change. This meant that the sector and his company needed highly specialized workers and high productivity. He underlined that high productivity could only be achieved by providing good working conditions, which implied the company’s social responsibility for its workers. Social responsibility was the condition to work and live well. Lukoil’s support to social entrepreneurship programmes positively contributed to development as it created a stable environment for enterprise development in Lukoil’s countries of operation. It was important to have good cooperation with trade unions and government; without this, an employer could not become more efficient.
130. Thanks to the collaboration with the ILO, his company had learned from good practices of other companies and countries. Lukoil now had a Social Code, a Business Ethics Code, and a Staff Management Policy, which had all been agreed with the trade union. All of these tools and management–worker cooperation were key in helping the company become more successful.
131. *The moderator*, referring to Ms Hornung-Draus’ earlier statement that companies had the responsibility to comply with the law, the moderator asked which laws should be complied with – the legal framework in the country of operations or of the supplier, or the labour laws of the home country of the buyer/MNE, given that these could be very different and that the national regulations in the countries of the subcontractors/suppliers were often lower than the ones in the main contractor’s country.
132. *Ms Hornung-Draus* did not agree with the hypothesis that global supply chains were the cause of major industrial accidents. It seemed that public opinion only paid attention to such accidents when reported in the media and linked to supply chains. However, attention should be paid to working conditions in all companies and not just those involved in global supply chains that happened to have a high visibility. The approach of the MNE Declaration was that MNEs through their business relationships should do their best to improve working conditions in enterprises with which they had contracts. However, MNEs/buyers could not be held responsible for everything that happened at the subcontractor stages of production. That was precisely the importance of the distinction in responsibility of the three pillars of the UN Guiding Principles. Governments in producing countries needed to improve legislation and invest in labour inspection to better protect workers in all enterprises operating in their territory.
133. *Professor Palpacuer* responded that the vast majority of workers’ conditions were not visible and that social progress was only possible if companies agreed to work together with workers. Companies however seemed to be more reactive than proactive, dealing with crisis situations to protect their image instead of being committed to changing the situation of workers. She agreed that the global supply chain might not be the cause of major accidents but there was a bigger responsibility involved as the voice of the workers in the lower tiers of a global chain could not reach the company at the top of the chain because of the subcontracting practices. She said she was still puzzled by the question of why buyers still

wished to buy in Bangladesh while they knew that working conditions were poor in the country.

134. *A Workers' adviser from Turkey* corrected the statement by Professor Palpacuer that there were no unions present. Workers were present at the Meeting even though the ITUC and ETUC had decided to be absent.
135. He asked how workers and their organizations could be made stronger in the face of challenges posed by globalization and how global supply chains could be properly inspected. Given that local inspection systems in producing countries were generally weak and that companies all used different frameworks, could the ILO, as a global actor, step in to provide oversight of these workplaces and to ensure the voice of workers was better heard?
136. *A Government delegate of Austria* asked two questions on behalf of the EU. The first question concerned the employment relationship, in particular the emerging new forms of employment. She referred to the existing EU Law concerning fixed-term employment, part-time work, agency work and telework, stating that the pace of change was too rapid to adequately respond to these challenges and ensure access to social protection for all workers. Her second question concerned action to be taken in relation to OSH challenges linked to these new forms of work, such as stress. She cited three EU strategies for the future of work: First, full implementation of the existing laws; second, prevention of occupational diseases in emerging sectors; and third, reinforcement of international coordination to address OSH challenges.
137. *An Employers' delegate from Israel* commented that global supply chains and new forms of work had many positive aspects. MNEs had introduced higher standards and thus new opportunities for development in many countries.
138. *Professor Palpacuer* explained that the first wave of initiatives to monitor and audit global supply chains had mainly been driven by civil society groups and multi-stakeholder initiatives and that trade unions had not been the main actors. However, the limitations of this approach had become clear and there now was increased focus on the role of the State and on the role of organized labour. She suggested several measures in relation to global supply chains including the need for more transparency and traceability to better identify responsibilities, the need for measures to reinstate traceable employment relationships and thus employer responsibilities and the need to strengthen the role of trade unions.
139. *Mr Aliyev*, responding to the OSH-related questions, highlighted that globalization and the operations of MNEs had brought higher OSH standards to Azerbaijan. This had also led to higher standards in local companies as they began to imitate MNE practices. Trade unions wanted to engage positively with MNEs in addressing occupational diseases they had identified.
140. *Mr Pikhtovnikov* indicated that occupational hazards in workplaces would always exist and that it was important to build on the positive experiences and apply these. Lukoil had obtained international certification on OSH and monitored its application. Lukoil also worked with its suppliers on OSH standards through a tripartite committee that looked at collective efforts to improve working conditions.
141. *Mr Holm* agreed with the Israeli Employer representative that the future of work offered many opportunities and not just challenges. OSH-related challenges were particularly linked to the new forms of employment and more flexible work, leading to possible working time and work-life balance challenges and enhanced stress. More governance would be needed to address these challenges.

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142. *Ms Hornung-Draus* said that one should be careful in making a distinction between traditional and non-traditional forms of work. Entry barriers into self-employment had become lower and different legal frameworks existed on self-employment. Courts were already dealing with cases to establish whether a worker was self-employed or de facto an employee of a company. She stressed that what was important in this discussion was the need for legal protection. This was challenging in the context of increasing globalization and technological changes. She stated that the ILO's Future of Work Initiative could provide an international platform, bringing together other institutions that also looked at these issues such as the OECD and the EU. Innovative thinking was needed to address these challenges.
143. *Mr Holm* agreed that the pace of change was so fast that governments often found it hard to put in place appropriate laws or make swift adjustments to existing laws.
144. *The moderator* closed the panel discussion by asking the panellists how the revised MNE Declaration could be better promoted and applied in the region.
145. *Ms Hornung-Draus* referenced the report prepared by the Office on the promotion and application of the MNE Declaration in Europe and Central Asia. This report clearly indicated the particular relevance of the MNE Declaration for the region. The Office used to conduct regular surveys on the impacts of MNEs in countries around the world looking at the positive impacts MNEs could have on development, especially through their investments, as well as the possible negative impacts.
146. *Mr Aliyev* noted the positive impact the ILO MNE Declaration could have in making growth and development in Azerbaijan more inclusive. He also indicated that there should be more control from the ILO on the implementation of its principles. The involvement of host and home country governments of MNEs and social partners provided a good way forward.
147. *Mr Pikhtovnikov* noted that the ILO MNE Declaration could provide useful guidance but that to generate real impact other factors also needed to be taken into account.
148. *Professor Palpacuer* indicated that the revised MNE Declaration was a positive step forward in addressing protection and labour rights in global value chains as it brought industrial relations and collective bargaining to the forefront. She observed strong interest in the ILO moving forward in implementing the Declaration. She also noted that companies and countries were in competition in this globalized world. In this regard, she welcomed the role the ILO could play in better equipping workers to organize and engage in collective bargaining.
149. *Mr Holm* closed by indicating that the MNE Declaration had very important and relevant principles and that the focus should not only be on promoting these principles but on implementing these together with employers and workers.

Governance of work

150. The panel for the session was composed of: Mr Salim Yanvar Oglu Muslumov, Minister of Labour and Social Protection of Population of the Republic of Azerbaijan; Mr Peter Clever, Confederation of German Employers' Associations (BDA); Ms Hanna Varfalameyeva, International Affairs Secretary, Federation of Trade Unions of Belarus; Ms Maria Jeliaskova, Bulgarian Academy of Sciences, Institute for the Study of Societies and Knowledge, Department of Public Policy and Social Changes; and Mr Salvador del Rey, Professor of Labour Law and Social Security, Pompeu Fabra University, and Director of the Faculty of Law, ESADE Law School, Spain.

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151. *The moderator* opened the session raising two areas for deliberation: the first concerned the dual challenges of globalization and the digital revolution, as discussed in previous sessions; the second concerned the governance systems currently in place: Should they be changed? Were new laws needed? What role should the social partners play in that context? In reference to the question raised by the representative of the Government of Estonia on behalf of the Member States of the EU in the previous day's discussions, were governments lagging behind in relation to the rapid changes taking place? Many governments, both outside of Europe and Central Asia (China, the United States) and within it (Germany, Israel and the United Kingdom), were reflecting on these changes.
152. *Mr Muslumov*, in response to the question of what needed to be done to accompany the changes, underlined that, after a decade of preparation, his Government had established a national tripartite social dialogue structure in 2016. Government action was required in order to establish how employers and workers could work together to improve working conditions and social protection. Creating this structure had made it possible to halve the number of labour disputes.
153. In response to the question of whether governments were lagging behind, as raised by the moderator, he said that the Government of Azerbaijan was taking action. It had launched a programme to provide better social security coverage for self-employed workers, particularly those working in family businesses. New types of protection were needed for the new branches of economic activity and new forms of work that were emerging. Labour law had to be updated. Employers' and workers' organizations should also take steps to ensure that those who were currently excluded from social dialogue, who represented around 20 per cent of workers, could participate. Referring to a study by the consulting firm McKinsey on the issue of skills becoming obsolete, he underscored the importance of governments considering all the issues, including training.
154. *Mr Clever*, emphasized that there was no need to be afraid of the digital revolution. It opened up new opportunities and was not a new issue. The fears of the past had proved to be unjustified. Lawmakers had to anticipate all developments, but refrain from taking any unjustified action. They had to guarantee the freedom and independence of the social partners. In return, the social partners must be aware of their obligations. In that connection, the total independence of the social partners in Germany was a real asset. The number of people in Germany with permanent contracts had increased by 40 per cent between 2005 and 2015. Eighty per cent of Germans were satisfied with their labour market situation.
155. *Ms Varfalameyeva* stated that trade unions in Belarus had always participated in the discussions on the governance of work at all levels alongside the Government and employers in the tripartite social dialogue committee. The committee would meet on 11 October 2017 to discuss collective agreements on social protection. Trade unions should ensure compliance with and the enforcement of labour standards. One of the issues that was of concern to her organization was that of multinationals setting up business operations in Belarus. She underlined the need to regulate labour relations in enterprises, a position supported by employers in her country. Another challenge was youth employment. In her view, a compromise was needed between the position of employers, which sought to maximize profits, and that of trade unions, which sought to improve working conditions.
156. *Mr Clever* challenged that point of view, which turned social relations into a conflict: maximizing profits versus better working conditions.
157. *Ms Jeliaskova* said that digitization was not the most important factor. She regretted the erosion of union bargaining power and of the role of social dialogue and tripartite institutions. As a result, the influence of social dialogue on public policies (social, fiscal and labour law reform) had become weak, which explained the growing wage gaps and the ensuing social fragmentation.

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158. *Mr del Rey* said that, faced with the changes arising from two key drivers, namely demography and technology, social dialogue and collective bargaining had to be adapted and brought up to date. Employers and workers must innovate. Addressing new problems (for example, regulating working hours) using the collective bargaining methods of the 1950s and 1960s would be difficult. Collective bargaining and social dialogue should become tools to facilitate the organization of work. New forms of work should be regulated in different ways through collective bargaining and social dialogue. For example, there should be regulations on the right of workers to switch off their computers and mobile telephones. Public authorities should help by developing laws and legislation that took into account new forms of work. In Spain, self-employed workers who had a dependency relationship to a certain extent because their incomes came from a single source had to sign up to existing collective agreements.
159. *Ms Jeliaskova*, referring to the issue of young people and their relationship with trade unions, highlighted that young people, with their collective spirit, could be attracted by trade unions. It was therefore necessary to make the social dialogue process more transparent and broaden its scope to include new issues that went beyond wages and working conditions.
160. *Mr Muslumov* went on to explain his Government's policy with respect to younger generations and the issue of their integration into the labour market. Young people must develop an entrepreneurial spirit and not expect the government to find them employment. His Government was working on diversifying the economy by focusing on four sectors: agriculture, tourism, the digital economy and transport. In order to attract young people, the Government was trying to modernize those sectors by introducing new technologies, as in the services sector.
161. *A Government delegate of Estonia*, speaking on behalf of the Member States of the EU, drew the discussion back to the challenges of social dialogue in a context where workers were widely dispersed over several workplaces. That posed real problems for the social partners and she asked whether a new social dialogue model was needed, in the knowledge that the Future of Work Initiative had already begun.
162. *A Workers' adviser from Turkey* raised four questions, relating to: the new rights granted to workers in Azerbaijan and the difficulties faced by trade unions in that country in attracting new members in the new sectors; the equal rights of part-time and full-time workers in Germany; new social dialogue mechanisms and the role that the EU could play in designing a new social dialogue directive; and relations between trade unions in Belarus.
163. *Mr Muslumov*, in response to the questions raised by the Workers' adviser from Turkey, emphasized that, in the face of changing employment patterns, there was a need to amend labour legislation and bring social dialogue up to date. The labour code reforms undertaken by his country, with ILO and IMF support, had also helped to change social relations between employers' and workers' unions and to ensure equal working conditions for women and men.
164. *Mr Clever*, responding to questions arising during the session, said that the ILO had always campaigned to safeguard the fundamental right of each and every worker and employer to organize in a trade union or employers' association the world over. No economic or political crisis could justify such severe intervention against that fundamental right. However, that was exactly what was currently happening in Turkey to an intolerable extent. That was also why the ETUC and ITUC were boycotting the Regional Meeting. Although he believed the boycott to be completely wrong, he largely agreed with the criticism that was the root cause of the non-attendance of so many representatives of free trade unions in Istanbul.
165. *Mr del Rey* emphasized the need to modernize but not to revolutionize governance institutions, referring as an example to the issue of the settlement of labour disputes. Even

with digitization, it still sometimes took between two and three years for workers and employers to resolve a dispute. Collective bargaining should allow for new mechanisms, such as digital arbitration, to be put in place, in order to resolve disputes more quickly.

166. In response to a question raised by the moderator on including civil society in social dialogue, he pointed out that employers' and workers' organizations had unique characteristics, and should not be confused with each other or lost among civil society organizations as a whole.
167. *Ms Varfalameyeva* emphasized that cooperation between trade unions had improved significantly in her country. Trade unions had submitted proposals to the Government on digitization (for example on the issue of teleworking) aimed at increasing labour market integration.
168. *Ms Jeliaskova*, in her concluding remarks, stressed that, in order for social dialogue to be effective and not to become one-sided, the role of national social dialogue institutions such as economic and social councils and other similar institutions should be strengthened. The ILO should contribute to efforts in that direction. The quality of jobs must be a primary concern. The Millennium Development Goals were important in that regard. The role of the ILO in supporting member States, including in the Future of Work Initiative and the strengthening of social dialogue, had also been stressed by *Ms Varfalameyeva*.
169. In response to a question raised by the moderator in connection with the example of successful social dialogue often cited by the Director-General (the modernization of Heathrow Airport with the involvement of the social partners), the panellists again highlighted the important role of social dialogue, which should include new generations and workers in new forms of work, such as the self-employed.

Special Plenary Debate: Work and society

170. For its last special plenary debate, the Regional Meeting held a discussion on the Work and Society conversation. The Chairperson welcomed the moderator, *Ms Connie Czymoch*, and the five panellists. The panel was composed as follows: *Ms Mila Carovska*, Minister of Labour and Social Policy, Macedonia; *Mr Blaise Matthey*, Director-General, Federation of Enterprises Romandes (FER), Switzerland; *Mr Ali Yalçın*, President, Confederation of Public Servants Trade Unions (MEMUR-SEN), Turkey; *Professor Tatiana Razumova*, Head of the Chair of Labour and Personnel Economics, Faculty of Economics, Moscow State University, Moscow, Russian Federation; and *Professor Guven Sak*, Managing Director of TEPAV (The Economic Research Policy Foundation of Turkey) and Professor at TOBB Economy and Technology University Department of International Entrepreneurship, Turkey
171. *The moderator* introduced the special plenary debate and invited the panellists to exchange ideas on how the future would look like in terms of work and society, given the imminent and rapid changes that would take place over the next two decades. Referring to the previous panel discussions, she noted that social dialogue was acknowledged as one of the main pillars for tackling this change, and that reforms needed to address digitalization of the economy should also be subject to social dialogue.
172. *Ms Carovska*, in response to the question on how to change policies in order to adapt to changing society and what were the priorities, said that peoples' lives could be changed positively by strengthening the social protection system that was reflected in the development plans and policies. Youth unemployment should be the highest priority together with building human capital. If this was not correctly managed, social protection systems, pensions and health-care systems would all be affected. Policies such as the youth guarantee scheme, a competitive education system, encouraging women to enter the labour

market by providing support and investing in the care economy should be engaged with the support of the social partners.

- 173.** *Mr Matthey*, addressing the question on labour market hollowing out (fewer and fewer mid-level jobs and far more low- and high-level jobs), where higher education was in demand, argued that technology was transforming jobs. There were many different options available for policy-makers but the future remained unclear. He highlighted the importance of lifelong learning in order to upgrade skills and capitalize on the benefits of technological innovations. This would also allow workers to have more leisure and family time. Today's information technology generation was competitive but it needed to cooperate in order to find sustainable paths towards the future.
- 174.** *Mr Yalçin*, with regard to prioritizing social dialogue, said that support should be given to those who were promoting change, especially in the fields of cyber and information technology. Workers should be prepared to enable them to cope with such changes. The social partners should invest more in research and analysis in order to understand future trends. Standard trade unionism was obsolete.
- 175.** *Professor Razumova*, responding to a very specific question on how the trade unions should utilize social media to strengthen their social base and how to think about the future of work, first mentioned that the current economic model privileged higher productivity, with increased levels of education and more time devoted to leisure. This was the desired future, where there was a shift away from *Homo economicus* to *Homo creativus*. Social protection such as health care should be accessible to all. Those who were not in the labour market should be helped to enter it, including through the promotion of flexible working time.
- 176.** *Professor Sak* pointed to increased automation with growing technological innovation in block chains, nanotechnologies and other advances. Their full impact on society was still unknown. Moreover, the impact of these changes was different from country to country, depending on the level of development. Another area that needed research was the universal basic income. With increased technology and automation, there was need for better regulation.
- 177.** *Ms Carovska*, responding to the question on how social protection was to be funded, argued for the need to increase productivity and to make distribution fairer to finance social protection systems.
- 178.** *Mr Matthey* stressed the need to find the right balance between having a bright future based on access to social protection and other social benefits, and being competitive at the global and national level, with appropriate and flexible regulation at the same time.
- 179.** *Mr Yalçin* also agreed on the need to strike a balance between leisure and work time when working flexible hours, especially when home working. This could have a negative impact on family and private life. He agreed that social protection should remain in the hands of the state, and not funded by private capital.
- 180.** *Professor Razumova* in response to the question on how to balance work and life, suggested that the name of the ILO should be changed to ILLO (International Labour and Leisure Organization), in view of the changing nature of work which should include leisure time. As new forms of work appeared, together with the emergence of different categories of workers (silver workers for example), it was important to underline the social aspects of work in terms of social relationships at work and at home. Social dialogue was key to ensuring that the resources became available to facilitate this change through education, increased productivity, and the provision of parental support.

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181. *Professor Sak* considered that the question of who would pay was largely a question of ensuring that technology was shared. He reiterated that different countries were affected differently and therefore required different policy solutions. Education, because of its fundamental importance, had to become a public good.
182. *Mr Matthey*, in response to the question of how globalization could be made more humane, and less potentially hazardous for vulnerable groups, said that many people had benefited from globalization, with improved living standards and increased job opportunities. However globalization had indeed had a negative impact on many countries and therefore a more balanced approach was required.
183. *Professor Razumova*, while sharing concerns regarding the negative effects of globalization, believed that overall it had been a positive process, which had led to higher levels of skills, higher salaries and better social protection.
184. *Ms Carovska*, in response to the question of how the social partners could help in ensuring a better work–life balance, mentioned that many women had two jobs: one paid job and the other one unpaid home or care work. Investment in the care economy would make it easier for women to revert to paid work. If an eight-hour job earned a decent income, this would also help in reducing the need for workers to work more than eight hours at the expense of their family life. A Swedish study had found that people working a six-hour job had the same productivity as those working eight hours.
185. *Mr Matthey* noted that a six hour working day would only be an interesting option for those working in larger companies, whereas the vast majority of companies were still SMEs. These would be penalized by reducing working hours. The panellists agreed that collective bargaining and the relevant legislation required modernization in order to effectively assist in promoting a healthy work–life balance in the new world of work.
186. *Mr Yalçın*, answering a question concerning measures to ensure that digitalization of the economy did not impact negatively on workers, argued that the social partners should manage the change processes in a manner to ensure that humanitarian considerations remained paramount.
187. *Professor Razumova* considered that digitalization had already led to a more individualized world view among youth and that this needed to be changed.
188. *Ms Carovska*, answering a question on how workers might be able to benefit from reduced working hours without loss of salary, said that taxation would remain the necessary tool to ensure fair redistribution.
189. *Professor Razumova* provided an optimistic scenario in which workers would be more and more productive in the future, thus increasing national productivity, which should then be fairly redistributed.
190. *Professor Sak* said workers would still be needed in the future, but managing the transition process would compel institutions to redefine themselves. Knowledge and technology sharing would be the key to solving problems. Trade unions could play the role of ensuring fair redistribution.
191. *The moderator* closed the proceedings by asking all panellists to complete the following sentence: “In five years’ time, we will have solved ...”.
192. *Mr Matthey* said there would be renewed trust in government and business.

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193. *Ms Carovska* replied that we would have realized that enough funds were available to ensure fair redistribution.
194. *Mr Yalçın* stated that he was not optimistic that in five years the world would be a better place.
195. *Professor Razumova* stated that higher productivity would be achieved through jobs that were more efficient, requiring higher qualifications, and that workers would therefore work less and earn more.
196. *Professor Sak* was more pessimistic, affirming that there would be more problems to face.
197. *Professor Razumova* responded that this would only be the case if action were not taken to prevent it.

Presentation of the report of the Credentials Committee

198. *The Chairperson of the Credentials Committee* said that there had been a total of 222 delegates and advisers accredited to the Meeting. Forty-two member States had sent delegations, and, of these, 37 were incomplete. Eight delegations were exclusively governmental, 27 included an Employers' delegate but no Worker, and two included a Workers' delegate, but no Employer. The very low worker participation in the Meeting was its most remarkable feature, and the Committee wished to stress the importance of full tripartite participation. Of the 222 participants accredited, only 78 were women. The percentage of women per group was as follows: Government group: 44 per cent; Employers' group: 25 per cent; Workers' group: 17.8 per cent. The Committee had received no complaints or objections.
199. *The Meeting took note of the report of its Credentials Committee.*

Adoption of the conclusions of the Tenth European Regional Meeting

200. *The Employer spokesperson* thanked her partners in the trade unions and governments for their constructive approach to the drafting of conclusions, which had resulted in the Istanbul Initiative. Discussions in the Committee had been rich and occasionally contentious, but the important thing was that the Committee had reached consensus. The text reflected all aspects and issues covered by the Regional Meeting in its various sessions, and referred back to the Oslo Declaration. The Istanbul Initiative was a dynamic text, which looked to the future. The Employers endorsed it fully and hoped the whole Meeting would do likewise.
201. *The Worker spokesperson* approved of the approach adopted in the Istanbul Initiative, which was a document geared towards the future. His group fully supported it, and he urged the Regional Meeting to likewise endorse it.
202. *A Government representative of Estonia*, speaking on behalf of the EU, with Norway, Switzerland and the members of the European Economic Area in alignment with the statement, warmly thanked all participants and especially the host Government Turkey for the organization of the Regional Meeting. She regretted that no solution had been found that would have enabled the Workers to be properly represented at the Meeting. During the discussions many positive developments had been acknowledged. She fully supported the Istanbul Initiative, which she felt presented an excellent approach to the problems inherent

in the world of work of the future and the possibilities that world presented. Estonia looked forward to the discussions leading up to the centenary.

203. *A Government representative of Turkey* said that he found the resistance on the part of the Workers to attend the Meeting hard to understand, but extended thanks to all participants and to the Office. The Istanbul Initiative was an important document, which would guide action in the region for the next four years.
204. ***The Meeting unanimously adopted the Istanbul Initiative for the Centenary: Future for Decent Work for strong and responsible social partnership in Europe and Central Asia.***

Closing ceremony

205. *The Government Vice-Chairperson* affirmed that the Regional Meeting had been very productive and useful. In negotiations and discussions of this sort, it was important that the social partners should be well represented at the table. The holding of the Meeting was apposite, as there was a clear need to reflect on the types of skills that would be needed for the world of work of the future and the new forms of work that would come into existence.
206. *The Employer Vice-Chairperson* thanked the Government of Turkey for the exceptional level of hospitality accorded to the Meeting and all participants. The discussions had been fruitful and open, and interesting data and experiences had been exchanged. The presence of the various academics on the panel discussions had added an extra dimension to the debates. The interests of the groups did not always coincide: this was why dialogue was so important. The Meeting had acknowledged the encouraging signs of economic upswing. The question now was what governments, employers and workers should do to harness the potential of the world of work of the future. The approach taken by the Meeting had been to attempt to view the full picture – to examine emerging opportunities while addressing the challenges. The Employers believed that a fact-based approach was called for, and that fear should not guide future action. Technology and innovation had always been present in the world, and would not go away. The future should be built by populations, and they should give it the architecture they wanted, to allow them to embrace its opportunities. Pessimism was not a useful attitude.
207. Education systems should be redesigned to make them more effective and should prepare the young generation for the future and for lifelong learning and training, which would certainly be necessary in an era of rapid technological progress. Skills mismatches must be avoided from the outset. The Meeting had discussed new and emerging business models, and had touched on the need to facilitate the operations of SMEs and start-ups. The Employers did not want complete deregulation, simply a degree of flexibility to allow opportunities to be taken. It was important to examine labour regulation to see how it could make it possible to work in new ways, which were fair for both the employer and the employee and provided the necessary framework, in particular in respect of social security systems. These must be kept economically sustainable and accessible for users: health care, unemployment insurance and pension systems. This would require a rethinking of the way in which the social partners operated, with new forms of social dialogue. The Meeting had been unusual because of the low Worker representation. The Employers hoped that this would not set a precedent for future Regional Meetings. If the ILO was to be taken seriously, then discussions should take place within it, not outside. The Employers' group was very satisfied with the conclusions, which should be fully endorsed by all groups when they came to be discussed by the Governing Body in March 2018.

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- 208.** *The Worker Vice-Chairperson* stated that those Workers who had been present at the Meeting had born their full responsibility by being fully involved in its proceedings. Guaranteed minimum wages, better qualifications and on-the-job training, decent jobs, youth employment, and combating forced labour and poor working conditions were topics of concern for the union movement. A new approach was necessary in respect of pensions. The situation of women and young people in the world of work needed further attention. Constructive social dialogue was the only way to effectively address social issues, and this could only be done in the context of adequate working conditions. Unions needed to modernize their services. The weakening of trade unions' positions was especially worrying given the rise in new forms of work. Unions were taking action – through their own experts and training institutions – to effectively represent their members in this evolving context. Collective bargaining agreements were still relevant.
- 209.** Four key elements had been recurrent throughout the discussions held at the Meeting: the importance of trust in political institutions and social dialogue; finding the right balance between economic growth and social inclusion; efficiency with regards to austerity policies, including investing in the real economy and ensuring a more equitable distribution of profit; and credible and efficient national social dialogue, which – as stated in the ILO Declaration on Social Justice for a Fair Globalization, 2008 – would be the basis for recovery.
- 210.** *The Chairperson* thanked the participants for sharing their experience for the benefit of all. She recalled the importance of integrating refugees, decent work for all, labour regulation, work and society and SDG 8; all of which needed the inputs of governments and workers' and employers' organizations. Countries faced rapid transformations in the world of work, requiring flexibility, guaranteed wages and social protection systems, to address the risks, all based on social dialogue. She highlighted the extreme challenges in Turkey – terrorism and an attempted coup to overthrow the legitimate Government which had resulted in a state of emergency being declared, including the suspension of civil servants until their loyalty could be determined. She regretted the reaction from her European neighbours to this situation. The Istanbul Initiative provided the next steps toward decent work in the region, with the continued support of the ILO.
- 211.** *The Director-General* noted that the Istanbul Initiative, agreed through a spirit of compromise, reflected the shared achievements and future steps for the region. It proposed a bold plan of action for constituents and for the ILO Future of Work Initiative. He congratulated the participants on the range of topical and relevant issues addressed through a combination of presentations, panel debates and informal ministerial discussions. He reminded participants that the governance of Regional Meetings would be subject to review by the Governing Body in March 2018.
- 212.** He shared concerns about the lack of tripartism and gender balance in many of the delegations, as noted in the report of the Credentials Committee, and encouraged greater attention to both in future Meetings.