

EC-ILO Tripartite Knowledge Sharing Conference

Paris 20 May 2016

Address by ILO DDG/P Ms. Deborah Greenfield

Au nom de l'Organisation internationale du Travail, je vous souhaite la bienvenue à cette conférence tripartite de partage des connaissances portant sur le dialogue social dans l'après-crise dans l'Union Européenne.

Je suis ravie que ma première mission pour l'OIT – trois semaines à peine après ma prise de fonction – porte sur un thème si crucial et se tienne à Paris à un moment si opportun.

En premier, je souhaite remercier le Président du Sénat, Gérard Larcher, de ses mots de bienvenue chaleureux et d'accueillir cette conférence dans ce lieu magnifique et prestigieux.

Mes plus sincères remerciements vont également à Mme Myriam El Khomry, ministre du Travail, de l'Emploi, de la Formation professionnelle et du Dialogue social, d'avoir accepté notre invitation d'inaugurer cette conférence au nom de son Gouvernement.

Je remercie les personnes suivantes pour leur présence parmi nous.

- Monsieur Georges Dassis, Président du Comité économique et social européen

Les ministres :

- Monsieur Bandaru Dattatraya, Ministre du Travail de la République de l'Inde

- Monsieur Mahmoud Ben Romdhane, Ministre des Affaires Sociales de la République Tunisienne

Nous sommes particulièrement honorés d'accueillir les partenaires sociaux tunisiens représentant les organisations des employeurs (UTICA) et des travailleurs (UGTT) qui, avec deux autres organisations de la société civile, ont formé le « Quartet » qui a gagné le Prix Nobel en 2015.

Je souhaite la bienvenue également aux représentants des

- Partenaires sociaux
- De la Fondation Européenne
- Aux experts nationaux
- Ainsi qu'à Mesdames et Messieurs les invités

And now I'm going to switch to English, as my French is a work in progress.

This conference, and the project which it is part of, benefits from the invaluable financial and technical support of the European Commission. With that support, we will soon release our Report, "Post-crisis social dialogue: Good practices in the EU 28."

Dating back to our first cooperation agreement signed in 1958, the ILO enjoys a long history of close collaboration with the EU and the Commission on key employment, labour and social policy issues. These range from our combined efforts to tackle child labour and other violations of fundamental rights at work in some of the world's poorest countries, to devising effective policy responses to economic crisis in some of its richest.

Most recently, at the end of February 2016, the ILO organised in Brussels another important conference in cooperation with the European Commission, which addressed the question of “Long-term trends in the world of world and their effects on inequalities and middle-class income groups”. The role of social dialogue in addressing inequalities figured prominently in the discussion and the research carried out for that purpose.

The European Foundation (another EU institution) has also contributed to this project, and has cooperated with the ILO throughout the years.

Now let us turn to the topic at hand: Post-crisis social dialogue.

Tripartism and social dialogue lie at the heart of the ILO’s mandate to achieve social justice. This isn’t simply a “best practice,” as we might call it today.

Instead, recall that the ILO has its genesis in two post-crisis eras – first at its founding in 1919 as Europe began its recovery from the devastation of the First World War; and then again in 1944 when the ILO became a part of the U.N. as the world sought to recover from the Second World War.

Let me read from the Declaration of Philadelphia, annexed to the ILO’s Constitution:

- The war against want requires to be carried on with unrelenting vigour within each nation, and by continuous and concerted international effort in which the representatives of workers and employers, enjoying equal status with those of governments, join with them in free discussion and democratic decision with a view to the promotion of the common welfare.

Thus, we need to understand social dialogue as a decision by the nations of the world that only through this way of tackling economic challenges after a crisis can we achieve lasting peace and sustainable prosperity.

I don't have to tell you that we live in yet another post-crisis world right now. We face massive economic and labour market challenges in Europe and across the world.

The report we are about to release notes that, after several years of negative growth, EU countries have now begun to see modest positive growth. But we face considerable economic risks. Recently, the EC adjusted downward its growth forecast for 2016 to 1.6 per cent.

These risks have much to do with the worrisome developments in the global economy, especially in China and other large emerging countries. Reflecting these growing uncertainties, the IMF also cut its GDP forecasts twice this year.

Now is yet another time to rely on social dialogue to achieve balanced, sustainable, and inclusive growth. In particular, we must use that tool to address the widening inequality that threatens the gains we have made in recent years and threatens economic and social stability. As our report states – and I know you are all acutely aware of this – “[o]ne of the most worrying legacies of the crisis has been a further increase in both wage and income inequalities.” And we cannot forget the high structural unemployment that plagues the global economy.

At the ILO, social dialogue remains a critical -- and indeed urgent -- component of our decent work agenda as we make the case that only by creating jobs that meet international labour standards can we create sustainable growth and narrow this income gap.

But I may be preaching to the choir here. Social dialogue lies at the heart of the European social model, where states share several broad characteristics, including a commitment to full employment, social protection for all citizens, social inclusion, and democracy.

Both the ILO and the EU have learned in the last century that social dialogue and tripartism can and have survived periods of economic difficulty and, time and again, played an important role in developing measures to overcome common economic challenges.

But a key lesson of our report is that social dialogue takes a beating during periods of economic crisis. In almost 40 percent of the countries we studied, social dialogue declined during the crisis and post-crisis. Pressure mounts for labor market reforms that all too often weaken the social protection floors that are so important to those who live in poverty and who teeter on the brink, even when they work.

The countries in our study experienced this to varying degrees, depending on their national circumstances. The worsening economic climate and the urgency of reforms during the crisis led in many cases to reduced space for tripartite consultation. In some cases, collective bargaining and industrial relations systems were also under great pressure, so that workers found it much harder to engage in meaningful negotiations. Labour market reforms during the crisis period added pressures that also weakened these systems.

As social dialogue and tripartism decline, the institutions that facilitate them also fray. Governments, and representatives of employers and workers have a responsibility to reinvigorate those institutions. Nothing short of a serious commitment and a sustained collaborative effort will rebuild those institutions and find new ways of working together. The process of social dialogue, and not just its tangible successes, builds on itself, but we must engage now with a sense of urgency. And we need to reject any claim that the “new normal” is one that has no room for social dialogue.

Yes, it’s messy and it takes time. But social dialogue has proven its value in addressing inequality time and time again. In fact, our report states that “[t]hose countries where social dialogue has proven most resilient have done better in weathering the crisis.” [p.5] And as we know, escalating income inequality remains one the most stubborn challenges we face. So I invite you to read not only your country profile in the report, but also the comparative chapter to learn what the social partners are doing in other EU countries.

ILO Director-General Guy Ryder said earlier this year:

“...the values of social dialogue, social justice and solidarity inherent to the European project are critically important instruments to overcome the crisis. They did not get us into the crisis but they can help us of it”.

We all have work to do. But the good news is that as our report shows, we are starting to see positive signs of a revitalization of social dialogue. National social dialogue institutions have proven to be key in this respect, not only as forums for discussion but also in helping to develop creative policy proposals for a sustainable economic and jobs recovery around which different interest groups can coalesce. Along with this, we are witnessing a general stabilization of industrial relations. And we believe that the European Semester holds tremendous promise as an avenue that crosses national borders.

The ILO – and the EC – share a belief in the need to ensure inclusive growth with its benefits equitably shared. If I may quote from the ILO’s 1998 Social Justice Declaration on the subject:

the guarantee of fundamental principles and rights at work... enables the persons concerned to claim freely and on the basis of equality of opportunity their fair share of the wealth which they have helped to generate, and to achieve fully their human potential. The right to freedom of association and collective bargaining are of particular importance in this respect.

I strongly believe that the aftermath of the crisis has opened up new possibilities for tripartite and bipartite institutions to demonstrate their value in shaping a new social and economic contract. I encourage both governments and the social partners to seize the opportunity offered here, to engage in an informed debate about options to modernize social dialogue institutions for the future, so that they are ready to face the challenges still ahead. I can assure you of the ILO’s readiness and commitment to accompany you in this endeavor.

In closing, I look forward to a lively and constructive debate and discussion today. We need to focus our attention not only on the findings of the research and whether they have succeeded in capturing the diversity and richness of the experience at the national level; but, and more importantly, to look to the future. What do these research findings tell us about how best to move forward with social dialogue?

How can social dialogue contribute to more effective policy choices and outcomes at the national level? How might national institutions adapt to meet existing and emerging challenges in the world of work? And how can the institutions of the European Union, and indeed of the

International Labour Organization, most helpfully and effectively support these processes?

Thank-you.