

Executive Summary

The 2024 edition of the Global Deal Flagship Report examines the importance of social dialogue in today's fast-changing labour markets, to ensure that workers can reap the opportunities that are presented to them, access good quality jobs and limit decent work deficits.

The green and AI transitions are key drivers of the changes and opportunities we are witnessing globally. In the medium to long term, this twin transition has the potential to lead to more inclusive and sustainable growth by fostering innovation, increasing productivity, and creating quality jobs. In the short term, however, it threatens to disrupt our labour markets. As these disruptions affect regions, sectors, and population groups differently, there is a risk of widening divides between people, sectors, countries and regions. Social dialogue stands to play a key role in mitigating these risks, making these transitions just and inclusive, and ensuring that no one is left behind.

Job quality, not just job quantity, is under strain globally. Nearly 60% of the global workforce is employed in the informal economy. While informal employment has been declining over the past decade (with the number of informal workers however rising as the working population grows), the spreading of platform work risks inverting the trend. Further, the total number of fatal and non-fatal work injuries as well as work-related diseases has been on the rise – for example, between 2000 and 2019 work-related deaths increased by 12%. Additionally, heat stress is increasingly affecting workers worldwide. Social dialogue is crucial in enabling and supporting the transition to the formal economy and shaping working conditions, including occupational safety and health standards. As such, social partners stand to play a key role in improving working conditions through the negotiation of collective agreements at sectoral or firm-level, participation in representative institutions in the workplace or through advocacy efforts and participation in tripartite negotiations to design policies and laws.

Both informal self-employed workers and employees may face challenges to exercise their rights to freedom of association and collective bargaining, both in law and in practice. The same is true for migrant workers. The search for better work opportunities is the main driver of migration with migrant workers accounting for 4.9% of the global workforce. To harness the benefits of labour migration, it is key to engage with social partners. They can make a significant contribution to make labour migration governance fair and effective and address challenges, including protection deficits and enhancing labour market functionality.

This report provides several case studies structured along five themes selected among Global Deal partners through desk research and close consultation of partners, yielding insights into how labour-market challenges can be addressed through social dialogue and sound industrial relations and draws lessons that can serve as a source of inspiration for representatives from governments, employers' and workers' organisations globally.

Key lessons:

Social Dialogue for the Safe, Responsible and Ethical Adoption of Artificial Intelligence (AI) in Workplaces

- The introduction of AI in the workplace poses new challenges and risks. To mitigate AI's potential harms to employees' well-being and maximise its potential benefits, consultation of various stakeholders, including social partners is key. They play a crucial role in adopting and implementing new policies, legislation and guidelines to close legal and policy gaps that are needed for a safe, responsible and ethical adoption of AI in the workplace. For example, the U.S. AI Executive Order identifies guiding principles and priorities for the safe, secure and trustworthy development and use of AI, which recognise the importance of consultation of various stakeholders, including social partners, for implementation.
- Collective bargaining agreements can set protective measures around AI use, so that AI technologies enhance rather than diminish job quality. They can ensure mechanisms for direct feedback from

workers to AI developers and put in place training programmes, as is the case under the partnership between the American Federation of Labor and Congress of Industrial Organizations (AFL-CIO) and Microsoft. Collective bargaining agreements are also important to regulate the use of AI, to enhance transparency and ensure worker consent. This is underlined by the agreements reached by the Writers Guild of America (WGA) and the Alliance of Motion Picture and Television Producers (AMPTP), as well as the Screen Actors Guild and the American Federation of Television and Radio Artists (SAG-AFTRA) and AMPTP.

- Both the PSI Digital Bargaining Hub and the UNI Europa Database of AI and Algorithmic Management in Collective Bargaining Agreements provide a useful resource for trade unions and highlight the critical role of social dialogue in ensuring trustworthy AI adoption through collective bargaining.
- Cross-industry agreements between social partners can be a useful instrument to adopt a common approach to reply to the digitalisation of the world of work. The European Social Partners Framework Agreement on Digitalisation provides a framework at the European level that can guide implementation at national level tailoring it national contexts and to specific industries to enforce a common approach.

Social Dialogue for a Just Transition

- The net-zero transition has far-reaching implications for the labour market: new green skills will be needed, which will lead to the creation of new jobs, the adaptation of existing jobs, and the replacement of current jobs. The Austrian Just Transition Action Plan on Training and Reskilling recognises the fundamental importance of upskilling and reskilling initiatives. Social partners were part of the Just Transition Working Group and play a key role in the Action Plan implementation.
- When designing measures to support a just transition and specifically reduce greenhouse gas emissions in energy production, it is crucial to assess the labour market impact nationally and regionally. In Chile, social partners are contributing to the establishment of the National Strategy for a Socio-ecological Just Transition. At the regional level, they have been involved in the design and implementation of Environmental and Social Recovery Plans.
- An advisory body with a multistakeholder governance structure is an effective way to promote, coordinate and oversee the just transition. As an independent, statutory, multistakeholder body whose mission is to promote social partnerships by engaging with various stakeholders for a just transition, the Presidential Climate Commission in South Africa provides evidence-based information to support decision-making, build consensus to enable policy and action for a just transition, and advise on means of implementation, including finance, capacity and technology.

Social dialogue to support holistic approaches to transition to formality

- Establishing technical working groups that include social partners is crucial to design holistic and inclusive strategies that promote transition to formality. In Costa Rica, four Tripartite Technical Commissions supported the drafting of the four pillars of the National Strategy for the Transition to the Formal Economy adopting a holistic approach and paying special attention to the needs of vulnerable groups of workers, such as women, youth, migrant workers, and persons with disabilities. Further, social partners shaped several achievements under the National Strategy for the Transition to the Formal Economy, including the upscaling of the National Employment Programme (PRONAE 4x4), the design of new social protection schemes, and the support for the formalisation of enterprises.
- It is key to give informal workers a representative voice and a platform to associate and bargain with authorities. In Brazil this approach has succeeded in regulating street vending and improving informal street vendors' working conditions. Engaging with representative organisations of informal workers can help decrease tensions and support social cohesion. In Zimbabwe, in a climate of historical tensions between street vendors and local authorities, the memorandum of understandings (MoUs) between the Zimbabwe Chamber of Informal Economy Association (ZCIEA) and local authorities led to a win-win situation: On the one side, informal workers gained social and legal recognition, were granted access to public space and infrastructure and were protected against harassment and confiscation of their goods.

On the other hand, local authorities were able to maintain order and public health standards and provided a regulated stream of revenue through vendor fees.

Social dialogue to improve working conditions with a particular focus on occupational safety and health (OSH)

- Decent work and fair play go together. Workers are behind the successful organisation of large-scale sports events and their labour rights need to be protected, especially more vulnerable groups of workers. The Paris 2024 Social Charter, even if not legally binding, has underscored the strong commitment of social partners to respect decent work and promote local sustainable development, ensuring the Olympics are economically, socially and environmentally responsible.
- Workers in the garment industry worldwide face challenging working conditions. In Indonesia, bipartite workplace and occupational safety and health (OSH) committees play a key role in promoting social dialogue at enterprise level, identifying risks and establishing preventive measures. Women need to be represented on workplace and OSH committees so that women-related health issues, including violence and harassment in the workplace, receive attention. Further, violence and harassment in the workplace have to be addressed as part of the measures implemented to promote occupational safety and health and bipartite dialogue at the workplace. Indonesia has taken an important step forward by requiring enterprises to establish sexual harassment task forces under the existing workplace committees.
- Workers in the construction sector are facing difficult working conditions in many countries. Long hours and low pay are often the norm. Additionally, safety remains a concern on many construction sites, with standards often not respected and safety equipment not always provided. In Tunisia, climate change is exacerbating this situation. Social partners play an important role in improving working conditions and protecting construction workers. MoU signed between the Fédération Générale du Bâtiment et du Bois (FGBB) and the Fédération Nationale des Entreprises de Bâtiment et des Travaux Publics (FNEBTP) in May 2023 represents a major step forward.

Social dialogue for fair and effective labour migration governance

- Social partners play a crucial role in supporting fair and effective labour migration governance. Recognising this, tripartite consultation mechanisms have been established at both regional and national levels within the Association of Southeast Asian Nations (ASEAN) region. These mechanisms have contributed to the creation of inclusive and holistic policies, ensuring robust support for on-the-ground implementation.
- Through cross-border cooperation, social partners can significantly contribute to protecting migrant workers' rights. The agreement signed between the Federation of Somali Trade Unions (FESTU) and the Confederation of Ethiopian Trade Unions (CETU) in 2023 is a powerful example of such cooperation. It foresees, amongst others, joint campaigns to combat prejudices and highlight the contributions of migrant workers, raise concerns in national tripartite labour committees, and encourage inclusion of migrant workers in collective bargaining.
- Trade unions play a key role in protecting all workers, including migrant workers. Otherwise, there is a risk of downward pressure on wages and working conditions. Some of the initiatives implemented in specific sectors in Sweden, such as the projects implemented by Byggnads in the construction sector and by Fastighets in the cleaning industry, make an important contribution to protect the labour rights of workers in sectors where labour rights abuses are more common than in others, and where there is a high share of migrant workers.

This report also provides an update of Global Deal partners' commitments on mobilising social dialogue as a means to achieve decent work and inclusive growth. The Global Deal aims to facilitate and advance co-operation between governments and social partners. To achieve this, the Global Deal provides a unique platform to enable knowledge sharing, encourage policy discussion and accelerate positive change through the implementation of voluntary commitments by partners.