

Paris, 4 February 2020

GLOBAL DEAL CONFERENCE SUMMARY

SOCIAL DIALOGUE FOR A BETTER FUTURE OF WORK



A BETTER FUTURE OF WORK: THE POWER OF SOCIAL DIALOGUE

The Global Deal brings together more than 100 partners from the world of business, trade unions, governments, civil society and other organisations. All these partners share the common vision that social dialogue is the right thing to do and indispensable in building well-functioning labour markets that deliver decent work and inclusive growth. All partners commit to advance the cause of social dialogue, by mobilising social dialogue within their own remit and/or by working together to strengthen social dialogue in general.

On the 4th of February, high-level representatives from Global Deal partners convened at the OECD conference centre in Paris to exchange and discuss their experiences in using social dialogue to address various labour market challenges connected to the future of work. Throughout plenary and breakout discussions, partners showcased best practice examples and lessons learned in using social dialogue to address megatrends, including technological and environmental change, and to promote decent work in global supply chains. While numerous cases were presented at the conference, this summary provides the most important common threads and ideas that surfaced from these experiences.

**62 PARTNERS
REPRESENTED**

47 SPEAKERS

**333
REGISTERED
PARTICIPANTS**

” *When governments, employers, workers and their representatives work in a spirit of co-operation and mutual trust they can effectively anticipate future challenges and opportunities, find solutions, and manage change proactively.*

Angel Gurría, Secretary-General, OECD



” *This conference is an excellent opportunity for partners from all around the world to showcase how their voluntary commitments have contributed to the Global Deal vision, with different realities but with the same objective of decent work and inclusive growth.*

Anna Hallberg, Minister for Foreign Trade and Nordic Affairs, Sweden



” *The objectives of the Global Deal align fully with the ILO's mandate to promote social dialogue. Social dialogue, including all types of negotiation, consultation and exchanges of information, between representatives of governments, workers and employers, is part of the DNA of the ILO.*

Guy Ryder, Director-General, ILO





- We need to take the future of work into our own hands by mobilising social dialogue and using it to tackle the new challenges labour markets are facing to allow for negotiating solutions that are mutually beneficial.
- Social dialogue enables innovation. Involving workers and their representatives when introducing new technology on the work floor creates trust and helps workers move from apprehension about change to an openness to change.
- A labour market where labour relations are characterised by social consensus, instead of conflict and strife, provides for a good environment to do business and to invest and grow the economy.
- Social dialogue leads to social peace and peace in society in turn delivers strong support for democracy.
- To advance decent work in global supply chains, business, trade unions, governments and civil society need to join forces, cooperate, complement and strengthen each other. The Global Deal brings all these different partners together and offers a platform to cooperate and to contribute to a better society and a stronger economy.
- The Global Deal can help to accelerate action to achieve the SDGs through national ownership by involving the social partners, including in the drafting of National Action Plans.
- We need a “new normal” where social dialogue is business as usual, and the Global Deal can assist in bringing that about.



” 15 years ago, Canada had only conventions [...] Today, Canada has ratified all of the 8 fundamental conventions, and social dialogue played a huge role in that.

Anthony Giles, Assistant Deputy Minister, Policy, Dispute Resolution and International Affairs – Labour Program, Employment and Social Development, Canada



” Without social dialogue, we do not stand a chance.

Gabriela Ramos, Chief of Staff and Sherpa to the G20, OECD



” Social dialogue as a key to success is not a fairy-tale. Social dialogue is not only the right thing to do but it is the smart thing to do, because it is possible for all of us to create and build a win-win-win situation.

Stefan Löfven, Prime Minister, Sweden





SOCIAL DIALOGUE TO MAKE TECHNOLOGY WORK FOR ALL

The digital transformation is continuously bringing innovation in the workplace and the way companies do business. However, a key message emerging from discussions is to avoid stepping into the trap of technological determinism that results in adopting any type of innovation. Digital technology offers opportunities and may, for example, provide workers with the sort of flexibility they genuinely desire. However, many discussants in the morning panel stressed that the same technology may also be used to amplify practices of insecure and low paid work or to set up highly pressured workplaces where algorithms are continuously monitoring and controlling workers.

There was a general consensus that the future of work is not written in stone but depends on the choices we collectively make. Social dialogue can foster in-depth discussion on the benefits and risks of the use of new digital tools in the labour market, by bringing together the different stakeholders, enabling them to put on the table all the concerns associated with the coming of the digital economy.

The process of discussing with counterparts also enables negotiations to start on how diverging interests can be reconciled and how the benefits of change can be shared broadly, while limiting and mitigating its costs. Inclusive growth leaving no one behind can therefore be achieved and will create strong businesses and societies.

Engaging in social dialogue when introducing new technology on the work floor, or developing new and digitally related business models, yields yet a third advantage: Involving workers and their representatives builds trust, and parties that trust each other are more likely to find common acceptable solutions. Social dialogue can then enable workers to move from apprehension to motivation. Resistance to change can be transformed into openness to change as workers understand that they too have a voice in the design of how new technology is being put to work.

The arguments above are not only theoretical but are rooted in the experiences of partners of the Global Deal. One global business partner, for example, highlighted its approach of using social dialogue as an entry point to manage the process of change. Learning expeditions involving trade unions across the world are organised to show what new technologies are in the pipeline, allowing workers to identify the risks but also the opportunities that the technology may bring. Building understanding leads to the right approach to implement innovation in partnership with trade unions.

SOCIAL DIALOGUE TO MAKE TECHNOLOGY WORK FOR ALL



Another example comes from the side of a trade union partner, insisting that gig-workers, like any other workers, should be covered and protected by collective bargaining agreements. At the same time, it was emphasised that collective bargaining also offers flexibility and tailored solutions, thus actually helping employers to develop their business model while still meeting the interests of workers.

Similar experiences were stressed by the representative of a regional public administration. Negotiating technological change also works in the public sector with this partner describing how resistance to change was overcome by getting workers on board and had resulted in a series of positive effects, ranging from high well-being at work, less absenteeism amongst workers, and a gender wage gap that has almost disappeared.

In the energy sector, social partners confronted with the closure of coal-fuelled but also nuclear electricity plants, have engaged in social dialogue to prepare for this change, amongst others by identifying the future skills needs of the sector and by working together with regional governments to handle local labour market shocks.

Collective bargaining can also help to develop preventive measures to help workers in the transition from one job to another. For example, the Swedish Job Security Councils provide support to workers who have been notified of dismissal. The Councils collect a small percentage of all wages paid in the sector into a fund managed by social partners and deploy these funds to invest in workers at risk of losing their job. As a result, 90% of all employees having been notified of dismissal are able to upgrade their skills and find a new job – even before they become unemployed. Instead of simply letting people go, employers can thus assist in helping workers to prepare for change and find a new job, often one that is better paid. The message is again that structural change does present opportunities but to grasp these opportunities, social dialogue needs to be in place.



” *We all have a responsibility to manage data in an ethical way for the health of our employees.*

Mark Stewart, General Manager and HR Director, Airbus



” *Social dialogue is a conflict resolution mechanism for society as a whole.*

Anna Sundström, Secretary-General, Olof Palme International Center



PROMOTING DECENT WORK IN GLOBAL SUPPLY CHAINS

During a high-level panel discussion on the Sustainable Development Goals the panellists explained that we are not on track to achieve the SDGs by 2030. The social partners need to work together to solve these complex problems, as we have a window of opportunity to accelerate action by enlisting the private sector's enhanced support for the attainment of the SDGs. Social dialogue between the social partners can help in establishing a new business model that can incentivize the private sector contribution to achieving the SDGs.

In the afternoon of the conference, the discussion shifted to the contribution social dialogue can offer in ensuring that global supply chains create decent work. Global supply chains have the potential to work as a lever to reduce poverty and lift workers from the informal to the formal economy but only if they create decent jobs, not working poor.

One powerful message put forward by two governments is that social dialogue, by finding solutions that otherwise could not have been passed by parliament, has the capacity to stabilise the economy but also the whole of society. Social peace is good for business, investment and growth. Moreover, stability in the labour market and in worker-employer relations safeguard and support democracy.

A second message, resonating throughout the different breakout sessions and coming especially from trade union partners and civil society organisations, is that continuous improvement is crucial. Collective bargaining provides a mechanism to address decent work deficits and do so in a systematic and balanced way. It is also a mechanism to advance gender equality. Having gender balanced collective bargaining teams is crucial as well as re-valuing the work of women.

Last but not least, there is a need to promote decent work in global supply chains. Trade unions and local worker representatives are essential to identify problems and topics that could be solved through collective bargaining. Businesses have a responsibility to conduct human rights due diligence and acknowledge that corporate social responsibility alone is not enough. Multinational enterprises do not always have sufficient leverage to change local producer behaviour, even in cases where their contracts comprise 40-50% of the total orders at a factory. Governments should promote the full respect of labour rights, including the enabling rights of freedom of association and the right to collective bargaining. More effective government enforcement of labour legislation could create a level playing field for competition. Civil society organizations and trade unions can also benefit from working together, such as by monitoring compliance in fair trade initiatives.



” *Gender equality has to be integrated into social dialogue processes.*

Veronica Nilsson, Head of Unit, Global Deal



PROMOTING DECENT WORK IN GLOBAL SUPPLY CHAINS

As in the morning session, these three key messages are based on real world experiences.

In one African country, tri-partite social dialogue was mobilised by the government to get employers and trade unions to come together to strike a deal: A national minimum wage was introduced and the right to strike was recognised but only as a last resort and with the aim to end a history of violent strikes.

Global framework agreements negotiated between a multinational company and a global trade union federation have shown to be a good tool to promote collective bargaining and improve respect for workers' rights across global supply chains. They do so by engaging both local management and trade unions in joint training sessions on social dialogue, mediation and conflict resolution as well as by providing the possibility of local trade unions reporting breaches against workers' rights to the headquarters. One impressive example is a framework agreement with a global retailer that has resulted in the first trade union being set up in the retail sector in a country known for its violence against trade unionists and with the trade union and local management now looking back on 8 years of successful bargaining to improve working conditions.

Another example is the Accord on Fire and Building Safety in Bangladesh (the Accord), which testifies to the power of brands, trade unions and civil society organisations stepping up to change the narrative of companies competing on low costs, in this case not just low wages but also saving on investment in safety at the workplace. Two hundred brands, several global trade union federations and their local affiliates and civil society organisations joined forces to drastically improve health and safety at work. This experience is now being transferred into a tri-partite body in Bangladesh.

Fair and ethical trade initiatives also help to change the reality of global supply chains. Civil society organisations can push for an enabling environment for social dialogue, play the role of broker to initiate conversations in difficult situations or invest in social partner capacity building thus complementing the role of trade unions.



” *We need to focus on gender equality because it is the biggest injustice on earth, representing half of human kind.*

Rosa Pavanelli, General Secretary, PSI



” *Social dialogue is an investment in stability.*

Thulas Nxesi, Minister of Employment and Labour, South Africa



All of the above raises an intriguing question: If social dialogue has many benefits, why is it not used more?

As stated in one intervention from an international partner organisation, social dialogue is not an easy option. It takes time to discuss, to establish trust, and to negotiate balanced compromises.

At the same time, when stakeholders with diverging interests come together and do succeed to reconcile these interests, the benefits are large. Social dialogue helps to go beyond the standard economic black and white choice between 'more' or 'better' jobs. Well-designed, coordinated collective bargaining systems allow advancing on both issues and achieving high rates of job creation while at the same time fostering an inclusive labour market with good quality jobs and low inequalities. Social dialogue is thus not just about good economics but also favours political stability and democracy. This makes social dialogue a public good benefiting the whole of society, not just the parties engaging in it.

That is why it is important to invest in social dialogue - to address the challenges faced by labour markets and support the achievement of the Sustainable Development Goals. This is exactly the objective of the Global Deal. By bringing together representatives of governments, business, trade unions and civil society organisations who are all committed to the value of social dialogue, the Global Deal provides, not only a platform to share good experiences but also a strong signal that social dialogue is not only the right thing to do but also the smart thing to do.

Click [here](#) to view the photo gallery and the video of the conference.

