



# WHAT IS THE 'GLOBAL DEAL FOR DECENT WORK AND INCLUSIVE GROWTH'?

The Global Deal is a multi-stakeholder partnership with the objective of addressing challenges in the global labour market so as to enable all people to benefit from globalisation. The fundamental idea at the heart of the Global Deal is to highlight the potential of sound industrial relations and enhanced social dialogue as a means to foster decent work, quality jobs and increased productivity and, by extension, greater equality and inclusive growth.

The rationale behind the Global Deal is that wellfunctioning social dialogue and sound industrial relations are key elements for coming to terms with the complex challenges that societies and economies are facing. Globalisation has strengthened economic growth and contributed to poverty reduction, but not everyone has benefited. The global financial crisis has further deepened the divide in many countries. Job losses have been concentrated among the low-skilled, poverty has increased and income inequality remains at very high levels. More people are expressing concern about their future and that of their children. This in turn has fuelled social discontent and raised concerns about political stability. Effective social dialogue requires mutual respect and trust to create favourable conditions for collaboration between employers, workers and governments. This can increase productivity and enhance economic stability and shared prosperity - all the more so in a context where labour markets worldwide are undergoing transformative changes that are impacting on society at all levels.

Building on a close partnership between governments, trade unions, employers and businesses, the Global Deal aims to facilitate and advance social dialogue and sound industrial relations by bringing various stakeholders together and providing political impetus, scaling up existing processes, promoting evidence-based research and highlighting the opportunities for 'win-win-win' gains that mutually benefit workers, businesses and governments.

The Global Deal builds on already established initiatives and processes, and reinforces and strengthens the existing work of different actors in this regard, including the International Labour Organization (ILO) and the Organisation for Economic Co-operation and Development (OECD) as founding partners of the partnership.

The Global Deal provides concrete input to the Sustainable Development Goals (SDGs), especially SDG 8 on decent work and economic growth, and SDG 10 on reducing inequality within and among countries. In addition, the Global Deal treats gender equality (SDG 5) as a cross-cutting theme throughout all its areas of activity and also embodies the type of integrated action necessary to achieve the SDGs and the multi-stakeholder partnerships (SDG 17) needed to realise these.

The Global Deal partnership is hosted by the OECD, in cooperation with the ILO. Its main follow-up tool is a recurring flagship report, the first one published in May 2018, which is scheduled to be published every other year.

#### THE THREE KEY ELEMENTS OF THE GLOBAL DEAL

#### 1. Accelerating action



Partners are encouraged to make voluntary commitments that, contribute to the Global Deal's vision for decent work and inclusive growth. Partners identify and formulate commitments based on their own context and capacity. Accelerating action also includes advocacy and efforts to raise general awareness about the potential of social dialogue and sound industrial relations

2. Increasing the knowledge base through capacity building and research



This involves strengthening knowledge about social dialogue and sound industrial relations, as well as identifying and filling in the gaps in existing research. The aim is to facilitate the provision of tailored support and help build capacity in cooperation with partners, including through technical assistance and support to partners wishing to strengthen institutions for social dialogue and sound industrial relations

3. Providing platforms for sharing experiences and good practices



The Global Deal stimulates

interaction and knowledge-sharing among partners, for instance by arranging seminars and round-table discussions at national, regional or global level. The intention is to enable and host multi-sector dialogue between governments, trade unions, civil society, international organisations and business



### SOCIAL DIALOGUE

Social dialogue is defined by the International Labour Organization (ILO) as including all types of negotiation, consultation or simply exchange of information between, or among, representatives of governments, employers and workers, on issues of common interest relating to economic and social policy. Social dialogue takes many different forms. It can exist as a tripartite process, with the government as an official party to the dialogue, or it may consist of bipartite relations only between labour and management (or trade unions and employers' organisations), with or without indirect government involvement. A concerted search for a consensus can be informal or institutionalised, and often it is a combination of the two. It can be inter-sectoral, sectoral or at enterprise level. Social dialogue based on freedom of association and the right to collective bargaining takes into account each country's cultural, historical, economic and political context. There is no 'one size fits all' model of social dialogue that can be readily exported from one country to another. Adapting social dialogue to the national situation is key to ensuring local ownership of the process. There is a rich diversity in institutional arrangements, legal frameworks, and traditions and practices of social dialogue throughout the world.

Effective social dialogue is key to sound and productive employment relations and decent work. It can play an important role in reducing inequality and enhancing the inclusiveness of labour markets. It is a key mechanism through which common interests can be identified and divergent interests reconciled, thus also contributing to labour peace and social stability.

#### WHY IS THE GLOBAL DEAL PARTNERSHIP NEEDED?

To improve workers' conditions and rights. According to ILO calculations, some 2 billion workers are in informal employment, most of them in insecure employment. Annually, there are 2.78 million work-related deaths and 374 million non-lethal work-related injuries and illnesses. A well-functioning social dialogue that adapts effectively to changes in the world of work, technological developments and fluctuations in demand is an important tool for generating decent work and improving job quality.

To create good jobs. Creating new and better jobs is key to achieving inclusive economic growth that benefits individuals and societies in general. Effective cooperation with the social partners can lead to macro-economic stability, increased productivity, innovation and opportunities for development, which will translate in turn into more and better jobs.

## To reduce inequalities, create the conditions for more inclusive growth and promote social cohesion.

Inequality has implications on several levels. In addition to its impact on social cohesion and fundamental human rights, inequality undermines trust in governments and businesses. In turn, this hampers the prospects for growth. Inequality also increases the risk of social unrest. A well-functioning social dialogue can help societies address the problems raised by inequality at all of these levels by fostering social cohesion, building a greater sense of trust and inclusion, and reducing the risk of social unrest.

To prepare for the future of work. The rise of the platform economy and the new forms of work associated with it are bringing new challenges for labour relations – on top of those that already exist. These trends are putting additional pressure on the traditional employeremployee relationship and on the associated set of rights and protections this relationship rests on, which have been strengthened over time in both developed and emerging countries. Social dialogue and sound industrial relations will be vital to deal with these challenges, seize the opportunities created by digitalisation and manage transition in a changing world of work.



#### **JOINING THE GLOBAL DEAL**



The Global Deal welcomes a variety of different stakeholders to join the partnership, including governments (also regional bodies), businesses (both employers' organisations and individual companies), trade unions, civil society, and other organisations at all levels. Governments that join are encouraged to involve the social partners – trade unions, employers' and business organisations – and individual companies. In joining the Global Deal, partners associate themselves with the principles underpinning the partnership and are encouraged to submit voluntary commitments. Participation

in the Global Deal is not legally binding and the aim of the partnership is not to develop a new framework or agreement. Instead, the Global Deal provides a platform for partners to highlight the value of social dialogue and strengthen existing cooperation structures. Joining the partnership enables the associated partners to exchange ideas and good practices, participate in joint projects, share lessons learned, and both seek and provide policy advice, building on already established initiatives and projects. Check in the list of Global Deal partners at www.theglobaldeal.com/partners/

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