

Trade Union Statement to the VII ASEM Leaders' Summit (24 October 2008, Beijing, China) and to the II ASEM Labour and Employment Ministers' Meeting (13-15 October 2008, Bali, Indonesia)

“Promoting decent work and shaping the social dimension of globalisation”

**ASEM Trade Union Summit
12 -14 October 2008
Bali Indonesia**

Introduction

1. This is a critical moment for ASEM to take action, faced with a world crisis that is spiralling out of control. ASEM Leaders must rise to the challenge and work on a major recovery plan to stave off the risks of a global recession and get back on the track to the creation of decent work and meeting the millennium development goals.
2. The decision of ASEM Leaders to add a regular high level dialogue on labour and employment issues to the ASEM process comes at a juncture when the global economy is beset by a series of crises – the food and energy crises, and the financial market slowdown that threaten to put the clock back on hard-won gains in poverty alleviation, increase inflation and plunge over 100 million people back below the \$1 a day poverty threshold. Workers in Europe and Asia, highly preoccupied by the human and social impact of those crises, call upon all ASEM governments to take the appropriate measures to help those most immediately affected, and to engage in long-term fundamental global governance reforms to prevent other crises from happening.
3. The first ASEM Labour and Employment Ministers' Conference held in Potsdam in 2006 was a breakthrough in the 10 year history of ASEM. While many parts of both Europe and Asia have benefitted from globalisation, ASEM Labour Ministers acknowledged in Potsdam the need to share more equally the wealth created. They recognised that building inclusive societies cannot be left to market forces, but requires

active governance. ASEM Ministers agreed that employment and social policies aimed at achieving decent work for all, enforcement of workers' rights and social cohesion are all key elements to maximise the benefits of globalisation and extend its benefits to all.

4. Trade unions from Asia and Europe strongly welcome and support the conclusions of the 1st Labour and Employment Ministers Conference. They call upon ASEM leaders to promote and give effective follow-up to these conclusions at the national, regional and international levels. ASEM trade unions further heartily welcome the exchanges held during the 1st ASEM Social Partners' Forum organised by the European Commission on June 30th and July 1st in Brussels. We are convinced that such Forums highly contribute to the quality of the ASEM dialogue on employment and labour issues.
5. The second Labour and Employment Minister Meeting, under the title "*More and better jobs - Strategic Cooperation and Partnership to promote decent work and global labour markets*" is an opportunity for ASEM Ministers to shape the social dimension of globalisation. Building upon the Senior Labour Officials meeting held in Yogyakarta in July 2007, trade unions from Europe and Asia urge ASEM Ministers to take account of the following policy recommendations and project proposals in their discussions and conclusions.
6. The 2008 ASEM Leaders' Meeting in Beijing, China on 24 October 2008 needs to take equally full account of the recommendations emphasised in this Trade Union Statement. We call on ASEM Leaders to endorse the decisions of the second Labour and Employment Ministers' Meeting and to devote adequate resources to ensure its follow-up.

I – Putting social dialogue at the heart of ASEM initiatives on labour and employment issues:

7. Tripartism and social dialogue are indispensable elements of good governance at both the national and international level. They are essential to achieving an economic and social framework that generates both economic growth and decent work for all.
8. Despite their very diverse industrial relations systems, all ASEM countries must put social dialogue and tripartism at the heart of their policy agenda. Policies formulated and implemented in close cooperation with the social partners do promote industrial peace and stability and have the potential to boost economic and social progress. Sustainable advancement toward the realisation of regional integration - be it in Asia or in Europe - cannot be achieved unless functioning social dialogue structures are established at the regional level. Trade unions call upon ASEAN governments to establish a formal mechanism of social dialogue at the regional level.

9. Likewise, establishing a social dialogue at the ASEM level is essential to strengthen the social dimension of globalisation and to realise the objective of decent work for all. The ASEM dialogue on labour and employment issues can only yield optimal results if social partners of Europe and Asia have an opportunity for input. This is why trade unions from Europe and Asia call upon ASEM Leaders to grant trade unions a formal consultative status through an Asia Europe Labour Forum comparable with the arrangements for the Asia Europe Business Forum. We further look forward to deepening our engagement in the process by being directly involved in specific ASEM cooperation projects in the near future.

Proposal for ASEM cooperation project:

10. *Building upon the outcome of the 1st social partners' forum held in Brussels, trade unions propose to the setting up of an ASEM cooperation project aimed at strengthening dialogue and cooperation on labour and employment issues through regular meetings of the ASEM Labour and Employment Ministers with the ASEM social partners.*

II – Advancing the Decent Work Agenda

11. Most ASEM countries would agree that the economic growth of the last decades has failed to meet expectations for the creation of decent work. If globalisation has created jobs in certain regions and countries, it has also contributed to a process of downsizing industries, triggering increasing layoffs and involuntary displacement from permanent jobs. Globalisation has also had an impact on job quality. The increased flexibility of global labour markets characterised by a growing number of atypical forms of employment has put millions of workers in a precarious and insecure work situation leading to a growth of informal economic relationships.
12. An extremely preoccupying feature is the high level of unemployment or underemployment among young people of both regions, with young people in Europe generally two times as likely to be unemployed as adults, and young people in many Asian countries up to four times as likely to be unemployed as other adults. Women's employment situation also remains far inferior to that of men in both Asia and Europe. This manifests itself in continuing problem of lower pay for women for work of equal value, the inferior career prospects that many women have, and the general concentration of women in low-paying, informal or indecent jobs.
13. The creation and promotion of decent work must become a policy objective in itself at both the national and global level. Active economic and social policies focusing on the

creation of productive jobs with good wages in conditions of freedom, equity, security and human dignity are needed. These ideas are at the heart of the recently adopted ILO Declaration on Social Justice for a Fair Globalisation (June 2008).

14. All ASEM governments have recognised the value of the ILO decent work agenda as a balanced and sustainable response to the challenges posed by globalisation. Asian governments together with the social partners agreed at the 14th ILO Asian regional meeting in 2006 to launch an **Asian Decent Work Decade**. The meeting called upon all Asian countries to establish national plans of action for decent work with the full involvement of the social partners. On its side, the European Commission is committed to the promotion of decent work at home and in its external relations, as stated in its 2006 Communication on “Promoting decent work for all”.
15. A key point for the realisation of progress towards the objective of decent work is the respect of workers’ rights to organise and to bargain collectively as set out in ILO Conventions No. 87 and 98. This was formally recognised by ASEM Leaders and Labour Ministers in their 2006 meetings.

Proposal for ASEM cooperation project:

16. *Building upon the commitments of European and Asian countries to realising decent work and to further support the **Asian Decent Work Decade**, trade unions propose the setting up of an ASEM cooperation project on decent work with the full involvement of the social partners and the ILO. ASEM can encourage the establishment of national decent work plans and facilitate the exchange of information and expertise, as well as the identification of best practices among member countries. Particular attention should be devoted to realising decent work for young and female workers.*

III – Taking up the global challenge of training and employability for all

17. Training and employability are key concepts to cope with global changes such as technological, market or climate changes. Stepping up employability to enable all workers to move to better work opportunities is a key challenge for both Asian and European countries.
18. In today's world full employment relies heavily on productivity, and investment in human capital is therefore crucial. Indeed human resources and production strategies based on low-cost approaches offer scant opportunity to upgrade labour productivity and business competitiveness. Yet there are still large numbers of workers trapped in precarious low-skilled and low-paid jobs, unable to grasp better work opportunities and improve their living conditions. Among this group, women are overrepresented. Trade unions of Europe and Asia stress the importance of including low-skilled, vulnerable and atypical workers in productivity-enhancing programmes. Measures such as life-long-learning schemes should not be the privilege of highly skilled workers.
19. In order to ensure that all workers have a chance to improve their employability, there is a need to increase the public funds dedicated to training. However this cannot be the sole responsibility of the State. The private sector should contribute as well. This can be done in many ways including by offering apprenticeships, by making training available at the workplace or by financially contributing to national or sectoral skill-development funds.
20. Increasing workers' productivity is an effective response to the challenges posed by globalisation provided it is based on a solid tripartite social dialogue. This aspect was at the heart of the 2008 ILO general discussion on "*Skills for improved productivity, employment growth and development*". Through collective bargaining social partners can commit themselves to concrete skills development policies and life-long-learning measures.
21. Equally important is the need to develop skills along global value chains. In this regard the 2008 ILO General Discussion highlighted the importance of multinational companies adopting responsible sourcing practices, requiring them to work with their contractors or service providers so as to support decent work and create opportunities for training and skills upgrading in the supply chain.
22. Finally it is important to underline that training for workers in the area of health and safety is of prime importance. Every year around 2.2 million people die at or from work. Adequate training on health and safety at work, together with responsible management practices, play a crucial role in reducing the number of occupational accidents and sickness.

Proposals for ASEM cooperation projects:

23. *Strengthening tripartite social dialogue on training and employability is necessary. ASEM can contribute to this process by encouraging governments and social partners to define strategies on employability and life long learning at the national level, including a focus on the creation of “green jobs”. ASEM should further facilitate the exchange of information and best practices among member countries on these issues.*
24. *An ASEM project aimed at facilitating the transition from education to employment could also be useful and help address the particular difficulties faced by young workers. ASEM could encourage exchange of information and disseminate best practices around youth employment policies.*
25. *Finally ASEM could contemplate a project aimed at exchanging best practices in the area of health and safety with ILO expertise.*

IV – Promoting and protecting the rights of migrant workers

26. If migration is sometimes chosen, the great majority of migrant workers would prefer to work in their own country close to their family. The lack of decent work opportunities at home deprives most migrant workers of normal family lives.
27. Labour migration has brought about new risks and opportunities for both countries of origin and of destination, requiring an appropriate policy framework to respond adequately to the situation. The particular vulnerability of migrant women needs to be underlined, the case of female domestic workers, often abused and exploited, being most illustrative.
28. At the international level, efforts still need to be pursued to implement a rights-based and gender sensitive approach for managing migration and protecting migrants’ rights with the full involvement of the social partners. The 2006 ILO multilateral framework on labour migration is a step in the right direction. Nonetheless there is an urgent need to further promote the role of the ILO as a leading agency on labour migration.
29. ASEM countries must formulate and implement coherent, comprehensive and transparent policies to effectively manage labour migration and to promote full, productive and freely chosen employment for all. In formulating national law and policies concerning the protection of migrant workers, governments should be guided by the underlying principles of the Migration for Employment Convention No. 97¹, the

¹ *Migration for Employment Convention (Revised), 1949 (No. 97) has been ratified by Belgium, France, Germany, Italy, Malaysia Sabah, Netherlands, Portugal, Slovenia, Spain and the United Kingdom among ASEM countries.*

Migrant Workers Convention No. 143², and their accompanying Recommendations Nos. 86 and 151. Ensuring equality of treatment between nationals and migrant workers, especially on wage and working conditions issues, is a key issue that still needs to be addressed. A starting point is to ensure that all migrant workers, regardless of their migratory status, have a recognised right to organise (to form, to join and to hold office in trade unions) as well as a right to bargain collectively. Further it is crucial that migrant workers' organisations be included in the debates on migration.

30. Remittances are part of workers' wages and should be at their entire disposal. Laws allowing employers to retain part of migrants' salaries must be abolished. Schemes bringing down the costs of money transfer should be welcomed and encouraged.
31. Further, ASEM can provide an interesting space to encourage bilateral agreements between sending and receiving countries. These agreements should aim at facilitating the full integration of migrant workers into the labour markets in full respect of migrants' rights, national laws and collective agreements. These agreements should reinforce the participation of trade unions in providing information and training to migrant workers. They could also address the mutual recognition of qualification as well as issues related to social security for migrants including the transfer of pension rights.
32. Governments must take all appropriate measures to protect migrant workers from conditions of forced labour, including debt bondage and trafficking, particularly for undocumented migrant workers. In this regard a key point for governments in countries of both origin and destination is to pay particular attention to licensing and supervising of recruitment agencies. The ILO Private Employment Agencies Convention No. 181 of 1997 can provide useful guidance. Recruitment agencies must give genuine information about wages and working conditions in the country of destination. Trade unions, through their international connections, can play a critical role in this process. Reinforcing the number and role of labour inspectors is an absolute necessity in order to fight the exploitation of migrant workers.
33. Finally the role of social partners in fighting discrimination and racism against migrant workers at the workplace should be encouraged and supported.

Proposals for ASEM cooperation projects:

² *Migrant Workers (Supplementary Provisions) Convention, 1975 (No. 143) ,has been ratified by Italy, Philippines Portugal, Slovenia and Sweden among ASEM countries.*

34. *ASEM could encourage the establishment of tripartite national commissions on labour migration with the involvement of labour ministries, social partners and migrants' organisations. Those Commissions would discuss and analyse general trends, problems, solutions and opportunities related to labour migration. ASEM could encourage exchange of information and best practices between these national Commissions, particularly between sending and receiving countries.*
35. *Another concrete initiative could target migrant domestic workers whose rights are often violated. ASEM government in cooperation with the social partners could facilitate the circulation of information in both sending and receiving countries on domestic workers' rights and other fundamental information.*

V - Realising the objective of universal coverage of social security

36. Social protection is a fundamental human right and it is the prime responsibility of the state to ensure health care, pension and other social provisions for those in need, including comprehensive social safety nets. To succeed, reforms of social protection systems must rely on nationwide consensus and must be negotiated with the social partners. Trade unions strongly reject any public policy that would have the purpose or the effect of shifting to the private sector the state's responsibility of providing adequate social protection.
37. The objective of universal coverage of basic social security provisions is both necessary and reachable. In particular extending the benefits of social protection to informal and unprotected workers is urgent. Recently a number of initiatives were taken in this direction; two key objectives in this debate are the financial sustainability of schemes and the adequacy of provisions. Trade unions stress that tax-financed, publicly administrated funds based on the principle of solidarity and backed by a legal entitlement of each beneficiary are more likely to achieve this double objective. It is worth noting that the ILO Recommendation No. 198 (2006) on the Employment Relationship is a useful tool which provides governments with relevant guidelines around workers in informal and unprotected situations.
38. In industrialised countries, there is a growing concern about the decrease in the quality of social provisions. Another urgent need is to address the situation of atypical workers (part-time, casual, daily, independent, agency or contract workers). The number of such workers has considerably increased over the last 15 years both in industrialised and developing countries. Atypical workers find it increasingly difficult to maintain or in some cases even to access social protection schemes. Often their status does not allow them to benefit from the protection granted to regular workers. Nor can they access the safety nets reserved for the poor. As a result atypical or

irregular workers lack adequate protection. Yet some earn less than the minimum subsistence allowance.

39. Ratification of ILO Convention No. 102 on social protection would considerably help ASEM countries willing to extend social security. However as of this day, Convention No. 102 has been ratified by few countries. Trade unions call upon ASEM countries that have not yet ratified Convention No. 102 to do so.
40. Ensuring universal access to social protection may require adjustments in the tax system of ASEM countries, as many have recently developed along regressive lines, with wealthy individuals and high profit making businesses contributing less and less. This tendency is particularly worrisome since social protection needs are on the rise, essentially because of increased labour market flexibility and ageing populations. Fiscal policy should ensure that the income redistribution element of taxation be given due emphasis to help bring about an equitable society.

Proposal for ASEM cooperation project:

41. *ASEM could create a task force to coordinate international support for the design and implementation of social security systems providing universal coverage with full use of the ILO's and social partners' expertise. A key point of any cooperation project is to ensure that atypical, rural, migrant and informal workers have access to social protection*
42. *This task force would also need to investigate the new needs in social protection that globalisation has brought about both in Europe and in Asia.*

VI – Corporate Social Responsibility (CSR)

43. One of most important effects of globalisation has been to diminish the role of the state while at the same time it widens the sphere of influence of the private sector. Yet the extent to which corporate social responsibility (CSR) activities provide a meaningful complement for social or environment regulatory frameworks is often questionable. CSR cannot substitute for the indispensable role of government., and promoting CSR is an inappropriate policy response to governance deficits at the national and international level that must urgently be addressed.
44. CSR activities must not be used by business to redefine or reinterpret already established expectations concerning the social responsibilities of business. The two most authoritative international instruments setting forth agreed sets of expectations

of responsible behaviour are the ILO Tripartite Declaration of Multinational Companies and Social Policy and the OECD Guidelines on Multinational Enterprises. These two instruments provide a basis upon which to assess the relevance of CSR activities. With respect to labour practices, CSR activities should concern the application of established labour standards and respect for the rule of law.

45. The essence of CSR involves a business taking responsibility for the impact of its activities on society and the environment. This responsibility cannot be exercised alone without interacting with others. In this respect valuable CSR activities will be those that strengthen civil society and governance institutions. Unfortunately this rarely happens. A striking feature of many CSR activities concerning labour practices is the lack of involvement of workers. Very often, both in Asia and Europe, workers are neither consulted nor informed about CSR activities even where these activities are of direct concern to them. CSR activities in the area of labour should involve sound dialogue with workers and their representatives or at a minimum be linked to the promotion of social dialogue in the medium term.

Proposal for ASEM cooperation project:

46. *With respect to labour practices, governments must give priority to the development of and compliance with labour law based on international labour standards. However, CSR projects can have a role in addressing labour issues provided that they are developed with the participation of workers' representatives and in full respect of freedom of association and collective bargaining. ASEM should adopt cooperation projects in key sectors promoting decent work throughout value chains by addressing labour practices based on the application of labour standards, respect for the rule of law and social dialogue. Such projects should promote respect for the ILO MNE Declaration and the OECD Guidelines. Co-operation projects should use the expertise of the ILO and include trade unions.*

VII - Putting an end to the long suffering of the Burmese people

47. ASEM leaders cannot remain insensitive to the situation of the Burmese people. The recent humanitarian crisis due to cyclone Nargis merely added to decades of suffering caused by massive violations of human rights, repression and exploitation of the civilian population. The ILO has on many occasions urged the military Junta to put an end to the systematic forced labour practices taking place in the country. Up to this date the Junta has failed to respond to all the requests of the international community.

48. In line with the ILO's decisions including the 2000 ILO Resolution on Burma which calls upon all ILO Constituents and all intergovernmental organisations "*to review any relations they may have with Burma and cease any such relations which may have the direct or indirect effect of perpetuating the use of forced labour*", sanctions must be applied so as to force the illegitimate military Junta to restore the rule of law and to enforce fundamental human and labour rights. As dialogue still fails to provide tangible results, trade unions from ASEM countries urge all foreign companies and regional institutions and banks operating in or with Burma to cease these activities and end all direct and indirect business links with Burma.
49. ASEM governments must put all possible political and economic pressure on the Junta. They should strongly support all efforts aimed at restoring democracy within the international community and at the regional level, including by taking or supporting relevant action in the UN Security Council, the ILO and the International Court of Justice.
