

# Asia-Europe Labour Forum (AELF10)

## Policy Proposals to the ASEM11

Ulaanbaatar, Mongolia, July 15-16, 2016

*“... [w]e noted with concern that global supply chains are often associated with infringements of the ILO core labour standards, as well as unregulated or unsafe work environments, wages below poverty level, poor industrial relations and compromised workers’ rights which hinder sustainable economic and social development.”*

<sup>5</sup>th ASEM Labour and Employment Ministers’ Conference, Sofia, 2015

### **Guaranteeing decent work in supply chains and a trade agenda that promotes development**

There is value in following up and continuing the work developed by the G7 in 2015, the 5<sup>th</sup> ASEM Labour and Employment Ministers Conference in 2015, and the International Labour Conference in 2016 on global supply chains. Increasing workers’ protection by requiring business to apply due diligence across the supply chains as laid out in the UN Guiding Principles on Business and Human Rights, promoting the values enshrined in the ILO Social Justice Declaration, the ILO Tripartite Declaration on Multinationals and the ratification and effective implementation of the ILO Conventions on Fundamental Rights at Work would greatly benefit working people in Asia and Europe, and it would enable the achievement of inclusive growth and the reduction of inequality.

Creating decent work in all sectors without lowering working conditions shall become a central criterion for choosing whether to pursue or not a trade agreement. Research shows that the liberalisation of trade and investment has created growth that is largely captured by the rich 1%, and has increased inequality, the ‘contractualisation’ of labour relations, and the feminisation of precarious work. Trade agreements between Europe and Asia shall be assessed before negotiations commence as to whether they would positively contribute to workers’ income and reduce inequality with realistic modelling that still needs to be developed. Assessments should also be made to detect the impact of a trade agreement on countries’ ability to promote the ILO Decent Work Agenda and to achieve the Agenda 2030 goals.

The AELF calls the ASEM11 Leaders to:

- continue work on global supply chains with a view to creating instruments for the monitoring and enforcement of labour and environmental standards, and the protection of human rights in cooperation with the ILO;
- supporting the enforcement of Global Framework Agreements that provide for specific measures negotiated between labour and business;
- follow up with financial commitments the Vision Zero Fund that aims at monitoring conditions, preventing occupational accidents and diseases, and compensating workers in case of failures; and
- require by law business to apply due diligence across their supply chains.

### **Investing in humans: social protection and care services**

In the Sofia Declaration, the ASEM Ministers called for dialogue with ASEM Finance Ministers on *“enhancing national fiscal space to invest in expanding coverage of nationally defined and appropriate social protection floors to combat poverty and generate opportunities for decent work and inclusive economic growth.”* Eliminating poverty and achieving inclusive and sustainable growth need robust measures to raise labour demand and reverse the decline in labour’s share of income. Such outcomes can be obtained by introducing and strengthening social protection floors, guaranteeing universal access to basic public services, and actively supporting the transition from the informal to the formal economy.

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In particular, extending social protection should include an ambitious plan for investment in care services in order to recognise what is today largely unpaid work carried out virtually always by women, create millions of new jobs and formalise millions more, and increase men's participation in this sector. Investing in such services should also take into account the need to enhance resilience and support adaptation to climate change.

The AELF calls the ASEM11 Leaders to:

- instruct the convening of a joint meeting of Finance and Labour Ministers of ASEM, as recommended in the Sofia Declaration, to discuss the financing of public investment in social protection;
- establish and reinforce social protection systems and improve the financial sustainability and the quality of existing ones. The ratification of ILO Convention No. 102 on social protection and the implementation of ILO Recommendation No. 202 on social protection floors, and the Recommendation No. 204 concerning the Transition from the Informal to the Formal Economy would considerably help ASEM partners to enhance social protection; and
- decide an ambitious national plans of public investment in the care economy including the socialisation of care work, and recognise the potential transformative effects on the societies of Europe and Asia

### **Accelerating the Just Transition to a low carbon economy**

In December 2015 in Paris, governments agreed on a framework for climate action and committed to secure our societies a safe emissions pathway in order to preserve billions of lives and livelihoods. The commitment to stay below 2°C and even aim at not surpassing 1.5°C average temperature increases must be followed with policy coherence between the national and international level, and among institutions of global governance. As 2015 was declared the warmest year since the recording of temperature data started, and February 2016 was already 1.2°C warmer than the base year used by the Paris Convention, there is an urgent need for action.

Climate change presents many challenges and dangers but also an opportunity that, if followed by bold action, could unleash the massive job creation potential of a green economy, while at the same time securing a Just Transition for workers in sectors which will face change. The commitment to a Just Transition is also part of the Paris Agreement, and has been translated into concrete policies in a consensus document by governments, employers and trade unions under the ILO's Guidelines for a Just Transition.

The AELF calls the ASEM11 Leaders to:

- actively promote the implementation of the ILO Guidelines for a Just Transition in their national contexts, in permanent dialogue with social partners, which implies anticipating potential impacts on jobs of a zero-emission trajectory; and
- open a dialogue with all relevant stakeholders, including trade unions, in the process for implementing Nationally-determined contributions (NDC) and assess potential for improving their ambition and scope, as a means for implementing the Paris Agreement.

### **Granting the Asia-Europe Labour Forum the status of "ASEM Forum"**

*"We recommend our Leaders consider deepening a joint engagement of business and labour in the ASEM process, also taking into account the activities of the Asia-Europe Labour Forum."*

<sup>5th</sup> ASEM Labour and Employment Ministers' Conference, Sofia, 2015

Trade unions have been engaged in the ASEM process since its very beginning in 1996. Admitting the Asia-Europe Labour Forum as an "ASEM Forum" not only would make dialogue more inclusive but would also increase relevant experience, especially on issues of employment and social affairs, and ownership of ASEM's work. The trade unions in ASEM partners look forward to deepening engagement in the ASEM process by being included in ASEM meetings and by being directly involved in Leaders' Summits together with the Asia-Europe Business Forum (AEBF), the Asia-Europe Parliamentary Partnership Meeting (ASEP) and the Asia-Europe Peoples' Forum (AEPF). Trade Unions in ASEM are convinced that social dialogue has an important role to play to contribute to balanced policy-making and social policy, and are key to democracy.

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