

## Achievements, new directions from 1994 ILO conference

*Meeting in 81st session, the International Labor Organization advanced its agenda by adopting a new Convention and two important new Resolutions, and paved the way for a new Convention next year*

Don Smyth

**B**y many yardsticks, the 1994 International Labor Conference, convened in Geneva in the 75th anniversary year of the International Labor Organization (ILO), was a watershed. As the "world labor parliament" met in June, the community of nations faced what many within the organization consider the worst employment crisis since the Great Depression of the 1930's. Shortly before the assembly opened, the ILO reported that nearly one-third of the global work force—820 million people—were either unemployed or underemployed. With that somber jobs picture and the impact of swift economic globalization as a backdrop, a record 2,000 delegates—representing workers, employers, and governments from 158 of the ILO's 171 member nations—weighed and acted on a variety of issues influenced by the seismic economic, social, and political change rocking the world.

### **A call for new directions**

In his report to the conference, ILO Director-General Michel Hansenne of Belgium said that "the time has come to make a new overall assessment of the ILO's aims and means of action. The urgency of doing so has been imposed by the tremendous geopolitical upheavals that have occurred so fast in recent years." In addition, he pointed out, "we are now witnessing a drastic acceleration in the globalization of the economy. This process, which is the source of hope for

some and of distress for others, a positive development for some and a dangerous drift for others, is calling a number of concepts and fixed ideas into question."

According to Hansenne, "The social dimensions of globalization need to be given greater weight by the international community, and to be fully taken into account in the establishment of rules, mechanisms and policies for management of the global economy." To mark the ILO's 75th anniversary, the director-general noted, the Organization's Governing Body had "decided to turn deliberately to the future and to ponder the responsibilities to be assumed tomorrow."

### **Milestones and accomplishments**

The historic assembly signaled several milestones. In addition to celebrating the 75th anniversary of the ILO's creation in 1919 by the Treaty of Versailles, it marked the 60th anniversary of United States membership in the world body and the 50th year of the 1944 Declaration of Philadelphia—the organization's "Magna Carta" for workers.

Within this context, the 1994 conference took a number of actions to improve a world of work struck by stunning change. It adopted a Convention on part-time work, paved the way for a Convention next year on mine safety and health, and explored a stronger ILO role in future labor developments. The historic gathering also:

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- Rescinded the Declaration concerning Action Against Apartheid in South Africa, and called upon the international community to support firmly the country's program of reconstruction and development;
- Urged the ILO to revise Convention No. 96 on private employment agencies "to set the pattern for response to the dynamics of changing labor-market conditions." (The Convention currently regulates the basic practices of fee-charging employment agencies.);
- Adopted two resolutions, one in regard to the 75th anniversary and the future role of the Organization, and the other concerning the ILO's positive role in the World Summit for Social Development to be held in Copenhagen next March.
- Featured an address by U.S. Secretary of Labor Robert Reich, who underscored the importance of considering international labor standards in the realm of trade.

*Part-time work.* Part-time employment in industrial nations has soared to 60 million in recent years. Because most of the affected workers are women lacking benefits and protections, the conference adopted a new Convention—No. 175—that recognizes: the need to ensure protection for part-time workers regarding their access to employment, working conditions, and social security; the importance of productive and freely chosen employment for all workers; the economic importance of part-time work; and the need for employment policies to take into account the role of part-time work in generating additional job opportunities.

The new Convention requires that countries ratifying the measure take steps to ensure that part-time workers receive the same protection accorded to comparable full-time workers in the following areas: the right to organize, the right to bargain collectively, the right to act as workers' representatives, the right to occupational safety and health, and the right to protection from discrimination in employment and occupation.

In addition, part-time workers stand to benefit from statutory social security provisions equal to those of comparable full-time workers, maternity protection, guarantees upon termination of employment, paid annual leave, paid public holidays, and sick leave. Part-timers whose work hours or earnings are below specified thresholds may be excluded from the protections, but the thresholds will be sufficiently low so that an unduly large proportion of such workers would not be excluded.

The new rule applies to employees whose normal hours of work are less than comparable to those of full-time workers; employees engaged in the same or similar work or occupation as their

full-time counterparts; and employees in the same establishment or branch of activity as the full-time workers in question.

After consulting with workers' or employers' groups, a member state may exclude wholly or partially from the measure's coverage particular categories of workers or establishments when its application would create special problems deemed of a substantial nature. However, the Convention stipulates that measures will be taken to facilitate access to productive and freely chosen part-time work meeting the needs of both workers and employers.

A Recommendation on part-time work also was adopted. It includes provisions to guide countries in applying obligations under the Convention and to promote equality of protection in fields not covered by the standard.

*Mine safety issues.* With more than 15,000 mineworkers worldwide losing their lives on the job annually, the conference acted to pave the way for the 1995 adoption of a new mine safety and health standard in an industry employing 25 million workers. Likely to take the form of both a Convention and a Recommendation, the standard proposed by the conference will, in principle, apply to all mines but will leave defining categories to the countries after consultation with the most representative workers' and employers' organizations. Member states ratifying the Convention would develop a coherent mine safety and health policy, with national legislation requiring employers to prepare relevant plans for

#### Schlossberg retires

The 1994 conference of the International Labor Organization marked the end of U.S. representative Stephen I. Schlossberg's 7-year tenure as director of the organization's Washington office. Longtime trade unionist, human rights advocate, and Federal labor-management relations executive, Schlossberg retired shortly after the 81st session of the conference. After the session, ILO Director-General Michel Hansenne commended him for "distinguished service" with the organization: "Through solid relations with the U.S. tripartite community of labor, management and government representatives, the Congress, the executive branch and other groups, Mr. Schlossberg contributed immensely to elevating the visibility of the ILO. By addressing major forums of labor, business, government, academe, and human-rights groups, he did so much to strengthen and enhance his nation's leadership role in the work of the ILO."

minework before beginning operations, and to specify rescue plans in case of accident.

Under the proposed Convention, employers would be responsible for ensuring that workers are trained in safety and health issues, and for guaranteeing that mining operations are carried out under the safest conditions. For their part, miners would have the right to demand inspections and inquiries, to be informed of dangers, and to obtain information held by employers or the country's "competent authority" relating to their safety and health. Safety and health representatives, chosen by the workers, would carry out inspections and inquiries and could use independent experts. Workers and employers would be encouraged to cooperate in promoting mine safety and health.

*Noncompliance.* In the realm of standards, 50 governments furnished information and explanations to the Committee on Application of Standards on failure to respect their obligations under international labor standards. While noting progress in a number of countries, the panel expressed regret that 18 countries failed to submit newly adopted standards to their legislatures for possible action.

Following an indepth discussion of a survey of the ILO's Committee of Experts on the Conventions on Freedom of Association (No. 87) and the Right to Organize and Bargain Collectively (No. 98), the standards panel stressed the need for the universal application of the standards on freedom of association. Universal application of these standards, the committee stated, "could not be subordinated to the achievement of a certain level of development or to a political or economic situation."

### Opening a dialogue

Beyond the concrete action taken at the conference, highlighted by the new Convention, the new Recommendation, the resolutions, and the groundwork paving the way for a new mine safety and health rule next year, the tripartite players—representing labor, business, and governments—engaged in lively debate about the future role of the ILO in a world of change. In plenary sessions, often before a packed audience of delegates and onlookers in the Palais des Nations' Assembly Hall, a parade of speakers from developed and developing nations echoed the need for the ILO to respond affectively to the change swirling around the globe.

There was much point-counterpoint in the dialogue:

*A "new social pact."* In the keynote address before the session, United Nations Secretary-General Boutros Boutros-Ghali called for a new

social pact to assist the world in coping with unemployment and achieving sustainable development, and, he said, the ILO must play a central role in devising it. "Today, we must together lay down a new social pact . . . a new form of social development for the world," he declared. "I believe that this is the goal that the World Summit (for Social Development), to be held in Copenhagen in March 1995, must set for itself."

The summit "should provide an opportunity to set up international machinery to monitor, evaluate and analyze new social trends and situations worldwide." It should also be a forum for strengthening international cooperation and proposing integrated economic and social policy. "In all these fields," said Boutros-Ghali, "I hope the ILO will deploy its full strength. Since its general mandate is to promote social justice, it is right and proper that it should be given a leading role in implementing the Recommendations and program of action which will be drawn up by the summit," given that the summit's central purpose "is to formulate policies and measures to alleviate and reduce poverty, to expand productive employment and to enhance social integration."

Calling social development one of the "most crucial issues" facing the community of nations as the 21st century dawns, Boutros-Ghali said that the U.N. system, and "first and foremost" the ILO and the United Nations itself, "already consider that they are fully mobilized for this new social project." In asserting the need for such efforts, the Secretary-General painted a bleak social and economic picture in a world of pervasive change, saying, "Poverty is increasing, in particular in developing countries. The overall growth of unemployment and the spread of social malaise have given rise to new forms of tension that, in many ways, threaten international peace and security.

"This new and disturbing situation requires us to make radical changes in our ways of thinking and acting. This is true both for the ILO and the United Nations." In today's global climate, he added, "we must not only protect those who have jobs but also help alleviate the situation of those who do not. Those without work deserve as much attention as workers themselves, since the right to work is an essential component of human dignity; we must guarantee that right." Indeed, the question of employment is "one of the most pressing tasks facing the ILO three-quarters of a century after its founding."

*Taking on the global workplace.* In his opening-day address, ILO Director-General Hansenne said that the international community needs to assign "much greater importance" to the social aspects of economic globalization." These social issues, he argued, should be taken "fully into

account in introducing machinery and measures to ensure adequate control over the world economy. The globalization of the economy has highlighted . . . the problem of the link between fair labor standards and international trade. That is the issue of the social clause."

Over the past 5 years, "the world has drastically changed," he noted. "It's an open world, rich in promises and rich in opportunities. It is also a confused world fraught with risks." However, he added, "The capacity of nation-states to influence economic policy is seriously undermined by this internationalization of investment and cash flows as well as by the facility with which productive activities can be delocalized."

Thus, the globalization of trade is giving rise "to unprecedented and widespread social problems. Inequalities persist and grow and new ones come into existence between states and within states." No country "can be sure of remaining untouched by grave social problems, such as rising unemployment and spreading poverty." With special regard to the agenda of the ILO, Hansenne noted that "[I]t is . . . becoming increasingly hazardous to promote the protection of labor without simultaneously taking into account the obligation of states to promote employment."

According to Hansenne, this implies the need for a "a certain degree of refocusing our standard-setting activity. First of all, we need to choose, as themes for new international labor standards, only those subjects we believe to be really essential." Moreover, a multilateral approach is needed to pursue the twin goals of "enhancing respect for workers' rights and promoting social progress everywhere in the world . . . I am convinced that such an approach must be based on principles already accepted by the international community."

These principles include ILO Conventions relating to basic human rights, such as those standards guaranteeing freedom of association and collective bargaining and those forbidding forced labor, Hansenne noted. (Conventions are similar to treaty obligations when ratified by a member nation.) The ILO has the "technical equipment" to deal with these matters, he explained, citing its tripartite structure that involves labor, management, and governments functioning with equal voices and equal votes; its procedures for framing international labor rules; its detailed knowledge and experience in coping with these problems, and, above all, its machinery respected the world over for the impartial supervision of the application of these standards by member states.

Hansenne also proposed that the ILO draw up an annual report analyzing the world employment situation and the effects of economic and financial policies on the global jobs scene.

*A worker's point of view.* After his election as the second worker delegate ever to serve as conference president, Charles D. Gray, U.S. trade unionist and worker delegate to the conference and the Governing Body, told the assembly that, with economic globalization, the ILO "must continue to push" for universal application of fundamental worker rights. "Since the global economy is based as much on work and workers as it is upon capital and investment flows, it is both natural and positive that there is a growing acceptance that worker rights should be linked to trade and credit relationships," he asserted. These fundamental protections are "the rights to freedom of association, to collective organizing and bargaining, to equality of opportunity and treatment in employment, and to be free of forced labor and child labor."

One of the ILO's "great contributions" over the past 75 years, Gray said, has been to delineate and publicize those rights as well as help its "social partners"—labor, business, and government—put them into effect. But in the end, he declared, "the ILO cannot enforce the observance of workers' rights. That responsibility still belongs to the nation-state although this responsibility should be carefully safeguarded by all of society's socio-economic forces."

To be effective, he said, the ILO should be a respected partner alongside the entire U. N. family and international financial and trade organizations, including the World Bank, the International Monetary Fund, and the newly established World Trade Organization. This partnership should involve efforts "to design, adopt and implement socio-economic policies that help to reduce poverty, foster sustainable and employment-intensive economic growth and to improve working and living conditions on the planet." Gray asserted that, to this end, the tripartite ILO "should recommit itself to the principles of 1919 (the year of its creation) as a necessary step in this direction. We have to acknowledge that the neo-liberal ideology—giving all rights to free-market forces and none to human beings—will not automatically produce acceptable outcomes or social justice." However, this is not a time to question the basic principles of the ILO's mission and standards, he said. "We have to be aware that we have been down this path before. The 'law-of-the-jungle' ideology that some now seek to advance helped plunge the world into the deepest depression and most dangerous war that mankind has yet produced."

*Voice for U.S. employers.* In his first conference as U.S. employer delegate, Thomas B. Moorhead offered a different approach to deal with the change rocking the world. He rejected

the idea of enforcement of ILO labor standards through sanctions in "social clauses," saying such action would change the organization's traditional approach requiring voluntary acceptance of international obligations and would "undercut and reduce the credibility of the existing ILO supervisory machinery." Reduced to its simplest terms, Moorhead argued, "the use of a social clause is simply a protectionist measure under the guise of human rights to be used against somebody we don't like but only if they are weak enough not to be able to do anything about it." For these reasons, he said, U.S. employers "reject the attempt to link worker rights with trade sanctions."

If standard-setting is the "core of the ILO" as many contend, Moorhead argued, "then the report card reviewing the ILO will have to give it very low marks for relevance." As of last December, only six of the ILO's member countries had ratified 50 percent or more of its Conventions (now numbering 175) and more than two-thirds of the membership had ratified 25 percent or fewer Conventions, the business executive reported. "Clearly, the standards which are being set at the conference or proposed by the office (the Secretariat), are simply not responding to the needs of the world at large." And, given the ratification rate, he questioned if the "goal of social justice is truly furthered by standard-setting in its present form."

Moorhead asserted that U.S. employers doubt whether all ILO standards have contributed to the major goal of "creation of productive and freely chosen employment." Because of this doubt, he said, U.S. employers propose that the process by which standards are chosen for conference action be "reexamined" by the Governing Body, as ILO Chief Hansenne had suggested in his report to the membership. According to Moorhead, U.S. employers also propose that a general discussion on the future of standards policy would be a proper agenda topic for a forthcoming conference.

In conclusion, Moorhead said, "Through technical assistance and tripartite consultations, the ILO can help employers and workers cope with disruptions created by company restructuring and the globalization of the economy."

But instead of a "mindless concentration" on new standards, social clauses, and global regulation, he suggested that "we should use the strength of the ILO—its tripartite nature—to focus upon and come to grips with these problems."

### Observations by Secretary Reich

As one of several high-level speakers responding to the Director-General's conference report, U.S. Secretary of Labor Robert Reich said the World Trade Organization (WTO), established in

1994 by the members of the General Agreement on Tariffs and Trade, should "fully utilize" the ILO as it considers labor standards in the realm of trade. In reference to the new trade organization, he declared: "Let us waste no time in continuing, extending and giving practical force to the core mission of the ILO." The Cabinet officer expressed hope and expectation that the ILO's "formidable knowledge and expertise" will be fully utilized by the WTO "as it considers the role of appropriate labor standards in an increasingly integrated world economy."

Reich reaffirmed the United States's "long-standing commitment" to the ILO's cause and lauded the labor organization's "pragmatic efforts" to improving working conditions worldwide. Reporting that he had recommended that President Clinton seek ratification of ILO Convention No. 150 on labor administration and that tripartite discussions are under way on Convention No. 111 on discrimination in employment, Reich said:

"... the issue of international labor standards has gained an extra degree of salience, symbolized by the recognition at Marrakesh that labor standards must be taken into account in formulating the work of the new World Trade Organization."

Few people are willing to argue that labor standards are "strictly internal affairs," Reich said. "Nor are there many candid advocates of the opposite extreme that standards must be identical in every country." The Labor Secretary called for a "middle ground" that defines "some absolute standards to which every country is expected to hew. Some labor practices simply place countries outside the community of civilized nations."

Reich described the middle ground as "core labor standards" of the ILO that "will certainly include goods produced by prison or slave labor. Some forms of child labor—such as work by very young children—also will be found to violate universal norms, even in the poorest countries. Nor is poverty a valid pretext for restricting freedom of association and organization or the rights of employers and workers to collectively bargain."

However, "beyond a short list of core labor standards, judgments must become more conditional." Reich added, "The belief that developing countries must grow richer in order to improve living and working conditions—and that they must trade if they are to grow richer—has merit." Thus, while it is "neither fair nor realistic to insist that labor standards in developing countries must be identical to those in richer countries, it is appropriate to expect labor standards to improve as economies develop."

Reich offered three general principles to guide the international community's response to policies that "affront" the set of standards it artic-

ulates: first, multilateral intervention is "preferable"; second, there should be a menu of potential responses to labor-standards abuses that vary in nature and severity; and, third, there should be a pragmatism, so that intervention forges change in the "offending" nation.

### **From the industrializing world**

Singapore's Minister of State for Labor, Chee Wee Goh, struck a common chord heard from developing nations. "The latest attempt to introduce social clauses in international trade agreements before the signing of the Final Act of GATT (the General Agreement on Tariffs and Trade)," he said, "is seen by the developing countries as a disguised form of protectionism, aimed at eroding their comparative advantages and blunting their competitiveness." Goh pointed to a recent report of the Organization for Economic Cooperation and Development on work and employment, which cited "rigid labor laws and inflexible labor policies" along with other factors as "important causes" of the unemployment crisis in the industrialized countries. He suggested that the report "therefore called for the easing of labor laws to help promote economic growth and job creation."

If rigid labor laws and policies "are indeed the causes of serious economic woes and unemployment crises in the industrialized countries," the Singapore official asked, "why should social clauses based on such laws and policies be imposed on the developing countries? What is the real intention behind such a proposal?" Citing the emphasis on worker rights, he argued that "it will soon lead to the imposition of other standards and practices based on the values and norms set by the western industrialized countries."

If these policies were adopted, Goh said, he sees two basic consequences: first, "the imposition of trade restrictions in the guise of non-compliance with labor standards would adversely affect the economies of developing countries"; and, second, "the linkage of labor standards with trade would negate the efforts of GATT to promote free trade for the benefit of all."

According to Goh, "The experience of East Asian and South East Asian countries shows that it is through a more open economic policy and liberal global trade that faster economic growth, employment creation and improved standards of living can be achieved." The Association of South East Asian Nations (ASEAN), whose members have benefited from trade liberalization, are "therefore concerned that ILO labor standards may be used as a vehicle of protectionism, for this would seriously negate efforts to achieve economic growth, greater employment opportunities and a better standard of living for workers." As a result of their expressed concern, the ASEAN governments of Indonesia, Malaysia, Philippines, Singapore, and Thailand introduced at the conference a resolution "calling upon the ILO to resist the linking of social clauses to international trade," the Singapore official pointed out.

### **Welcoming new members**

In another clear signal of the change gripping the world, Governing Body Chairman John Nkomo of Zimbabwe welcomed four countries that have become ILO members since last year's conference — Tajikistan, Turkmenistan, Oman, and South Africa.

Regarding the reentry of South Africa into the ILO this year after a 30-year absence because of its apartheid system, Nkomo said: "We therefore take great pleasure in having among us . . . the delegation of the first non-racial and democratically elected government in the history of South Africa." Nkomo, who is Zimbabwe's Minister of Public Service, Labor and Social Welfare, went on to assert that "it is my fervent hope that the region will now be able to redirect its efforts from confrontation to cooperation with South Africa and work together in redoubling efforts to promote economic development in the region." Tito Mboweni, South Africa's Minister of Labor, responded in kind, stating that as the 81st session of the conference charts its course, "we in South Africa are mapping our own. The ILO principles of tripartism, social partnership and social justice are our compass." [.]