

The current mandate of the ILO Director General is nearing an end, with fresh elections to be held next year. Perhaps at this time, it is appropriate to briefly reflect on the progress that has been made in reforming the Organisation during the last three of years of his stewardship.

In the first instance progress has been made, in particular, with a greater recognition of the ILO's expanding role in the international labour and social fields and away from a narrow fixation on one aspect of it, namely standard-setting. Employers can take great satisfaction that employment generation, as a route to poverty alleviation, is now one of the core strategic objectives of the house. Through the setting up of the Working Party on the Social Dimension of Globalization and the subsequent World Commission, the ILO is also attempting to place itself at the centre of this debate.

The area of standards has also witnessed genuine attempts at reform with a comprehensive examination of the overall approach to international standard setting. This, in particular, manifests itself through the introduction of the new "integrated approach to ILO standards-related activities" which will entail an analysis and inventory of the ILO's standards-related activities. Decisions on how to progress will then be based on an in-depth analysis. Is this a dynamic new approach to standard-setting or the same old approach in new clothing? Only time will tell, but it does, at the very least indicate a willingness to embrace change, which should be welcomed. Furthermore, progress has been made in relation to eliminating outdated instruments. Last year saw five outdated conventions withdrawn and this year's conference saw the withdrawal of twenty outdated Recommendations.

This is all good, but there is still a long way to go. For instance, the decent work approach is neither well understood nor has it created a great deal of enthusiasm, the NGO debate in the ILO remains unsettled with tripartism suffering the consequences and the ILO's human resources policy is increasingly less visible. Perhaps, it is now time for employers to make an analysis of where they are and what they want the Organisations' focus to be on in the next five years.

Antonio Peñalosa
Secretary-General

Editorial

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International Labour Organization

The 2003 International Labour Conference will be an extremely important one for employers with a number of very challenging debates. The IOE has already started the process of preparing for the Conference and to this end, has sent some preliminary information to all members. As always, we are greatly appreciative of any feedback that we receive.

Next year's Conference introduces the new "integrated approach to ILO standards-related activities", starting with a discussion on Health and Safety. This will have significant implications for both the approach and preparatory work needed for the work of the Conference. This new approach will begin with an analysis and inventory of the ILO's standards-related activities in this field to assess whether or not they meet today's needs. This general discussion could, therefore, lead to a range of responses including consolidation, new standards or other promotional activities. The Employers' Group will need to ensure that the issue is considered in its widest possible context and that the discussion does not simply end up in being just another old style standard-setting discussion. (IOE Contact: perkins@ioe-emp.org)

Next year will also see the return, in a different guise, of the extremely divisive "Contract Labour" debate, although that term is no longer used. This debate failed in 1998 primarily as it appeared to be discussing three categories of workers under one definition as well as totally failing to accurately define 'Contract Labour'. The whole debate, for employers focuses on the need to recognise the reality of new types of employment. Employers will not allow a negative approach to any type of employment that does not fit the classical model of the first half of the last century. Despite a subsequent Meeting of Experts on this issue in May 2000, the most recent communication from the Office would seem to indicate that little has been learned and that the discussion in 2003 (which will be a general discussion) has the potential to go the same way i.e., failure. The IOE is currently impressing upon the Office the gravity of the situation and offering ideas on possible routes to a successful debate. (IOE Contact: rynhart@ioe-emp.org)

Finally, the 2003 Conference will examine the issue of Human Resources Development, as the Governing Body deemed that the Human Resources Development Recommendation (1975) No. 150 required a revision. The Conclusions of the Conference in 2001 called for a more dynamic instrument that is more applicable, as well as used by member States and the social partners in formulating and implementing Human Resource Development policies. Employers will try and keep the focus in this debate on the fundamental role of governments in the provision of primary education and training and the facilitative role that employers can play in policy formulation and implementation. There will be a second discussion of this issue in 2004. (IOE Contact: oechslin@ioe-emp.org)

International Labour Conference 2003

<p>Subsequent to the May meeting of the ILO World Commission on the Social Dimension of Globalization, the Co-Chairs requested that the ILO initiate a high-level meeting with CEO's, which would present the business community with an opportunity to convey its views to the World Commission on a number of key matters currently under discussion. Consequently, the ILO approached the IOE to arrange this exercise, which will now take place after the Commission's third meeting on 16 October 2002.</p> <p>In addition, the Commission is beginning a series of national dialogues. It is anticipated that these dialogues, which will be in a 'roundtable' format, will be composed of between 20-30 people representing employers, academics and think tanks, labour and civil society groups, ministries covering social policy, industry, trade, education and development and local development agencies. Some of these dialogues are starting now and the IOE has requested the ILO to approach IOE member federations in each of the regions, so as to enable them to represent the business community at these events.</p> <p>While there are many genuine concerns, which are not just confined to employers, on the direction that the World Commission is taking, it is nonetheless very important that the views and concerns of employers are effectively represented at all of these consultations. The World Commission has an opportunity to produce a worthwhile report, which could add value to the debate on globalization. It is vitally important that this opportunity is not spurned.</p>	<p>World Commission on the Social Dimension of Globalization</p>
<p>IOE Activities</p>	
<p>The Turkish Confederation of Employer Associations (TISK) will host the 40th IOE European Members meeting in Antalya, Turkey (11-14 September). Two important areas for discussion, related to the work of the ILO, will be "Globalization" and "Corporate Social Responsibility (CSR)". IOE President François Perigot will give an update on the work of the <i>World Commission on the Social Dimension of Globalization</i> and will seek the views of members in the open forum that will follow. This discussion is timely as it comes at a critical time in the life of the Commission. Of equal relevance will be the debate on CSR. Currently, as pressure is mounting on the ILO to re-enter this debate and with a host of other initiatives currently happening, some of them with unforeseen implications for business, this discussion takes on an even greater importance.</p> <p>Three other relevant discussions will also take place, in particular, the examination of the situation of Central and Eastern European Employers and how they can be assisted with the challenges that they are currently facing, the Global Compact in Europe (with the presence of George Kell from the Office of the UN Secretary-General) as well as the main issues and challenges for employers in the ILO over the next two years.</p> <p>For further information: oechslin@ioe-emp.org.</p>	<p>IOE European Members Meeting in Turkey</p>

<p>The IOE, with the support of the Croatian Employers' Association (CEA) and experts from Ireland, France, Switzerland, the European Commission and the ILO, organised the first meeting of the network of experts in labour law from South Eastern European employers' organizations in Split, Croatia (26-29 June). The Swiss Agency for Development and Cooperation will finance the network, which is the first concrete action for employers' organizations within the framework of the Stability Pact. The issues discussed included the representation of staff in enterprises, international labour standards, the ILO Committee on Freedom of Association, collective disputes, the employment contract, individual disputes (Conseil des prud'hommes in France and Geneva), the role and functions of the manager/employer, economic and social committees and collective bargaining.</p> <p>For further information: oechslin@ioe-emp.org.</p>	<p>Network of experts in labour law from South Eastern European Employers' Organizations established</p>
<p>The Employers Confederation of the Dominican Republic (COPARDOM), together with the IOE, will host this year's meeting of Ibero-American Presidents of Business Organizations in the Dominican Republic (9-11 October 2002). The meeting has two main objectives. The first is to reflect on, and adopt a common statement from the business community to the Heads of State of the Ibero-American countries on the sustainable development aspects of regional integration. The second is to coordinate the views of the IOE's Latin American federations on the social dimension of globalization to the ILO's World Commission, which will conduct, during this meeting high-level consultations with the group on specific issues of concern for the region.</p> <p>This information will be timely as employers from the American continent are expected to present their position on this subject to the Inter-American Conference of Labour Ministers next year. The meeting will also address the process of integration within the American States and will explore new ways to strengthen existing ties with the European Union.</p> <p>For further information: yuren@ioe-emp.org</p>	<p>14th Meeting of Ibero-American Presidents of Business Organizations</p>
<p>United Nations Agencies</p>	
<p>Mr Daniel Funes de Rioja, IOE Executive Vice-President will represent the IOE and will be part of the high-level ILO delegation attending the World Summit on Sustainable Development currently being held in South Africa. The main theme of his intervention at the summit will be on employment as a central element in the social pillar of sustainable development. His intervention will focus on the importance of formulating integrated employment policies that aim at creating employment, matching skills to current and emerging jobs, raising standards of living through more and better jobs, focusing public and private investment as well as international assistance in productive areas and getting the unemployed into employment.</p>	<p>World Summit on Sustainable Development</p>

<p>The Global Compact announced the release of its first Progress Report, which presents a comprehensive overview of the Global Compact and the progress made in the core areas of activity: Learning Forum, Policy Dialogues, Partnership Projects and National Activities.</p> <p>The Policy Dialogues have to date focused on ‘the role of business in zones of conflict’ while the current dialogue focuses on ‘business and sustainable development’ (most of the current work is still in progress). It is envisaged that the Learning Forum will develop a database of companies’ activities covering specific examples and case studies. The Global Compact has established a global academic network composed of leading academics and other experts to feed into this process and to complement the learning forum through research and analysis.</p> <p>The report states that, “as the Global Compact more fully develops this capacity (the conceptualisation and communication of development projects) – primarily by providing suitable frameworks and incentives – the focus will be on encouraging and communicating, not facilitating or managing, public-private partnerships, that support broad UN goals.” The UN General Assembly has passed a resolution authorising the continued engagement of the UN with the private sector, including the Global Compact initiative.</p> <p>For further information: www.unglobalcompact.org</p>	<p>Global Compact First Progress Report</p>
<p>The IOE was invited to present the employer perspective at a panel discussion on the fight against HIV/AIDS in the workplace during an ILO meeting at the major international conference on HIV/AIDS, that took place in Barcelona, Spain (7-12 July 2002). The focus of the panel discussion was on expanding the response to HIV/AIDS, by addressing the epidemic through the workplace. Frederick Muia (IOE) used the occasion to present the new IOE publication “Employers Handbook on HIV/AIDS: A Guide for Action” which was prepared with the support of UNAIDS. Discussions focused primarily on:</p> <ul style="list-style-type: none"> • Going beyond awareness raising and prevention activities to venture into the provision of care and support for infected employees; and • Seeking partnerships with governments, and other actors to step up HIV/AIDS prevention activities. <p>The Conference was addressed by former Presidents Nelson Mandela and Bill Clinton, both of whom appealed for more concerted action to stop the spread of the pandemic.</p> <p>For further information: muia@ioe-emp.org</p>	<p>International HIV/AIDS Conference</p>
<p>The Global Reporting Initiative (GRI), which was launched in 1997 by the United Nations Environment Programme (UNEP) and is designed to develop and disseminate globally applicable sustainability reporting guidelines, has released its 2002 ‘Sustainability Reporting Guidelines’. These guidelines are a voluntary mechanism and companies may simply use them for informal reference. The GRI is a multi-stakeholder initiative.</p> <p>For further information: www.globalreporting.org/GRIGuidelines/index.htm</p>	<p>The Global Reporting Initiative</p>

IOE Membres	
<p>The IOE's member federation in Turkey, the Turkish Confederation of Employer Associations (TISK), has published a booklet entitled "Children Working in Industrial Sites and TISK Activities on Child Labour" which outlines the various programmes that it has implemented on the issue of child labour during the period 1993 – 2001. The programme outlines a phased approach to resolving the issue of child labour in Turkey and practical approaches to implementation.</p> <p>For further information: james@ioe-emp.org</p>	Child Labour in Turkey
<p>The IOE member federations in Panama (CONEP) and in Mexico (CONCAMIN and COPARMEX) will host, at the beginning of September, a tripartite delegation of the Japan International Labour Foundation. The mission, organised by the Japan Business Federation in collaboration with the IOE, will exchange experiences on the current general labour situation in those countries and in particular, in the field of industrial and human resource management in private companies. One of the chief objectives of the visit is to gather sufficient information to formulate recommendations on future technical cooperation programmes for employers in Panama and Mexico.</p> <p>For further information: yuren@ioe-emp.org</p>	Japanese Tripartite Delegation visits employers' organisations in Panama and Mexico
Other News	
<p>The mining company Anglo-American has decided to provide anti-retroviral medicines for HIV-positive employees. It is a brave move, as there are many unknowns surrounding the treatment and future costs. In South Africa, between 4.7 million and 5.2 million people are infected with the virus, with workers in the mining industry being among the worst affected. Of Anglo's workforce of 134,000 an estimated 23% (30,820 employees) are HIV- positive. The company said it expected about 10% (3,082) of the infected employees across the group to ask for anti-retroviral treatment in the first year. Previous estimates have put the cost of anti-retroviral treatment for one patient, on a monthly basis, at more than R1000 (c. \$94). The company said that it would seek partnerships with government to ensure that the appropriate health-care facilities are available for HIV-positive workers once they left the company. Source: www.allafrica.com/aids</p>	Anglo-American Initiative on HIV/AIDS
<p>The Canadian government will host a workshop in early October in Montreal entitled, "The Challenges for Labour Ministries in the 21st Century: New Employment Relationships and the Digital Divide". The initiative is part of the ongoing activities organised by the Organization of American States in the run up to the proposed American Free Trade Area, which is due to come into operation by 2005. The workshop will provide a unique opportunity to preview preliminary government positions on the topic of "employment relationships", which is on the agenda of next year's International Labour Conference (see related article in this newsletter) and which, in different guises, has proven so divisive in previous debates.</p>	Workshop on New Employment Relationships and the Digital Divide

It appears that efforts by the International Organization for Standardization (ISO) to standardize Corporate Social Responsibility (CSR) are intensifying. Current indications are that the ISO intends to establish a multi-stakeholder body to pursue the development of an international standard or 'other deliverables' on CSR. ISO envisages that such a standard would be applicable to all companies from SME's to MNE's and in all sectors of economic activity. ISO also intimated that "More exploration of the potential role of ISO deliverables other than standards needs to be undertaken, such as those taking the form of guidance documents, especially those which can be developed more quickly than standards and can be converted to standards at a later point". The IOE views the ISO development with concern and scepticism, as any attempt to standardise CSR moves against the voluntarism of the approach which underpins its success.

A new strategy on CSR has also been adopted by the European Commission on the basis of its Green Paper, which was published last year. The strategy looks to develop CSR initiatives in small and medium-sized undertakings ('SMEs') in particular, by identifying the business case for CSR and by awareness raising in SMEs. The Commission will publish a report on the work of the European Multi-Stakeholder Forum in 2004. Its key components are to:

- promote the business case for CSR in order to make it attractive to more and more companies, in particular, SMEs;
- promote external evaluation and benchmarking of companies' social and environmental performance in order to make CSR credible;
- manage a European Multi-Stakeholder Forum in order to focus discussion on CSR; and
- ensure that EU policies are CSR-friendly.

Crucially, the Commission has recognized that, to deliver its potential, CSR needs to be a voluntary action by companies and the role of the State should be to merely facilitate the spread of the concept through education, best practice and dialogue. Despite some worrying language in this new strategy with regard to monitoring and verification, fundamentally there is no call for legislation, which had been strongly hinted at in the run up to the launch of the document.

In this ever widening debate, one of the key concerns is the possible roles being played by organisations with no mandate in this field. Symptomatic of this is the debate that is currently taking place at UNHCHR (United Nations High Commissioner for Human Rights). Some of the ideas which have emanated from the sub-committee that UNHCHR set up in 1998 to analyse the issue are of serious concern to employers. The IOE has been actively engaged with this sub-committee for some time in bringing employers' views and concerns before it. Some of the proposed approaches that they have proposed would run counter to that of the UN Global Compact initiative, in particular, its voluntary nature. The IOE has impressed upon this Committee that legal compliance is all that can be legally required of a business and that CSR initiatives are initiatives taken over and above the minimum legal requirements and as such must, because of that very fact, be voluntary actions. Furthermore, any moves into this sphere by agencies such as UNHCHR will move them outside of their areas of competence and into the competencies of others, namely, the tripartite ILO. For further information: wilton@ioe-emp.org.

According to very recent research carried out by a leading American University, International Labour Standards are most likely to be ratified by countries that have existing labour legislation in line with them, so that the symbolic act of ratification has no implications for labour costs and international competitiveness. It appears, according to this research, that labour conditions are not influenced by the ratification of labour standards but ratification is instead a function of labour conditions in a given country. The most widely ratified conventions address general issues, while the least frequently adopted, address conditions for narrowly defined worker groups. Much of this recent empirical evidence further supports the IOE's call for reform of ILS so as to make them more relevant for Member states. This research would seem to suggest that they largely are not. The analysis was conducted across a diverse cross-section of countries over the past 20 years. The key findings include:

- Non-ratification of ILO Conventions is virtually costless whereas, in contrast, ratification of ILO conventions that require the passage and implementation of new domestic legislation to alter labour conditions can impose significant domestic economic and political costs on a country. This implies that countries that ratify standards are likely to be countries for which ratification is least costly, i.e., countries whose national legislation already provides protections that are at least as strong as the ILO conventions.
- Ratifications do not seem to produce subsequent changes in domestic policies that affect labour conditions.
- The analysis of ratifications and labour conditions found no evidence that ratifications of core labour standards lead to improvements in the condition of labour. There is strong evidence that countries with open trade policies have superior labour rights and health conditions.
- The evidence supports the view that ratification is driven by a country's dominant social values and pre-existing levels of labour rights and conditions.
- There is a significant relationship between the size of the trade sector and ratifications of all ILO conventions. However, the evidence indicates that this is driven more by the interests of import-competing industries rather than exporters.
- This link between trade and total ratifications does not translate into improved labour rights and working conditions.
- With no evidence of a link between the ratification of ILO Conventions and actual labour conditions, it seems unlikely that a country's choice of ratifications would influence its labour costs.
- The analysis finds no evidence that the adoption of international labour standards has produced improvements in productivity and, hence, in compensation.

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<p>The global chocolate and cocoa industry, in partnership with unions and non-governmental organizations (NGOs), has established the International Cocoa Initiative – Working Towards Responsible Labour Standards for Cocoa Growing, which aims to eliminate abusive child labour practices in cocoa cultivation and processing. The International Cocoa Initiative will:</p> <ul style="list-style-type: none"> • Support field projects and act as a clearing house for best practices that help eliminate abusive child and forced labour in the growing of cocoa; • Develop a joint action program of research, information exchange and action to enforce internationally recognized standards on abusive child and forced labour in the growing of cocoa; and • Help determine the most appropriate, practical and independent means of monitoring and public reporting in compliance with these labour standards. <p>Last year, the industry signed an International Protocol laying out a specific timetable to ensure that cocoa is grown without abusive child or forced labour practices. The Protocol followed industry efforts that were already underway to gain a better understanding of the issue and develop solutions. The IOE has discussed this issue with representatives of the cocoa industry and will continue to maintain close contacts with them throughout the process. The International Cocoa Initiative will be based in Geneva.</p> <p>For further information: http://www.chocolateandcocoa.org/News</p>	<p>Cocoa industry establishes initiative to combat Child Labour</p>
<p>Finance ministers of the countries of the Southern African Development Community (SADC) met in Pretoria earlier in August to agree on plans for tax harmonisation and economic convergence in the region. Discussions focused principally on similarities in policies that the 14 countries could use, for example, in collecting revenue to fund development. The meeting also discussed a report on money laundering in East and Southern Africa and considered the role of finance ministers in the continent's economic recovery plan, the New Partnership for Africa's Development (Nepad). At a gathering of the Governors of the African Central Bank in Johannesburg last year, a timetable for economic and monetary union within approximately 20 years was discussed. Source: www.allafrica.com</p>	<p>SADC Finance Ministers discuss common economic policies</p>
<p>In July, the Colombian Congress established mandatory paternity leave. It took into consideration the same paternity leave standards and principles provided by the relevant Conventions and Recommendations of the International Labour Organization (ILO) regarding maternity leave. In general terms, it states that husbands or permanent male companions are entitled to a paid paternity leave of four to eight working days. This is an important legislative development and may have a ripple effect elsewhere in the region. Employers operating in Colombia should revise their leave of absence policies to accord with the new law.</p>	<p>New Paternity Leave Law in Colombia</p>

<p>The European Employers Organisation, UNICE, together with UEAPME (European Association of Craft Small and Medium Sized Enterprises) and CEEP (European Centre of Enterprises with Public Participation and of Enterprises of General Economic Interest) signed a framework agreement on telework with ETUC (European Trade Union Confederation).</p> <p>Approximately 4.5 million employees are currently teleworking in the European Union and some estimates foresee that number reaching more than 17 million employees by 2010. The agreement will be implemented by the members of those organisations that have signed it, rather than through European legislation. In brief, the key elements of the agreement are:</p> <ul style="list-style-type: none"> • The development of telework in such a way that flexibility and security go together and that the quality of jobs is enhanced; • Telework is a way of organising work which can correspond to companies' and workers' needs; • Different forms of telework are covered, but is limited to regular telework in the context of an employment contract or relationship; • It is based on the recognition that teleworkers benefit from the same protection as employees working at the employer's premises; • It highlights key areas requiring adaptation or specific attention when working away from the employer's premises (e.g. data protection, health & safety, training, etc.); • It leaves the choice of the tools and procedures of implementation to the members of the signatory parties in accordance with national practices; and • It includes a procedure for reporting on the actions taken to implement the agreement. <p>For further information: http://www.eurofound.eu.int/2002/07/Feature/EU0207204F.html</p>	<p>EU Framework agreement on Teleworking</p>
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