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QUARTERLY NEWSLETTER OF THE INTERNATIONAL ORGANISATION OF EMPLOYERS

REPRESENTING 145 NATIONAL EMPLOYER FEDERATIONS IN 138 COUNTRIES ACROSS THE WORLD

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INTERNATIONAL
ORGANISATION OF EMPLOYERS

Index

Editorial	1
<i>Doing Business</i> launch	2
European Members Meeting ...	3
Child labour	3
Western Balkans	4
Gender issues	4
Inter-American Conference ...	4
Social Dialogue Latin America	5
ILO Ratifications	5
Multi Forum	5
Decent Work	6
Sectoral Activities	6
Employers on TV	7
IOM and Private Sector	7
Calendar	8

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Editorial

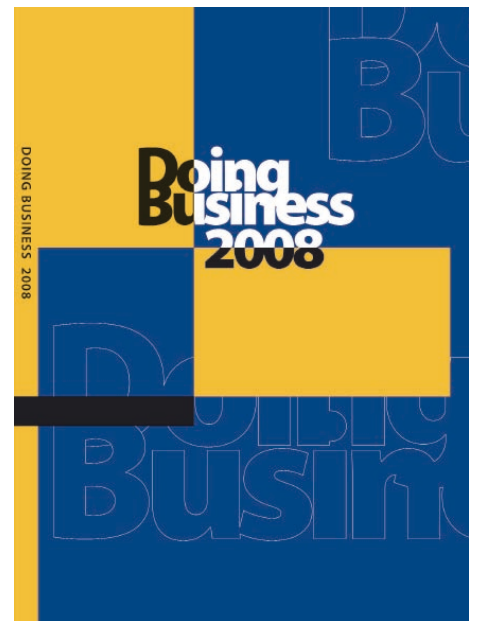
The *Doing Business* 2008 report, an annual index prepared by the World Bank that measures the “ease of doing business” across 175 countries, was launched in New York in late September at an event organized by the United States Council for International Business (*see p. 2*).

The reports, while an enormous resource to employer and policy makers globally have not been without controversy. The “ease of employing workers” index which is a composite of three sub-indices (difficulty in hiring; rigidity of hours; and difficulty to fire) has been the source of discontent in some quarters. Not surprisingly trade unions have been the most ardent critics, along with the International Labour Office (ILO).

The World Bank responded to this criticism and compiled a report for its Board in June of this year. This report found that the *Doing Business* indicators on employment are fully consistent with the ILO’s fundamental labour principles and rights at work. In addition, the report notes that only four of the 187 ILO conventions cover regulations measured in *Doing Business* in the areas of employee termination, weekend work, and work at night.

Doing Business 2008 has also improved the methodology of the “employing workers” index so the indicators are consistent with all 187 ILO Conventions. A country can now comply fully with all of the ILO conventions and rank at the top of the *Doing Business* “ease of employing workers” index. For example, Georgia, the top rated country on the “ease of employing workers” index, has ratified all eight ILO conventions that constitute fundamental workers’ rights.

The World Bank say their intention is to highlight badly framed laws. The poorest countries, as the report highlights, often suffer from the worst rigidities in their labour codes and the resulting reality is a “lack of protection” due to non applicability of legislation. Vulnerable groups suffer the most. They rightly point out that if Denmark can finish in the top ten of this index it surely demonstrates



Doing Business 2008 – Front Cover

that countries can be business friendly and provide strong social protection.

The ILO's main concern is that the index is based solely on a "costs" approach to legislation and that other benefits emanating from labour law are

not taken into account. While there is some truth to this, the 'Office' seems to have taken an "all labour law is inherently good" approach (no matter how inapplicable it is).

At the last Governing Body there was a number of

calls for the Office to work with the Bank in addressing real concerns. The Office has recently published a report on the "ease of employing workers" index which will lay the basis for dialogue between the two organizations. ■

IOE and Member Activities

Doing Business 2008 – launched by the USCIB

The World Bank's 2008 *Doing Business* report was launched at the end of September in New York by the United States Council for International Business (USCIB) with the participation of Abraham Katz, IOE President and World Bank President, Bob Zoellick who both gave key note addresses.

The reports have quickly become the Bank's flagship product and now rank 175 countries on the "ease of doing business"



Bob Zoellick, World Bank President

across ten different regulatory areas. Issues compared in the reports include starting a business, dealing with licenses, employing workers, registering property, getting credit, protecting investors, paying taxes, trading across borders, enforcing contracts and closing a business.

Doing Business is an invaluable resource for employers'

organizations, enabling them to directly compare the 'business environment' in their own country with that of competitors and other countries around the world. The main strength of the annual report is that it uses objective indicators to compare how easy or hard countries make it to do business by showing, for example, that it takes nearly 700 days (yes really!) to register a business in one coun-

try, while it takes only two in another. As this year's *Doing Business* report demonstrates it is often vulnerable groups such as women which are affected the most by inefficient regulations.

Eastern Europe is this year's top re-

forming region with Croatia as top reformer for the second year in a row. East Asia is the next best region, with India leading the way. Egypt is the top reforming country. Many of the largest emerging economies feature on the list of solid reformers with China, India, Indonesia, Turkey and Vietnam all improving the ease of doing business.

The IOE is currently exploring with the World Bank ways to better connect member federations with this work, both in terms of the preparation of the reports and in the subsequent promotion of their findings. ■

Contact rynhart@ioe-emp.org



Panellists. IOE President, Abraham Katz (centre)

IOE European Members' Meeting at the CBI

The annual IOE European Members' Meeting hosted by the Confederation of British Industry (CBI) in London in early September brought together twenty seven European federations.

Specific sessions were held on trade and labour standards (the debate in Europe); labour migration; the World Health Organization Global Plan of Action on Workers' Health; updates on the CSR debates; along with updates on the ILO. Representatives from the WHO

and the IOM introduced their respective panel discussions.

The CBI led the discussion on labour market flexibility – which included specific examples of the British model – and also gave a useful overview of 'what they do' (key policy actions areas) and 'how they do it' (useful insight into their advocacy strategies).

A specific outcome from this meeting was the clear commitment made by both the WHO and the IOM to work with the

business community through the IOE on, respectively, health and safety at work and labour migration. The IOE Secretariat is currently working with these organizations to establish such modalities for better engagement.

All background documents and presentations are available on our website. ■

Contact oechslin@ioe-emp.org



A. Peñalosa, IOE; M. Barde, FER-Ge; J. Cridland, CBI



IOE European Members' Meeting, London

Employers in the fight against child labour

The Turkish Confederation of Employer Associations (TISK) hosted an Inter-Regional Conference on "Sharing Experiences and Lessons Learnt in Combating Child Labour" for employers from throughout Eastern & Central Europe and the Caucasus regions.

Over the last 15 years, TISK has been particularly active and involved in the development of programmes and national policies to fight child labour. A number of organizations in the region (such as Azerbaijan and Moldova) are also running child labour programmes and several others have plans in the pipeline.

The Conference adopted a Joint Statement on child labour which reaffirmed the

commitment of employers in the region to tackle child labour by inter alia raising awareness, advocating compliance with

national law, promoting education and exploring possibilities for developing actions plans. The meeting was also an opportunity to present the Guides for Employers: Eliminating Child Labour jointly produced by the IOE and ACT/EMP (it is envisaged that it will be available in Russian next year).

There are further plans to organize workshops on child labour in the cotton sector for employers' organisations in the Caucasus and Central Asia regions (we will keep members in this region updated on developments). ■

Contact leon@ioe-emp.org



Child labour meeting participants

IOE network in the western Balkans

At the end of this month the IOE will be organizing a Conference / Workshop in Montenegro on competitiveness in the Western Balkans.

This is a follow-up to the successful regional conference held with the World Bank in Sofia in December of last year on improving the investment climate.

The event provides an opportunity to exchange ideas and experiences on employers' efforts to improve the investment and regulatory climates

in their home countries. It will begin with a half-day conference with local companies and representatives from the Western Balkans employers' organizations. A workshop will follow to discuss practical follow-up actions.

The functioning of the new Western Balkans Business Centre which should start its activ-

ities in early 2008 will also be discussed. It is envisaged that the centre will act as a coordination and information centre for business organisations in the western Balkan region (by establishing partnerships with major stakeholders).

The International Finance Corporation (World Bank) and the ILO's employers' bureau will attend both the Conference and the Workshop. ■

Contact oechslin@ioe-emp.org

Greater opportunity for women in the labour market

The Secretariat is examining how to expand its work on women in the labour market (opportunities and obstacles) over the coming period. This will facilitate the preparatory work being done for the 2009 International Labour Conference General Discussion on "gender equality at the heart of decent work".

The World Bank's "Doing Business" reports (see p. 2) will include from next year a new topic on "opportunities for women". It was also a key theme in this year's report. The IOE is currently looking to step up collaboration with the Bank in this area.

We would ask members to contact the Secretariat if they have relevant documents, positions or case studies in this area to assist ongoing work.

Contact leon@ioe-emp.org

Follow up to the XV Inter-American Conference

The XV Inter-American Conference of Ministers of Labor (IACML) of the Organization of American States (OAS) took place in September in Trinidad and Tobago.

The conference produced a Declaration "Making Decent Work Central to Social and Economic Development" and Plan of Action. In order to put this into practical effect a planning meeting will be held

in Washington D.C. in early December with the participation of the Business Technical Advisory Committee on Labor Matters (CEATAL), presided by Mr Funes de Rioja and coordinated by the IOE (and the

trade union equivalent) along with representatives of international organizations affiliated to the IACML, in order to define the Calendar of Activities for 2008–2009. In this respect over the coming period we will be in contact with members to finalize employer priorities. ■

Contact anzorreguy@ioe-emp.org

Social Dialogue in Latin America

Within the framework of the XVII Ibero-American Summit of Heads of State and Government; the Iberoamerican General Secretary (SEGIB) and the International Labour Organization (ILO) are organizing a meeting in Buenos Aires on 29–30 of October to reflect and share on

the Spanish experience in the promotion of social dialogue. The meeting will bring together 25 high-level employers and 25 high-level worker representatives from IOE members in Spain and Latin America.

The participants will also analyze the role of social partners

in promoting social dialogue in the region and the different ways to implement social dialogue. At the end of the meeting a set of conclusions and a joint declaration will be adopted to submit to the Heads of State and Governments meeting at the Summit. ■
Contact anzorreguy@ioe-emp.org

International Labour Organization

ILO Reports on Ratifications

In a paper to this November's session of the Governing Body, the ILO reported on the number of countries that have now ratified all of the ILO's fundamental Conventions.

These conventions address Freedom of Association; the Abolition of Forced Labour; Equality and the Elimination of Child Labour.

Among the 181 member states of the ILO, 127 have now ratified all eight of them (with a further 27



States having ratified six or seven). What is also interesting is that in a number of replies from Governments concerning non ratification, they stressed that they would consider ratification only after they had put in place the national legal

and regulatory steps to ensure compliance. The Employers' Group has long argued that such an approach is preferable to States ratifying first then finding themselves before the ILO's supervisory machinery for non-compliance.

Where States first prepare the ground prior to ratification the likelihood is stronger that legal effect will be given to the Convention and that it will be properly enforced – something many claim doesn't usually happen. ■

Contact anzorreguy@ioe-emp.org

Multi Forum

The ILO is to mark the 30th anniversary of the Tripartite Declaration on Principles concerning Multinational Enterprises and Social Policy (MNE Declaration) with a number of events, including a special Forum to be held on 15–16 November 2007.

It is intended that the Forum will draw executives and labour representatives from around the world and it will also provide a platform for sharing and exploring the effectiveness and use of the MNE Declaration. If federations are interested in sending companies to participate in this event they should contact the IOE Secretariat. More information on the forum can be found at a dedicated website:

www.ilo.org/public/english/employment/multi/index.htm.



Contact leon@ioe-emp.org

ILO Forum on Decent Work for a Fair Globalization

This Forum provides an opportunity for employers to showcase their positive experiences with globalization as well as some of the challenges.

At its March 2006 session the Governing Body of the ILO decided to have a “Forum on Decent Work for a Fair Globalization”.

The idea came from the Report of the ILO’s World Commission on the Social Dimension of Globalization which was launched in February 2004. The aim of the Forum according to the ILO is to “create a meeting place for policy dialogue and action between people and organizations that are concerned with shaping a sustainable world economy, society and environment”. The Forum will be shaped around six themes:

- Employability: education, skills development and technology;
- Upgrading work and enterprises in the informal economy;
- Migration for work, within borders and internationally;
- Social protection policies for social cohesion and economic development;
- Policy coherence among international organizations;
- Decent work opportunities for young women and men: overcoming discrimination and disadvantage.

Panellists and participants will present experiences and

examples from their national context or region. The Forum, whilst providing a place for policy dialogue is not a policy-making event, it will merely be an opportunity to exchange experiences and facilitate dialogue between stakeholders.

The Forum provides employers with the opportunity to bring to the attention of the ILO and others, innovative and effective experiences which can show the positive impact of globalization as well as ways by which challenges can be effectively managed. A report of the meeting should be submitted to the March Governing Body to discuss any subsequent actions pertaining to the forum, if any. ■

Contact rynhart@ioe-emp.org

Sectoral activities in the ILO

There has been over the last period a considerable restructuring of how the ILO deals with its work in different sectors and sectors are now grouped into eight broad ‘groups’.

Additionally, advisory bodies have been put in place for each group to ensure that workplace issues relevant to the sectors are the focus. These advisory groups have just concluded a bout of consultations to agree on work-plans to be recommended to the ILO Governing Body for the forthcoming two-year period. In summary these will be:

- The **Construction** group has commissioned a study on workers’ input and representation on health and safety issues in the construction industry.

Additionally, training materials on occupational safety and health and project management for clients, contractors, engineers, trade unions/workers will be developed. A Global Dialogue Forum (GDF) on “Decent Work through public procurement and construction contracts” is also envisaged. GDFs will be more informal meetings to discuss specific issues of specific sectors with a view to identifying what the social partners and the ILO could do (there will be NO negotiated outcome);

- The **Private Sector Services** group will hold (by the end of 2008) a Global Dialogue Forum (GDF) on vocational education and skills development for commerce workers. Possible future GDFs include: temporary employment agencies; the gaming industry – as part of the hotel and tourism sector; postal services; the graphical sector; security services; and cleaning services.
- The **Manufacturing** group agreed to the launch of a national action programme on “Transport Equipment Manufacturing: the employment relationship, rights at work and social protection”.
- The **Agriculture** group agreed in principle to a re-

vision of the 1979 Code of Practice on safety and health in agriculture (probably second half of 2009).

- The **Energy and Mining** group agreed to a Tripartite

Meeting on “Promoting Social Dialogue and Good Industrial Relations from Oil and Gas Exploration and Production to Oil and Gas Distribution” (probably

the first half of 2009). This meeting will focus on recent developments, employment, industrial relations and social dialogue issues. ■

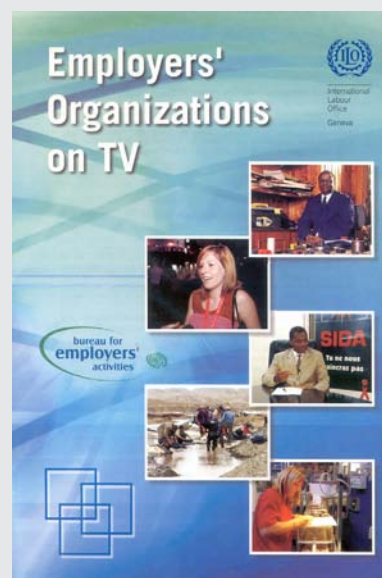
Contact dejardin@ioe-emp.org

Employers on TV

The employers' bureau of the ILO have put together a set of TV productions on DVD of employers in the following areas (these appeared on various news channels such as the CNN WorldReport over the last 18 months). The topics (and countries) are:

- **Bulgaria** – *Occupational Safety & Health*;
- **Bulgaria** – *Payroll Administration Service*;
- **Cameroon** – *HIV/AIDS in the workplace*;
- **Denmark** – *Flexicurity*;
- **Denmark** – *Vocational Training*;
- **Jamaica** – *Youth Employment*;
- **Kenya** – *Informal Economy*;
- **Mongolia** – *Child Labour*;
- **Mongolia** – *Informal Gold Mining*; and
- **Serbia** – *Youth Employment*.

The DVD is available directly from the employers' bureau. Contact Henrik Moller moller@ilo.org



UN and other International Organizations

The IOM and the Private Sector

The IOE's relationship with the International Organization for Migration (IOM) has developed considerably over the last twelve months.

Jill Helke, the Executive Officer from the IOM Director General's Office, briefed European members on global developments in the migration debate at the recent IOE European meeting in London (*see p. 3*).

Earlier this month the IOE Secretary-General, Antonio Peñalosa, chaired a session at the IOM on the “Role of

the Private Sector and other Stakeholders in Making Labour Migration Work for Development”.

This debate focused on bringing the voice of the private sector into policy discussion; how public-private partnerships could be utilised; and whether national tripartite structures could play a role in addressing la-

bour market needs. The debate also brought together companies in the private employment agency sector; trade unions (from the Building sector); and governments.

At the international level, the IOE is currently discussing with the IOM the establishment of a working group on migration to interface with the IOM and other institutions on migration and development. ■

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2007 Calendar

Major Forthcoming Meetings

17–19 October	Symposium on Labour and Social Aspects of Global Production Systems: Issues for Employers	<i>Geneva, Switzerland</i>
19–20 October	European Commission Social Dialogue Conference	<i>Belgrade, Serbia</i>
24–25 October	IOE Conference on competitiveness in Western Balkans	<i>Becici, Montenegro</i>
29–30 October	Bi-partite Conference on Social Dialogue in Latin America	<i>Buenos Aires, Argentina</i>
1–2 November	ILO Forum on Decent Work for a Fair Globalization	<i>Lisbon, Portugal</i>
2–17 November	300 th Session of the ILO Governing Body 2007	<i>Geneva, Switzerland</i>
6–7 November	XVIII Meeting of Presidents of Iberoamerican Employers' Organizations	<i>Santiago, Chile</i>
9-10 November	IOE Management Board	<i>Geneva, Switzerland</i>
15-16 November	MULTI Forum 2007: 30 th Anniversary of the Declaration on Principles concerning Multinational Enterprises and Social Policy	<i>Geneva, Switzerland</i>
27-29 November	Informal Economy Symposium	<i>Geneva, Switzerland</i>
3-4 December	Follow-up to the XV Inter-American Conference of Ministers of Labor (IACML)	<i>Washington D.C., USA</i>
10–13 December	Meeting of Experts to Examine Instruments, Knowledge, Advocacy, Technical Cooperation and International Collaboration as Tools with a view to Developing a Policy Framework for Hazardous Substances	<i>Geneva, Switzerland</i>