



International Organisation of Employers
Organisation Internationale des Employeurs
Organización Internacional de Empleadores
The Global Voice of Business



5TH ANNUAL IOE FORUM DURING THE INTERNATIONAL LABOUR CONFERENCE

Building a Workforce for the Future with Diversity, Equality & Inclusion

GENEVA, 6 JUNE 2018

14:00 – 17:00

Room XI, International Labour Office



REPORT

July 2018



For the fifth consecutive year, the IOE welcomed the opportunity presented by the International Labour Conference to bring together the leadership of its member organisations, as well as social and employment policy experts from other institutions and organisations, at a special event designed to share perspectives on the pressing issues of the day for employers and enterprises. There were more than 120 participants at this 5th Annual IOE Forum, on the theme “Building a Workforce for the Future with Diversity, Equality and Inclusion”¹, which was chaired by IOE President, Mr Erol Kiresepi.

Mr Kiresepi welcomed the participants, noting that the annual IOE Forum was now a highly appreciated tradition.

Turning to the speakers he introduced Ms Patricia Hajdu, Employment Minister of Canada, and recalled that, within the context of the G7 presidency, Canada had made a priority of the future of work, to which the theme of the Forum was intrinsically linked.

Mr Kiresepi emphasised that the focus of the discussion would be on exploring ways to build a workforce with the competences to meet the skills needs of the future. He cited evidence that addressing the skills mismatch was the “number one” factor influencing workforce strategies and underlined that “getting it right” had the potential to unleash tremendous economic and social value; while getting it wrong could jeopardise competitiveness and growth, with the attendant social consequences.

The Forum would look at the positive role played by technological advances in promoting inclusion, such as the integration of people with disabilities.

On the other hand, the jobs of those individuals employed in repetitive tasks were vulnerable to advances in AI, and those employed in new forms of work enabled by technology risked being pushed into the informal economy with no regulatory protection.

The discussion would therefore be multifaceted and consider issues related to migration, regulatory frameworks, education and training systems, enabling environments for enterprises, and more. This pointed to the need for comprehensive approaches, and the outcomes and learnings of the Forum would feed into the Employers’ contribution to the ILO Centenary Initiative on the Future of Work, among other debates.

¹ The full programme, including speakers’ profiles is attached at Annex. Links are provided throughout the report to presentations where available.



Moderating the first panel, Mr Roberto Suárez Santos, IOE Secretary-General ad interim (ai), acknowledged the strong emphasis placed on inclusion by the government of Canada encapsulated in their “every Canadian deserves a real and fair shot at success” slogan. Commending this initiative, Mr Suárez underlined the need for government to engage with the private sector and invited Ms Hajdu to set out her vision for an effective public-private partnership to

achieve diversity, inclusion and equality.

Ms Hajdu took the floor and first acknowledged Derek Hines and Sonia Regenbogen of the Canadian Employers’ Council (CEC) for their contribution to the success of the tripartite relationship which Canada holds in high regard. She also thanked the IOE for organising the pre-Forum lunch with the ILO Director-General, several IOE Vice-Presidents and other leaders, which she had found very fruitful and enriching.

Ms Hajdu related her own experience of social exclusion as a young person. Nevertheless, she had overcome the odds and been the first person in her family to graduate with a post-secondary education. Her early professional life had been in public health, drug policy, housing and homelessness, engaging daily with individuals excluded from opportunities for a range of reasons. These marginalised groups represented not only an expense to government, but also a cost to society in terms of unfulfilled potential. Ms Hajdu also recalled her time as an employer in a highly unionised environment, and so was well placed to understand the employers’ perspective on competing needs and challenges.

Clearly, she went on, there was a moral argument to dismantling barriers to social justice, but, in making a reality of diversity, equality and inclusion, there was also an economic argument; smart companies were already reaping the various benefits of a diverse workforce through insights into new markets and unique approaches to problem solving. Canada’s Financial Post 500 – the premier ranking for corporate Canada - reported up to a 26% higher ROI in companies with a higher representation of women on their boards. A 2015 McKinsey Global Institute Report suggested that if women participated in the labour market in the same way as men, this could add 26% to annual GDP by 2025. There were also convincing data supporting the benefits of racial and ethnic diversity in the workplace. This all raised the question as to why there were still high exclusion rates.



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She acknowledged that the Canadian government could not achieve inclusion goals alone as it employed only 8% of the workforce. They therefore gave private sector employers the support they needed. This began by putting their people - Canada’s greatest strength - at the heart of a more innovative future of the economy by increasing investments in traditional

methods such as jobs and skills training (including work placements), employer-sponsored training, job-search assistance, and career counselling. On top of this, the government was working with employers and unions to increase workforce participation of women in STEM and other skilled trades by providing monetary incentives to employers and unions to hire under-represented groups. There was also a new government plan to give adult learners, who have been out of school for ten years or more, the support they needed to retrain or upskill through a non-repayable student grant programme and to remain in employment and insurance schemes while training. In recognition of the need for more skilled tradespeople, the Canadian government was working to destigmatise a career path in trades by providing financial incentives; more funding for training and pre-apprenticeship programmes; and targeting recruitment and incentives for women in male-dominated trades. Inclusion efforts were also focused on Canada's indigenous peoples, who constituted the youngest and fastest growing segment of the Canadian workforce and therefore had a huge impact on the country's prosperity.

Ms Hajdu urged the business community to work with government to co-invest in people across all groups; raising the issue of the gender pay gap, which the Canadian government was tackling through proactive pay equity and pay transparency legislation; by encouraging fathers to be more engaged not only in caring for their children, but also in balancing the uptake of unpaid work by having a "use it or lose it" model of leave for a second parent, thus freeing up their partner to invest in upskilling or pursuing higher education.

She commended the IOE for recognising that the workforce of the future would most effectively be built by embracing equality, diversity and inclusion. Canada recognised the need to modernise labour standards to reflect the 21st century job market. This meant adapting regulation to protect the rights and wellbeing of the most vulnerable, whilst ensuring that employers had the flexibility to succeed. Critical to the success of such regulation was the involvement of the tripartite stakeholders. She was encouraged that employers were making the connection between profitability and brand strength, and fair and safe workplaces; as well as seeing in those left behind a potential new pool of talent given the right support and approach. She reported on the growing relationship in Canada between government, labour and employers that had the economic success of the country at its core and would pave the way for everyone to have a fair chance at success.



Mr Robson Braga de Andrade, President of IOE member, the National Confederation of Industry of Brazil (CNI) took the floor to speak about labour, employment and the future of work in his country in the face of many uncertainties. CNI's discussions with the Brazilian business community revealed high levels of investment, but also more increased subcontracting. A challenge lay in how to equip Brazilians with the right skills, when the nature of the

jobs of the future was, as yet, unclear. The Brazilian economy was highly diversified, but there would have to be strong efforts to ensure that all sectors remained competitive. The informal economy was also a challenge for the country. Looking ahead to the future, it would be

essential to ensure that the Brazilian workforce was well trained, and to invest in innovative technologies to secure the country's competitiveness and position in the global economy.

Mr Braga de Andrade felt that the country was progressively modernising, and heightening competitiveness in the agricultural and agro-industry sectors by investing in cutting-edge tractors and seeds for example, and also by investing in IT and digital. From the point of view of CNI, their members were being encouraged to invest in new technologies as well as skills development.

CNI itself had created 25 innovation centres across Brazil to promote Brazilian industry and train workers in dealing with new technologies in collaboration with the national modernisation-in-industry service. It was also important to acknowledge the role played by the modernisation of labour legislation in Brazil, making the country's labour conditions more comparable to other countries. Mr Braga de Andrade underlined that employers' organisations would be instrumental in preparing their countries for the future in close cooperation with national institutions and government, as was happening in Brazil, where the changes ahead were being set out very clearly to civil society.

Mr Suárez thanked Mr Braga de Andrade for his remarks and introduced the next speaker, Ms Kristin Skogen Lund, Director-General of the Confederation of Norwegian Enterprise (NHO), recalling her Employer-spokesperson role in the ILO Global Commission on the Future of Work.

Ms Skogen Lund began by describing Norway as a country that enjoyed a very high level of trust, including in the close cooperation between employers, employees and the authorities – from the national level to the individual workplace. She explained that Norway had a coordinated wage-setting model based on the exporting industries' need for competitiveness, which also ensured the stable distribution of wealth. This model meant relatively high low and minimum wage, and relatively low high wages and, combined with strong welfare and social nets, this provided risk relief, high labour



mobility and high productivity as it paid off to automate. This meant too that Norwegian businesses had good restructuring capabilities.

She added that policies and regulation also played a decisive role in working towards an inclusive workplace: Norway had full coverage of universal child care at an affordable cost; one-year paid parental leave, one-third obligatory for the father. Various ombudsman offices were in place and there was an anti-discrimination act. Ms Skogen Lund insisted that the system, albeit expensive, paid off in terms of building a foundation for Norway's high participation of women in the workforce.

Furthermore, the government and the social partners had initiated "the inclusive working life agreement" to reduce sick leave, include more people with disabilities in the workplace, and facilitate older workers' remaining in the workplace.

NHO has launched its own initiative – the ripple effect programme – aimed at creating a stepping stone into employment for people who, for various reasons, have fallen out of the workforce.

On the down side, Norway still had a gender-divided labour market: a majority of women chose to work in the public sector and the majority of men chose to work in the private sector, and there were too many adults outside the workforce on various health-related benefits.

Overall, however, the model was successful and had proven that opportunity equals trust, which equals dialogue, which equals productivity. Despite trust being self-reinforcing, however, Ms Skogen Lund said that it was not self-sustaining, and the economy still faced some of the challenges arising from globalisation and digitalisation impacting the labour market. This had created high demand for both high and low skilled labour, and polarisation, impacting the distribution of wealth and opportunity. She highlighted the worrisome prospect of lack of progress and prospects for an increasing share of the western population, citing McKinsey data that young people could expect to be worse off than their parents. Compounding the current challenge was the imbalance between what was best for society and what was best for the individual: society wanted full employment and in general, she believed, most companies wanted to contribute to that. However, no company could survive without being profitable over time, so all workers had to “earn their keep”.

How to redress these imbalances? Ms Skogen Lund looked to lessons from the 1980s global commission on the environment and development, [Our Common Future](#), which had coined the phrase “sustainable development” and proposed that the path to sustainable development was to make it profitable. It was not simply the responsibility of business to do something about the environment, it was, rather, that doing something about the environment had to become business. She raised the prospect of succeeding in the same way with the imbalances in the labour market: could we make it profitable to hire and train and include more people? One barrier may be the way in which we measured things today. Since WWII, progress has been closely related to growth in traditional industries, with tangible products being made with labour and physical capital. Today, progress was being driven by non-tangible production factors such as processing power and data collection, categorisation, connectivity – and despite these factors creating fundamental value, they could be difficult to quantify and measure.

It seemed, then, that our old system had not kept up with the world and we had to ask if this was not driving inequality. She believed business could make a significant contribution to addressing this. Competent people having work was the foundation, not only for consumption and production, but also for social inclusion, trust, individual security and purpose. It was in the interests of everyone that anyone could find meaningful work within a well-functioning and inclusive labour market. This required building competence and skills, and for businesses to create and sustain jobs, which called for the regulatory framework to increase the incentives and decrease the risks associated with including more people in the workforce.

In addition to education and inclusion, empowerment was also an essential factor in building the right workforce. Ms Skogen Lund believed that employee empowerment could be enhanced by flatter organisational structures: the sum of innovation and improvement from the employees closest to the task always being larger than any top-down initiative. Such structures were crucial to Norway’s high level of productivity – but they required employer/employee trust and openness, and it was important in social partner negotiations to understand that it was not about winning or losing, but about striking the right balance and finding common ground.

Mr Suárez thanked Ms Skogen Lund, and introduced ILO ACT/EMP Director, Ms Deborah France-Massin to set out some of ACT/EMP's practical activities to build the capacity of employers to engage in effective social dialogue and promote inclusion, among others.



Ms France-Massin explained that ACT/EMP was a unit of the ILO that worked with representative business organisations on their internal growth strategies and policy issues of interest to their members.

One of her first initiatives as ACT/EMP Director had been to work on the business case for inclusion by initiating the ILO Global Business & Disability Network with the aim of getting business to talk about how they could foster a workplace environment that is inclusive to people with disabilities from a practical point of view. Having mainstreamed the initiative, the Network was now under the auspices of ILO GENDER and informing the work of the B20/L20 on the inclusion of people with disabilities in the workplace, grounded in the

reality of business.

Ms France-Massin echoed that the business/economic case had already been made for a diverse workplace and so ACT/EMP had embarked on an evaluation of progress made in the area of gender equality since the publication of a 1999 ILO report [“Breaking through the glass ceiling”](#). This had been conducted via a survey of companies on the practical measures that had made a difference and combined with labour market data, to arrive at the report [“Women in Business & Management – gaining momentum \(2015\)”](#). The findings had been positive in terms of progress, but there were still barriers related to inadequate childcare, to the assignment of roles, corporate cultures, unconscious bias, etc. Also highlighted was what companies, and women themselves, were doing to tackle the issue.



More recently, the study had been extended to capture a regional perspective with two guides as outcomes, one looking at how national employers' organisations work with their company members on this issue, resulting in an [IOE/ACT/EMP good practices brochure on women and economic empowerment](#) showing how employers' organisations and companies together have tried to make a difference in promoting gender and diversity in the workplace. Notable findings were that progress was being made gradually, and, that company policies only made a difference if there was top leadership buy-in.

ACT/EMP had also undertaken a short survey/report into what was going on in business organisations themselves regarding inclusion in their decision-making bodies, committee structures and meetings. In this case, little things mattered – like times of meetings, seeking out new faces for committees rather than reverting to the same people. At national level, employers' organisations were using data from ACT/EMP reports to develop national projects as well as services to companies, such as training women entrepreneurs, training HR managers etc.

Looking ahead, ACT/EMP would be working in Latin America with UN Women on driving organisational change in the private sector, and on strengthening employers' organisation capacity to implement commitments. It would also be valuable to keep measuring progress and this was why ACT/EMP was updating the 2015 report with a larger base: 13,000 companies in 70 countries, to achieve a global picture of performance, bearing in mind that a little bit of progress every year made a big difference over time. Early findings were that about 40% of companies surveyed could show that gender-diversity initiatives had a 10-15% positive impact on the bottom line.

Finally, Ms France-Massin underlined that there was "a war for talent out there" and that building an inclusive workforce drove business performance.

A representative of the Montenegrin Employers' Federation (MEF) said that they had undertaken research into women in management in his country in 2013 and that the government had used the data for its official strategy; this showed the key role employers' organisations could play. The MEF had conducted new research, which found that women were indeed more visible in the workplace. MEF led by example, with a woman president and secretary-general.

Mr Kris de Meester of the Belgian Enterprises Federation (BEF) presented a [video](#) to transition to the next round of speakers, beginning with Mr Kaiser Moyane, Chair of the Social Policy Committee of BUSA (South Africa).

Mr Moyane delivered a PowerPoint presentation, which may be downloaded [here](#), on skills shortages and addressing the barriers to inclusive STEM education, those critical subjects – science, technology, engineering and maths - for the future of work in the context of South Africa.

He began by outlining the context: South Africa was an emerging, middle-income economy with high levels of inequality and unemployment (27%), most of which youth, as well as poverty. It was one of Africa's biggest and most developed economies and had 11 official languages.



Mr Moyane noted that skills started at the basic level in school. The problem was that teachers were not adequately versed in the core topics and had been trained in old-fashioned, "lecture type" methods. They suffered from limited continuous-learning opportunities through lack of financing.

There was also a big difference between public and private schooling: students in private education were at the cutting edge in terms of STEM disciplines, but funding was

inadequate in the public system, thus perpetuating inequality.

"Braindrain" was also an issue, with good teachers moving from the public to the private school system.

A solution, particularly to the last issue, would be to improve conditions of service for teachers in the public system, as well as retention mechanisms. Offering development opportunities would improve and update teachers' knowledge and soft skills, build confidence and make them better teachers with up-to-date methods.

Another barrier lay in socio-economic factors - many schools in the rural areas and townships lacked the basic facilities that should be taken for granted, e.g. a laboratory for science learning. Many students had never even seen the apparatus used in a science lab. Access to ICT was also limited. If parents were not working, they could not afford a basic computer, or even a smart phone with connectivity, which meant that research was limited to outdated text books.

A solution to the socio-economic barriers lay in public-private partnerships to supplement government funding of schools. Companies could donate resources and skills as part of their corporate social investment, and the government could also prioritise – as one provincial government was doing with ICT and STEM so that children in the public-school system had access to computers, tablets and internet connectivity. BMW South Africa had built a state-of-the-art academy at their plant in Pretoria, training 300 apprentices per year and with open access to the public. Mr Moyane also gave the example of Standard Bank donating a first science lab to a school in the eastern Cape.

There were also constraints in the education system itself: many courses were traditional three to four-year courses, which were not always suited to the rapidly changing world of work. This led to high drop-out rates. People often wanted three to six-month courses for basic training that they could build on. Traditional training did not address the needs of people or business, and there was a disjuncture between educators, policymakers and business people. Skills policy was still being designed by policymakers and educators designed courses without the input of business. Mr Moyane called on business leaders to be in the vanguard – they had to lead in identifying skills needs and work with educators to design appropriate courses.

He noted that the 11 official languages also created a barrier to STEM skills acquisition. Although English was offered, it was introduced to children later in life. STEM concepts were foreign to African languages, and the delay hampered the acquisition of basic knowledge and the ability of less advantaged children to compete with children from well-off families.

Diversity was a challenge. Schools were meant to cater for children with all abilities but were not actually designed for that: the teacher taught as to a homogenous group, with the result that children with learning difficulties were left behind and isolated. Universities also failed to make material accessible to everyone. Mr Moyane believed that these realities resulted in less diverse workplaces - there was not enough through-put of people with differences.



Mr Suárez thanked Mr Moyane for his presentation, underlining the unique role business and employers' organisations could play in influencing and designing education and training systems for more inclusive societies and better skilled workplaces.

He noted the importance also of recognising the contribution of migrant workers to an inclusive workplace, before introducing Ms Ellen Yost, a Partner at IOE Corporate Partner Fragomen,

which also had a leading role in the IOE-supported [GFMD Business Mechanism](#).

Ms Yost underlined the highly contentious and relevant nature of the migration debate in the current global context. For business and the IOE, the focus was on international labour migration.

As frequent users of national migration systems, employers regarded migration as a positive phenomenon for fulfilling personal aspirations; balancing labour supply and demand; sparking innovation; and transferring and spreading know-how and skills. Ms Yost proposed that to remain successful and competitive in the global economy, businesses required clear and consistent migration policies, national laws, and procedures that allowed them to assemble and maintain their workforces.



She went on to note that public debate too often focussed on irregular migration. The aspiration of business was that the legal and regulatory systems around the world for migration at all skills levels be as coherent and transparent as possible.

Here, business had an important role to play in helping governments to improve migration policy, which had earned business a seat at the table in the Global Forum on Migration and Development (GFMD).

By way of context, Ms Yost recalled that there were 258 million migrants in the world, 160 million of whom were labour migrants. By 2020, there would be a shortage of 40 million skilled workers worldwide.

The GFMD Business Mechanism focused on several key issues in discussions with governments currently² negotiating the Global Compact for Migration (GCM) to be formally adopted in December 2018. The first was skills mobility: the movement of skills at all levels. Almost all countries sent and received migrant labour, so regional and bilateral agreements were essential to skills mobility. The second issue was access to labour markets. Here, the private sector could communicate its skills needs to government; train to provide skills; harmonise the certification process of educational competency and methods of assessment; and match skills with employment opportunities.

Business was also concerned with responsible recruitment and should ensure that national laws governing recruitment were compatible with treaties, urge ratification of [ILO Convention 181](#), and support the [IOM's IRIS initiative](#).

Business and governments could maximise the benefits of circular migration by encouraging the return of entrepreneurs; harnessing remittances; and establishing partnerships to build talent etc.

Business could be involved further in labour migration by identifying skills gaps in the labour market and suggesting migration-selection criteria.

Mr Suárez thanked Ms Yost and introduced the next speaker, Mr Rajeev Dubey, Group President of HR & Corporate Services, and CEO of the after-market sector at Mahindra & Mahindra, on the subject of fostering competitive youth in the BRICS through targeted HRD initiatives.

Mr Dubey delivered a PowerPoint presentation, which may be downloaded [here](#), setting out as a first step the context in India of a working age population crossing the one billion mark by 2030. This meant 10-12 million people would join the workforce every year for the next two

² At 6 June 2018

decades. The labour force in the industrialised world was set to decline by a couple of percentage points; in India it would increase by 32%. Translating this into a dividend depended on how well the country performed its skills assessment and delivery.

Referring to the graph on slide 3, Mr Dubey highlighted that the estimated training needs across a range of skills was roughly 130 million between 2017 and 2022, and that the issue of skills had been given a huge fillip by the Prime Minister, who chaired the Governing Council of the Skills Development and Entrepreneurship Ministry, which included ministers from different ministries so that a coordinated strategy could be achieved (slide 4).



India was tackling the problem by setting up a network of enabling bodies cutting across government, public and private partnerships, and private alone. Many initiatives were being undertaken concurrently, and so the challenge was to ensure that they were aligned and moving in the same direction.

The National Apprenticeship Promotion Scheme had been recast and a lot of incentives were being given to private industries to take on

a large number of apprentices. A lot of people had been trained, but not getting industry exposure, and this initiative enabled large number of young people to get hands-on experience in industry – industry benefitted too from the subsidies.

Of particular note was the National Skills Development Corporation, because it enjoyed the huge involvement of industry and was trying to create an eco-system of models for skills provision. Added to this were various platforms to bring together industry, labour, academia and government – tripartism worked on a massive scale in India.

Several initiatives related to inclusion; one was designed to address militancy in troubled parts of the country by providing jobs; another was tapping the huge potential of women.

In terms of private sector involvement, companies fulfilling certain capital base and turnover criteria had to contribute 2% of their pre-tax profit to a CSR fund being used for skilling and education, the environment and water conservation, and public health.

A practical example was presented of how one private sector company, Mahindra & Mahindra, could make a big difference. Last year, they engaged 80,000 youth in various programmes and at least 40,000 of these young people now had jobs, not just in Mahindra & Mahindra, but also in other companies as their programmes were demand led. First, they established sources of demand and then they created the skills to supply through the Mahindra Pride Schools, which had 100% placement success; the Mahindra Smart Centres reported 80% employment.

Challenges did remain, however, related to the quality and lack of good trainers, as well as a negative image surrounding skills training for working with one's hands, which was not positively perceived.

Questions invited from the floor included how to address the challenge of so many official languages and the barrier to technical skills training; how the national careers service

functioned in India; what incentives worked for businesses to get involved in training systems; and how to address the gender imbalance in technical schools.

Mr Moyane responded that it was difficult to address the challenge of language as a lot of the training material was in English; it only existed in a couple of African languages at a very basic level and did not adequately cover the STEM skills. He said that there were proposals for English to become the language of business and instruction for the purposes of development – not to lessen the value of the other languages, which would continue to have their place - but the proposal had not yet met with widespread favour.

Mr Dubey indicated that there were many officials from the Indian labour ministry attending the ILC who could better respond regarding the national careers service, but he felt it was not working quite as well as it might. Regarding female inclusion, Mr Dubey indicated that 70% of Mahindra's CSR spend was directed towards young females and women. Unfortunately, there was no tax relief on the CSR spend.



Mr Kris de Meester moderated the next section, first introducing Ms Britta Gross of Deloitte Consulting, on the impact of technological change on human capital development. Ms Gross delivered a PowerPoint presentation, which may be downloaded [here](#).



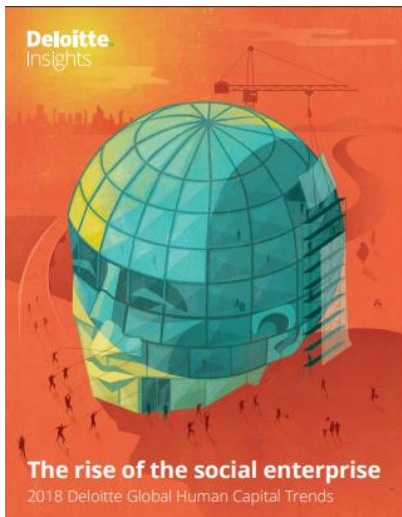
Ms Gross began by asserting that human capital development was already experiencing a significant impact from technological change, raising questions around how we bridge skills requirements in the future to what we have now, as well as how computers, robots, automation and AI are affecting society.

She underlined that this was not just an issue for the future: robot process automation was already here, and repetitive tasks could already

be performed by a robot.

The benefits were that tasks were performed more quickly, more accurately, without training and around the clock. This was driving a lot of change. There was also “intelligent automation” – so not just repetitive tasks being performed – but rules-based decision-making by robots exploiting analytics. Going further, there was AI; machines that could learn as humans do. Ms Gross reported that companies were already piloting and testing robots to undertake unbiased down-selection of candidates in recruitment processes by simply matching skills provided with skills required, and therefore contributing to a more inclusive workplace.

The impact of technological change varied from industry to industry; manufacturing had been experiencing a big impact for more than a decade, e.g. in the automotive sector. However, automation also brought fear to the market place, especially to emerging markets where labour could be replaced more easily. This raised the need for change and transformation strategy and to understand future skills demands, in order to train people to be relevant for the labour market of the future. Interesting questions were also being raised around people's perceptions of what government could do and what business could do to understand what the jobs of the future would be.



Here, she referred to [Deloitte's 2018 Global Human Capital Trends Report](#) of more than 11,000 business and HR leaders across 124 countries which revealed that people trusted more in business than in government (52% versus 48%) to do the right thing, as business better understood the future demands of work in terms of skills and competency. For Ms Gross, this meant that business and government had to collaborate in order for government to adjust education systems to work towards building up capabilities for the future.

Considering future skills, Ms Gross cited creativity, leadership, service-orientation as remaining in the human sphere, whereas process-related skills, physical abilities, sensors, would be the domain of robots and automation.

She considered it useful to categorise industries in terms of the skills requirements and to re-think work architecture and understand how to keep people in work. Technology should be leveraged for the better of all – no enterprise would survive if they were not doing something to the benefit of everyone: social media made it highly risky for companies to behave irresponsibly. Echoing Ms Skogen Lund, Ms Gross concluded by asserting that doing diversity and inclusion right was a business opportunity and part and parcel of being a responsible company.

Mr de Meester introduced the next speaker, Mr Hiroshi Tokumaru of Keidanren (Japan Business Federation), who set out how demographics would impact the workplace of the future in Japan.

Mr Tokumaru's PowerPoint presentation may be downloaded [here](#). He began by highlighting that tackling the population decrease and the ageing population was a most urgent issue for Japan and would soon be similarly pressing in many other parts of the world.

Japan's labour market was facing tight supply and demand, with a labour shortage predicted to continue in the long run due to the population decreasing by 25% over the next 50 years, with the over 65s making up 40% of the population over that period.



Mr Tokumaru called on government, employers and workers to work together to tackle the tight supply and demand situation in order to maintain the workforce, in terms of quality and

quantity, and prepare it to adapt to the evolution of the industrial landscape. Workers had to be supported to care for their parents, to avoid giving up their jobs to do so. Measures would include flexible working hours, satellite offices and teleworking. The estimated number of people anticipated to require care was expected to rise to 8.6 million by 2030.

An effective response to labour shortages also lay in increasing women's active participation in the workplace. This meant establishing a women-friendly work environment, including nursery schools, satellite offices and teleworking to support both male and female workers of child-rearing age. Additional measures included the promotion of non-regular workers to regular workers; maternity and parental leave; and other HR programmes. These were already producing encouraging results.

Mr Tokumaru underlined that labour gaps could also be filled by enhancing productivity. In Japan, the application of IT in the service sector was less prevalent than in the manufacturing sector and this could be improved. Expanding IOT in various sectors would also be an essential measure.

And in terms of youth employment, promoting diverse forms of work, and enhancing recruitment and training would contribute to addressing labour shortages.

Increasing older-worker participation was important and could be achieved by shifting the pensionable age from 60-65 to 65-70 and making conditions more accommodating of ability, health and wellbeing. Older workers also had a key role to play in transferring skills.

In conclusion, Mr Tokumaru underlined diversity as a further means of coping with demographic change, requiring close collaboration by the tripartite constituents. By diversifying labour conditions, older workers, child-rearing age groups, women and younger generations could all participate in the labour market according to their life circumstances. Enhancing productivity by promoting innovation would also contribute to compensating for the labour shortage.

Mr De Meester thanked Mr Tokumaru before introducing Ms Saïda Neghza, President of the General Council of Algerian Business (CGEA) to talk about driving youth innovation and start-ups for inclusive growth.

Ms Neghza began by asserting that a serious challenge for many countries was sustaining economic growth through sustainable and inclusive development. She considered that supporting the youth in establishing start-ups was a pre-requisite to achieving this goal.

Innovation and competition were two key drivers for growth and Algeria had been promoting economic investment in innovation for the past decade. Algeria's young people had been encouraged to create start-ups over the past ten years thanks to the national agency for supporting entrepreneurs, and a national fund for supporting social projects, as well as incubators and co-working spaces providing technological and financial support.



Ms Neghza reported how the CGEA had contributed by signing MoU with Algerian universities to provide consultancy and advice services to enable the youth to implement their projects on the ground. Alongside, the Confederation also provides training and HR development aimed at improving partnerships. More needed to be done however to encourage innovation through an ambitious programme for research and development, including international cooperation in research. Here, Ms Neghza highlighted the role of the European Union's External Investment Plan which was contributing to enhancing training and spreading a culture of innovation, especially in the areas of renewable energy. Education institutions also had a role to play in promoting a culture of innovation.

Questions were invited from the floor regarding the outcomes of programmes to promote innovation and start-ups. Ms Neghza highlighted the role of Algeria's national agency for the enhancement of employment, as well as the national fund for unemployment and the national agency for the facilitation of micro-credit. Tax incentives were also important enablers. She added that ensuring practical support for youth start-ups was essential to decreasing risk and avoiding failure.

Mr De Meester highlighted that an important criterion for start-up success was entrepreneurial talent, which needed to be encouraged.

He then conducted an informal poll of the participants to discern whether the approach in their countries regarding the future of work was focused on threat or opportunity. The result was in favour of opportunity and he invited those who had responded positively to explain what kind of strategies were being adopted to grasp those opportunities.

One response was that, as a young country Algeria did not have a declining population issue, but did focus on supporting young people to enter the world of entrepreneurship. Mr Hiro Matsui noted that, in Japan, robots were being welcomed as an opportunity, not a threat. It was important that business accurately predicted the skills needs of the future with the support of government. In Switzerland, there was recognition that there were two sides to the argument – opportunities and threats had to be analysed in parallel, even if you believed that there were more opportunities, it was not realistic to consider threats to be absent.



Before giving the floor to the ILO Director-General, Mr Kiresepi thanked all the panellists and participants, underlining the uniqueness of the occasion for bringing together such a host of experts together in one afternoon event.

He reiterated that the outcomes would be taken into account to fine-tune the Employers' arguments and input to the ILO Global Commission on the Future of Work, as well as other forums. He hoped too, that they would be useful to members as they developed future of work activities in their home countries and he commended the ILO for placing the Future of Work at the very heart of its centenary initiatives. Quoting OECD data that 14% of jobs were at high risk of being replaced by automation and 32% would undergo dramatic change because of technology, he nevertheless said that this evolving situation should not elicit fear but provide a window to new opportunities.

For Mr Kiresepi, there were two distinct areas for improvement. The first was education – not just what we teach, but how we teach; and the second was labour markets, given that the 40-hour employment contract with one employer for one's whole working life was already well on the way to obsolescence. Regulatory frameworks had not kept pace with this development. If we wanted to avoid huge numbers of people working informally and to bring down the barriers to getting people into work, labour market regulations would have to be adjusted in line with 21st century realities. This had implications too for social protection; there had to be more security that people would be covered. It was the role of business to push for the necessary reforms and all of society would have to be behind them. Claims had been made that social dialogue would suffer, but Mr Kiresepi's long-held belief in social dialogue had not diminished and collaboration between the social partners would be even more important going forward.

He thanked ILO Director-General Guy Ryder for joining the Forum and invited his observations.

Mr Ryder began by saying that he indeed had some thoughts to share about diversity, and also about the preceding remarks, particularly with regard to the obsolescence of the 40-hour week/the eight-hour day/the lifelong contract etc. He noted that these were social objectives that had been hard won, but which many now considered no longer a true reflection of the world of work. At the same time, there were calls to look to the future with confidence and optimism.

He wanted to try to square this with the reality that he had experienced. For example, what to tell the bus drivers employed in Geneva's public transport system whose skills would effectively be made redundant by driverless buses in the short term? His point was not to contradict, but to highlight that, as we construct a future together, and accept that some of the things with which we have come to be familiar will disappear, we also have to give an alternative for the future. The problem was that the old disappeared before the new was constructed and understood.



He believed that, in general, people understood the model of the past, but only had the vaguest notion of what the future world of work might look like. This was simply the way change happened, but it did not suffice to exhort people not to be afraid, because their fear had to be taken into account.

Mr Ryder underscored that the best place for these divergent assessments of the future to be aired and worked on was the ILO; where governments, workers and employers could sit and work out the future together. This was the arena where the idea that the future world of world could be better than the present one had to be given much more concrete form.

He recalled that we were very good at talking about leaving no-one behind, but in all honesty, there were plenty of scenarios in which many would be left behind. Essential now was to work together to construct something that took everyone forward, on the basic premise that the future was NOT decided in advance but would actually be something we made of it by common decision.

In terms of certainties, for the Director-General it was clear that the future of work, and indeed societies of the future, would be increasingly diverse. Current mobility trends indicated that our future world would be more multicultural. We had to ensure there would also be more fair gender representation and greater gender equality and equity in enterprises and in the workplace. LGBTI, diversity of religious conviction – all played an important role. He echoed other speakers in acknowledging that the business case was already well established: enterprises do better when there is full diversity in their structures and organisations.

However, business did not exist in a social vacuum – the manner in which diversity established itself in society conditioned how it would be established in the enterprise. Mr Ryder asserted that there was resistance, and very real barriers, to diversity in society itself. Access to education was unequally distributed; employment/unemployment rates differed significantly, and correlated with alarming accuracy, across different segments of society. It could be said that the “escalator of social mobility” had ground to a halt in many countries: where you would end up in the world of work largely depended on where your parents had been in that world. This was a significant obstacle to the full realisation of the merits of diversity.

Mr Ryder wished the business community well in harvesting the full benefits of diversity and called on them to play a leading role in promoting equal opportunity and diverse societies in order to combat some of the more dangerous emerging societal trends. Without business, this goal would not be achieved.

In conclusion, the Director-General urged the participants to construct a future of work that was in very practical and demonstrable ways, inclusive – one which offered opportunities to all regardless of their origin, gender, etc. He believed that if the will and ambition were there, the transformational changes in the world of work offered the opportunity to move in that direction, and that business had a proven interest, as well as the energy, talent and influence to make it happen.



International Organisation of Employers
Organisation Internationale des Employeurs
Organización Internacional de Empleadores
The Global Voice of Business



5TH ANNUAL IOE FORUM DURING THE INTERNATIONAL LABOUR CONFERENCE

**Building a Workforce for the Future with Diversity,
Equality & Inclusion**

**GENEVA, 6 JUNE 2018
14:00 – 17:00**

Room XI, International Labour Office



PROGRAMME & SPEAKER PROFILES

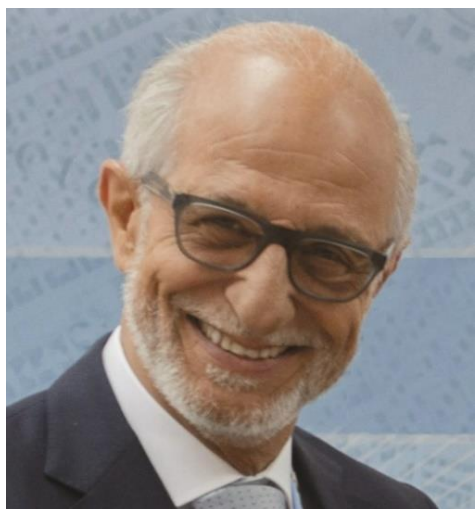
PROGRAMME

Chair: Erol Kiresepi, President, International Organisation of Employers (IOE)

*Moderators: Roberto Suárez Santos, Acting Secretary-General, IOE; and
Kris de Meester, First Adviser & Manager, Health & Safety Affairs, VBO-FEB*

14:00 - 14:05	<i>Welcome and opening remarks</i>	Erol Kiresepi, President, IOE
14:05 - 14:15	<i>Canada's commitment to fostering an inclusive workforce for the benefit of all</i>	The Honourable Patricia A. Hajdu, Minister of Employment, Workforce Development & Labour, Government of Canada
14:15 - 14:25	<i>Trends in the workplace and what they mean for employers and their representative organisations</i>	Robson Braga de Andrade, President, National Confederation of Industry (CNI), Brazil
14:25 - 14:35	<i>Shaping the regulatory framework for diversity, equality and inclusion in the workplace of the future</i>	Kristin Skogen Lund, Director-General, Confederation of Norwegian Enterprise
14:35 - 14:45	<i>Supporting employers' organisations to build a workplace culture of diversity, equality and inclusion</i>	Deborah France-Massin, Director, ILO Bureau for Employers' Activities (ACT/EMP)
Interactive session (20 minutes)		
15:05 - 15:15	<i>Skills shortages: identifying and dismantling the barriers to inclusive STEMM education</i>	Kaizer Moyane, Chair, Social Policy Committee, Business Unity South Africa (BUSA)
15:15 - 15:25	<i>Shaping international labour migration policy to ensure business access to diverse talent</i>	Ellen G. Yost, Partner, Fragomen
15:25 - 15:35	<i>Fostering competitive youth in the BRICS through targeted HRD initiatives</i>	Rajeev Dubey, President (Group HR & Aftermarket), Mahindra & Mahindra
Interactive session (20 minutes)		
15:55 - 16:05	<i>The impact of technological change on human capital development</i>	Britta Gross, Director, Deloitte Consulting SA
16:05 - 16:15	<i>Demographics and the workplace of the future</i>	Hiroshi Tokumaru, Chair, Subcommittee on International Labour Issues, Employment Committee, Japan Business Federation
16:15 - 16:25	<i>Driving youth innovation and start-ups for inclusive growth</i>	Saïda Neghza, President, General Council of Algerian Business (CGEA)
Interactive session (20 minutes)		
16:45 - 17:00	<i>Closing remarks</i>	Guy Ryder, Director-General, International Labour Organisation Erol Kiresepi

PROFILES



Erol Kiresepi has been President of the International Organisation of Employers since May 2017. He is also CEO of Santa Farma Pharmaceuticals, as well as a Member of the Governing Body of the Turkish Confederation of Employer Associations (TİSK), where he served as Vice President from 2014 to 2016. As President of TİSK's External Relations Commission, Erol represents Turkish employers at international level, including in the B20/G20 process. Born in Istanbul, Erol Kiresepi completed his studies in chemical engineering and received his master's degree in business administration at Bogazici University.



Roberto Suárez Santos has been Acting Secretary-General of the IOE since March 2018, having joined as Deputy Secretary-General in December 2012. A lawyer by training, Roberto has experience in European and international labour law, as well as in international relations. Within the IOE, he is primarily in charge of managing, coordinating and supporting the interests of business and employers *vis-à-vis* the ILO. Prior to the IOE, Roberto was ILO Programme Director for the promotion of youth employment in the Maghreb region. Previously he worked at the Spanish Confederation of Employers' Organisations (CEOE) in various capacities, including as Head of European and International Social Policy. Roberto has taught European Social Law as an associate professor at the Universidad Complutense de Madrid and the Universidad Pontificia de Comillas in Spain.



Kris de Meester is First Adviser at the Federation of Enterprises of Belgium (VBO-FEB), managing areas related to health and safety at work, and international social affairs. He holds degrees in chemical and agricultural engineering, and environmental sciences and safety and health at work, as well as an MBA. Given his academic background and professional experience, Kris is the employers' group spokesperson in the European Commission's Advisory Committee on Safety and Health at Work and chairman of the Health and Safety working group of BusinessEurope. He is also a member of several governing boards/bodies, including the European Agency for Safety and Health at Work, the European Foundation for the Improvement of Living and Working Conditions, the ILO, and ITC-ILO. He combines these roles with his position as CEO of the organisation Contractor Safety Management.

PROFILES



Patricia (Patty) Hajdu was elected as Member of Parliament for Thunder Bay-Superior North, Ontario, Canada in 2015. She was appointed to cabinet by Prime Minister Justin Trudeau and served as Minister of Status of Women from November 2015 until January 2017, when she was appointed as Minister of Employment, Workforce Development and Labour. Minister Hajdu previously worked in public health and focused on drug policy, youth development and homelessness. Prior to her election, she ran the largest homeless shelter in Northwestern Ontario. Patty is a compassionate advocate for Thunder Bay-Superior North and all of Canada, believing that a more inclusive country benefits everyone. As Member of Parliament and Minister, she remains firmly focused on ensuring every Canadian has a fair shot at success.



Robson Braga de Andrade was re-elected President of the National Confederation of Industry of Brazil (CNI) in 2018 for a third four-year term until 2022, having also served as Vice-President from 2002 – 2010. He is a member of Brazil's Economic and Social Development Council, and a Member of the Center for Higher Studies in Public Administration of the Federal Audit Court. In addition, Robson is the President of the Orteng Group, a leading Brazilian conglomerate operating in the oil and gas, mining, steel, sanitation, telecommunications and transport sectors. He holds a Mechanical Engineering degree from the University of the State of Minas Gerais, Brazil, as well as graduating in Strategic Management for Business Leaders from the Dom Cabral Foundation, Brazil and from INSEAD, France.



Kristin Skogen Lund is Director-General of the Confederation of Norwegian Enterprise. She was formerly Executive Vice President and Head of the Nordic region, Digital Services Division and Broadcast at Telenor, the Norwegian telecoms company. Previous positions include CEO and Commercial Director at Norwegian newspaper Aftenposten, CEO at Scanpix, Managing Director and Editor-in-Chief at Scandinavia Online, and several positions at the Coca-Cola Co., Unilever and the Norwegian Embassy in Madrid. Kristin is a board member of Ericsson and has previously served as president of The Confederation of Norwegian Enterprise, and member of the board of Orkla ASA, among others. She holds an MBA from INSEAD, France and a Bachelor's in International Studies and Business Administration from the University of Oregon.

PROFILES



Deborah France-Massin is Director of the ILO Bureau for Employers' Activities (ACT/EMP). She is responsible for a global team of professionals who provide the link between the ILO and its employer constituency and seek to ensure employer priorities are reflected in ILO work. ACT/EMP also works directly with employer organisations on their organisational strategies. Prior to joining the ILO, Deborah was IOE Deputy Secretary-General, and has worked as a human resources consultant for multinational companies. From 1989 to 1997 she was Head of International Social Affairs at the Confederation of British Industry (CBI), during which time she was a member of the BusinessEurope Social Affairs Committee and a titular member of the ILO Governing Body. Deborah also has experience in commercial and human resources management with large UK retailers.



Kaizer Moyane is Head of Employee Relations at EDCON Ltd, South Africa's largest non-food retailer, which has been in operation for more than 80 years and has more than 1,300 stores through nine different store formats. He is also the business convenor for the National Economic Development and Labour Council (NEDLAC) and Chair of the Social Policy Committee of Business Unity South Africa (BUSA). Kaizer's other activities include serving as an independent Non-Executive Director at Sygnia, an innovative Fin Tech company. Listed on the main board of the Johannesburg Stock Exchange, Sygnia provides asset management, stockbroking and administrative services, and savings products to institutional and retail clients. Kaizer graduated with a BA and LLB from Rhodes University.



Ellen G. Yost is a New York lawyer and partner at Fragomen, Del Rey, Bernsen & Loewy, LLP, where she practices US immigration law. Fragomen employs more than 3,750 immigration professionals and support staff worldwide and provides an extensive range of immigration solutions to individuals, small local businesses and the world's largest companies. Fragomen is an IOE Partner Company and Ellen is a Member of the IOE Policy Working Group on Labour Migration. She frequently represents USCIB on issues of business migration including at the OECD, the GFMD and at the UN and its affiliated organisations. Ellen is a founder of the GFMD Business Mechanism chaired by her partner, Austin T. Fragomen, Jr. Ellen founded the Pro Bono Immigration Project of the Bar Association of Erie County, which represents indigent immigrants at the Federal Detention Facility at Batavia, New York.

PROFILES



Rajeev Dubey is Group President of HR & Corporate Services, and CEO of the after-market sector, at Mahindra & Mahindra, a US \$19 billion multinational group based in Mumbai, India, with a presence in more than 100 countries, more than 200,000 employees and operations spanning 21 key industries that form the foundation of every modern economy. A former President of the Employers' Federation of India, Rajeev was elected to the IOE's Management Board, as well as the ILO Governing Body, in June 2017. He also chairs the IOE Policy Working Group on the Future of Work. A member of Yale School of Management's Council of Global Advisors, Rajeev received a Lifetime Achievement award for Human Resources Excellence from India's Business World magazine in 2016 for focusing throughout his career on creating a culture of innovation based on unleashing the human potential.



Britta Gross is a Director in the Swiss Human Capital practice of Deloitte, a UK-incorporated multinational professional services network, and leads the HR Transformation Team. She has 17 years' experience in consulting clients in all HR matters. As part of the HC Management Team she has led several transformational projects locally and globally. Britta has supported and led global clients in HR Transformations triggered by HR IT implementations, organizational change, Shared Services Center (SSC) implementations, M&A, and user-centric adoption programs. Her experience spans from the design and implementation of organisational change roadmaps including HR data, IT and processes, labour relations, user adoption, and transitions. Britta holds a degree in Economic, HR, and Organizational Psychology and is certified as a coach by the European Coaching Association.



Hiroshi Tokumaru is Chair of the Subcommittee on International Labour Issues of the Employment Committee of the Japan Business Federation, a comprehensive economic organisation with a membership of 1,370 representative companies of Japan, 109 nationwide industrial associations and 47 regional economic organisations. A graduate of the University of Tokyo, he joined Mitsui Petrochemicals Industries, which became Mitsui Chemicals following the merger between Mitsui Toatsu Chemicals and Mitsui Petrochemical Industries. Hiroshi has held numerous posts including Managing Director of the Corporate Administration & Legal Division, the CSR & Corporate Communications Division and the Human Resources & Employee Relations Division. In June 2009, Hiroshi became Senior Managing Director of the Corporate Social Responsibility Center, CSR Committee and in 2010 he was appointed Senior Managing Executive Officer, Executive Chief Representative in China.

PROFILES



Saïda Neghza began her business career with a highly successful coffee roasting company. This spurred her to pursue further investments in public building works and hydraulic power, resulting in the creation of SORALCOF in 2004. The company soon expanded into a group, encompassing subsidiaries across sectors from gravel and marble, to real estate promotion and import/export. Saïda has been highly involved in the General Confederation of Enterprises of Algeria (CGEA) since 2004 and was elected national President in 2016, leading 42 provincial CGEA offices and contributing to numerous state and tripartite commissions. She was a co-founder of BUSINESSMED, which brings together employers' organisations from both shores of the Mediterranean for institutionalised cooperation. She recently brought the National Association of Micro-enterprises into CGEA membership and, within the framework of the CGEA's development plan, has overseen the expansion of offices throughout the provinces dedicated to supporting women's entrepreneurship.



Guy Ryder took office as Director-General of the International Labour Office in 2012 and was unanimously re-elected in November 2016 for a second five-year mandate beginning in October 2017. From the outset, Guy pledged to position the Organization as a determined actor, translating principle into action and ensuring that it had the capacity to make a major difference to the working lives of people on all continents. To mark the centenary of the International Labour Organization in 2019, Guy has launched seven initiatives. One targets The Future of Work, which stands at the centre of ILO activities that recognise the 100th Anniversary as a significant milestone. Guy Ryder studied Social and Political Sciences at the University of Cambridge and Latin American Studies at the University of Liverpool.

