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**Suggested Employers’ Position on the ASEAN Labour Ministers’ Statement on the Future of Work: Embracing Technology for Inclusive and Sustainable Growth August 2019**

| Original Statement  | Employers’ suggested interventions & views   |
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|  <p><b>ASEAN LABOUR MINISTERS’ STATEMENT ON THE FUTURE OF WORK: EMBRACING TECHNOLOGY FOR INCLUSIVE AND SUSTAINABLE GROWTH</b></p> <p><b>WE</b>, the Labour Ministers of Member States of the Association of Southeast Asian Nations (hereinafter referred to as “ASEAN”), namely Brunei Darussalam, the Kingdom of Cambodia, the Republic of Indonesia, the Lao People’s Democratic Republic, Malaysia, the Republic of the Union of Myanmar, the Republic of the Philippines, the Republic of Singapore, the Kingdom of Thailand and the Socialist Republic of Viet Nam on the occasion of the Singapore Conference on the Future of Work, Embracing Technology; Inclusive Growth – Special Session of ASEAN Labour Ministers on Future of Work held in Singapore on 29 April 2019;</p> | <ul style="list-style-type: none"> <li>• The ASEAN Confederation of Employers (ACE) welcomes the noble intention and approach of this Ministerial Statement. It is seen as a clear and forward-looking Statement.</li> <li>• ACE believes that the Ministerial Statement is timely, taking into account the profound transformations in the world of work, which has taken effect, globally and in the Asia region, due to the known megatrends of the future of work namely, digital technologies &amp; automation, changing demographics, globalisation and climate change.</li> <li>• The Singapore Conference on the Future of Work last April 2019 provided an effective platform for all tripartite constituents (governments, employers and workers) in the region to discuss various issues of concern and interests in a ‘safe space’. Various representatives from ACE participated in a good exchange of views and took back home information which was worth sharing with their own members.</li> <li>• ACE expressed hope for further opportunities in the near future to take the discussions forward, where words can be turned into concrete actions.</li> </ul> |

**WELCOMING** the International Labour Organization's Future of Work Centenary Initiative, particularly the launch of the Global Commission's Report, "Work for a brighter future";

- ACE is of the view that although the majority of the recommendations proposed in the report of the Global Commission on the Future of Work are commendable, the report has yet to be endorsed at the international tripartite level.
- There are some elements in the report, such as the Universal Labour Guarantee, the concepts of 'living wages' and 'time sovereignty', the proposal to have an international regulation on the platform economy, among many things, which would require further thought and consideration, due to the unsustainable challenges that these concepts pose to not just employers but also governments.
- For more information on the global employers' views on the report of the Global Commission on the Future of Work, please go to this [link](#).
- ACE is of the considered view that the non-tripartite endorsement of the report of the Global Commission contributed to difficult negotiations in adopting the [ILO Centenary Declaration for the Future of Work](#) and its [Resolution](#). The original draft declaration outlined and replicated the 10 recommendations of the Global Commission report. The Employers' group at the International Labour Conference managed to ensure that the problematic concepts above were not included in the final texts.

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| <p><b>REITERATING</b> our support for the Future of Work Centenary Initiative by responding, as one ASEAN Community, to the recommendations in the Global Commission’s Report;</p>  | <ul style="list-style-type: none"> <li>• ACE stands ready to contribute to tripartite discussions particularly at the regional level on this report. Employer organisations are the closest to the labour market, and therefore are in position to provide technical advice and guidance on various labour and social issues. It is important to engage ACE at the regional and the EOs at the national policy-making processes.</li> </ul>  |
| <p><b>REAFFIRMING</b> our shared commitment to address common challenges facing the ASEAN Community in promoting inclusive and sustainable economic growth, employment and decent work for all, in support of the United Nations 2030 Agenda for Sustainable Development, ASEAN Community Vision 2025, and the ASEAN Socio-Cultural Community Blueprint 2025;</p> | <ul style="list-style-type: none"> <li>• The promotion of inclusive and sustainable economic growth, employment and decent work can only be possible when there is an enabling environment for the private sector to grow, thrive and innovate. This is where governments play a key role. In particular, SMEs would need special attention and focus, and positive political support can create a conducive environment for them to grow, and in turn, create employment.</li> <li>• In reference to the 2030 SDGs, businesses are committed to contributing to the SDGs in general, and SDG 8 in particular. The private sector plays a central role in sustainable development. It employs 9 out of 10 people globally, offering income opportunities, training and career pathways, thereby contributing to the elimination of poverty. The private sector drives economic growth and provides the goods and services we all need in our daily life. It is an important source of the creativity and innovation required to solve global sustainable development challenges. In short, the aims of SDG 8 can only be achieved through close coordination with the private sector. ACE and its members as the organised voices of businesses in ASEAN stand ready to engage with ASEAN and the national governments and the UN system to</li> </ul> |

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|  | <p>create frameworks and conditions which promote economic growth, jobs and sustainable development.</p> <ul style="list-style-type: none"><li>• In reference to the ASEAN Community Vision 2025, resilience and dynamism are certainly two foundations which businesses can identify with and adhere to. The work of the 3 community pillars: Political-Security, Economic and Socio-Cultural Communities of ASEAN would require the full engagement of various stakeholders to ensure each contributes to 'One Vision. One identity. One Community'. This transcends to include the full engagement of various key stakeholders, including the private sector, and this can be done through Employer Organisations which organise and represent the views of the private sector. Research has shown that effective national policies can only be successful through regular, concerted, and meaningful joint cooperation and coordination. It is through working together, towards the same goal, as one community which would determine the success of all.</li><li>• With regards to the ASEAN Socio-Cultural Community Blueprint 2025, the business community in ASEAN can do more than just philanthropic work and support. Engagement can go beyond that, where businesses can work hand in hand with governments, through the guidance and trusted advice from ACE and national employer organisations. The active role of employer organisations can be considered at the next phase of the community's work.</li></ul> |
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| <p><b>COGNISANT</b> of transformative changes, such as technological advances, demographic transition and the rise of the green economy, that offer both opportunities and challenges for workers and businesses in the ASEAN Community;</p> | <ul style="list-style-type: none"> <li>• ACE agrees with this article. Conversations in the region, however should focus more on the opportunities which the future can bring. There are various figures and estimates on job losses and jobs created as a result of new technologies and automation. However, according to the Asian Development Bank, robotics and AI will <a href="#">create more jobs in Asia than they destroy</a> (134 million new jobs, compared with the 101 million lost to new technologies). Therefore, these fears on massive job losses due to automation appear to be unfounded.</li> </ul> |
| <p><b>RECOGNISING</b> therefore the importance of ASEAN Member States making further efforts in preparing our workers and businesses for, and protecting them against, the impact of these transformative changes on the future of work;</p> | <ul style="list-style-type: none"> <li>• ACE fully supports this article. The average life span of a company used to be 67 years in the 1920s. However, <a href="#">nowadays the estimated average life span of a company is 15 years</a>. ASEAN Member States have an important role to play, in providing an enabling and sustainable environment for businesses, especially SMEs, to grow, thrive and innovate.</li> </ul>   |
| <p><b>AFFIRMING</b> the purposes of ASEAN as stipulated in the ASEAN Charter to, among others, develop human resources and promote sustainable development;</p>  | <ul style="list-style-type: none"> <li>• Developing human resources is indeed a good proposal. It is important to develop the necessary skills for staff in order to effectively manage expectations, monitor, and implement the fundamental principles outlined in the ASEAN Charter, particularly: <ul style="list-style-type: none"> <li>- Ch.I (Art. 5) <i>To create a single market and production base which is stable, prosperous, highly competitive and economically integrated with effective facilitation for trade and investment in which there is free flow of goods, services</i></li> </ul> </li> </ul>   |

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|  | <p><i>and investment; facilitated movement of business persons, professionals, talents and labour; and freer flow of capital</i></p> <ul style="list-style-type: none"> <li>- Ch.IV (Art.15) <i>The ASEAN Foundation shall support the Secretary-General of ASEAN and collaborate with the relevant ASEAN bodies to support ASEAN community building by promoting greater awareness of the ASEAN identity, people-to-people interaction, and close collaboration among the business sector, civil society, academia and other stakeholders in ASEAN.</i></li> <li>• Furthermore, ACE would like to work in close partnership and cooperation with ASEAN, the ASEAN Business Advisory Council (ASEAN-BAC) and the ASEAN Foundation.</li> </ul> |
| <p><b>FURTHER AFFIRMING</b> the commitment in the ASEAN Leaders' Vision for a Resilient and Innovative ASEAN adopted at the 32nd ASEAN Summit to embrace the opportunities afforded by new technologies and innovation arising from the digital revolution while building resilience against potential disruptive effects;</p> | <ul style="list-style-type: none"> <li>• This is a good article. Businesses globally agree that being resilient and innovative in this modern day and age are key to surviving in this highly competitive economy. There is more competition due to the high flow of goods and services across borders but at the same time provide opportunities for businesses to access international markets.</li> <li>• ACE would welcome the ASEAN Member States' innovative policies and strategies to ensure that the last Asian Financial Crisis does not repeat itself.</li> </ul>  |

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| <p><b>WHILE COMMENDING</b> the on-going support and work of ASEAN Member States under the ASEAN Labour Ministers' Work Programme 2016-2020 that aims to build an ASEAN workforce with enhanced competitiveness and engaged in safe and decent work derived from productive employment, harmonious and progressive workplaces, and adequate social protection;</p>  | <ul style="list-style-type: none"> <li>• ACE was mentioned in the ASEAN Labour Ministers' Work Programme 2016-2020 under the auspices of the ASEAN Business Coalition on HIV/AIDS (ASEAN-BCA) project. ACE will remain open to providing assistance and contribute to the ASEAN project as a potential collaborator.</li> </ul>   |
| <p><b>AND EMPHASISING</b> the value and important role that tripartite partners and social dialogue continue to have in ensuring mutually beneficial economic progress, and contributing towards adaptable workers and businesses for, and protecting them against, the changes in the world of work;</p>  | <ul style="list-style-type: none"> <li>• ACE is of the view that the clause "<i>and protecting them against, the changes in the world of work</i>" is not appropriate in the context of future of work as changes will certainly occur and no party can be protected against changes.</li> </ul>  |
| <p><b>DO HEREBY:</b></p> <p>Strive to undertake the following actions, taking into account the respective capacities and resources of the Member States, to prepare the ASEAN workforce and businesses for a future of work, while recognising that the impact of the transitions may differ among ASEAN's diverse economies, sectors and groups of workers:</p> <ol style="list-style-type: none"> <li>1. Strengthen capacity of public and private institutions to prepare the workforce for the future of work and better enable them to take advantage of new technology and participate in the global labour market through closer cooperation with industries, improving technical and vocational education and training (TVET) standards, and using TVET to skill, upskill and re-skill our workers;</li> </ol> | <ul style="list-style-type: none"> <li>• The position of ACE in this regard is unanimous – the impact of the transitions will differ among ASEAN's diverse circumstances and should therefore be adapted to each Member States' context. The complex issue of informality and the intention of tackling this issue is missing in the Ministerial Statement. A bottom-up approach (rather than top-down) where social dialogue contributes to policymaking on social and labour issues would be more effective and impactful in the long term.</li> <li>• There are other ways as well, such as traineeships, internships, apprenticeships, worked-based learning, on the job training, lifelong learning and informal learning (through MOOCs, learning from family and friends) which add value in strengthening the capacities of public and private institutions.</li> </ul> |

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|  | <ul style="list-style-type: none"> <li>Employers and Business organizations are key labour market institutions and play a very important role in connecting business with policy makers as well as providing services to companies enabling them to prepare and address emerging business and workforce issues.</li> </ul>   |
| <p>2. Increase participation of women, people with disabilities, elderly and youth in, including but not limited to, science, technology, engineering, and mathematics (STEM)-related careers by adopting policies, initiatives and trainings on technological skills and digital platforms, for these groups to facilitate their access to decent work;</p> | <ul style="list-style-type: none"> <li>ACE fully supports this proposal. STEM careers are likely to be high-paying jobs compared to other fields, and thus leading to decent work. Access to attaining skills in these fields would be highly encouraged, especially for women, people with disabilities, elderly and youth. More important than this, would be the opportunities STEM careers bring to help people be more adaptive, flexible and open to learning new technologies.</li> </ul>   |
| <p>3. Encourage and support efforts of businesses, including micro, small and medium-sized enterprises, to invest in decent work according to international standards and to harness and manage technology which will improve the quantity and quality of jobs in existing and emerging sectors of employment;</p>   | <ul style="list-style-type: none"> <li>Micro, small and medium-sized enterprises are integral to the economic development and growth of the ASEAN Member States. They constitute the largest number of establishments and contribute significantly to the labour force. <a href="#"><u>SMEs account for between 88.8% and 99.9% of total establishments in ASEAN and between 51.7% and 97.2% of total employment.</u></a> The contribution of these enterprises to the GDP varies between 30% and 53% and the contribution of SMEs to exports is between 10% and 29.9%. Hence, these enterprises are important in terms of income and employment generation, gender and youth empowerment through their diverse business participation, and their widespread presence in the non-urban and rural areas. SMEs are thus the backbone of ASEAN, and their development is</li> </ul> |

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|  | <p>fundamental towards achieving long-term and sustainable economic growth and narrowing the development gap.</p> <ul style="list-style-type: none"> <li>• Beyond international standards, ACE supports the Member States' efforts in fostering the growth of SMEs under the auspices of the ASEAN Strategic Action Plan for SME development 2015-2025 with the implementation of the five goals: <ul style="list-style-type: none"> <li>- promote technology, productivity and innovation;</li> <li>- increase access to finance;</li> <li>- enhance market access and internationalisation;</li> <li>- enhance the policy and regulatory environment; and</li> <li>- promote entrepreneurship and human capital development.</li> </ul> </li> </ul> |
| <p>4. Share best practices among ASEAN Member States on implementing responsive policies and initiatives to address the changing nature of employment relationships, including labour market information systems, to facilitate job searches by ASEAN's workforce;</p> | <ul style="list-style-type: none"> <li>• ACE welcomes the sharing of best practices within the region, including recognising the important roles of public and private employment services, which can help individuals during job transitions.</li> </ul>   |
| <p>5. Promote fiscally sustainable public and private national social protection initiatives in ASEAN Member States to uphold or improve our workers' well-being and improve their retirement adequacy;</p>  | <ul style="list-style-type: none"> <li>• Some ASEAN Member States are undergoing a dramatic shift in demographic changes, which includes a healthier ageing population due to better health services and public health policies. This inevitably means that it would be necessary for Member States to review existing retirement policies.</li> <li>• Employers encourage Member States to ensure the financial sustainability of social protection initiatives.</li> </ul>  |

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| <p>6. Support efforts of employers' and workers' organisations in the development of necessary capabilities for collective representation and social dialogue to better represent and balance employers' and workers' interests in an evolving labour market landscape;</p> | <ul style="list-style-type: none"> <li>• The dynamics of industrial relations, social dialogue and tripartism must be considered at the core of economic and social policies. The main aim of social dialogue and tripartism is to promote consensus building and democratic involvement of the main stakeholders in the world of work, therefore, ACE fully agrees with this article.</li> </ul>  |
| <p>7. Strengthen tripartite relations to enable all partners to work collectively towards continued sustainable development of the ASEAN Community and creation of decent work for our workforce;</p>   | <ul style="list-style-type: none"> <li>• Tripartism needs to be instilled not just at the international level through the ILO, but also at the regional level where ACE (in partnership with the IOE) and ITUC-AP can play a role.</li> </ul>  |
| <p>8. Enhance collaboration with relevant stakeholders, such as other ASEAN sectoral bodies, to facilitate a coordinated ASEAN response in preparing the ASEAN workforce and businesses; and</p>  | <ul style="list-style-type: none"> <li>• Businesses can be informed by governments, but it is just as important to bring businesses on board from the design phase of the policies which concern them. This will ensure ownership of the decision-making process and consequently increase the rate of success of the outcomes.</li> <li>• ACE is open and ready to develop strong cooperation and collaboration with ASEAN Member States.</li> <li>• ASEAN should create an environment enabling labour market institutions, such as employers' and workers' organizations engagement in dialogue with ASEAN, and support development of their capacities.</li> </ul> |

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| <p>9. Increase cooperation between ASEAN and ASEAN's external partners, including the International Labour Organization, to facilitate sharing of models, best practices, and experiences in preparing workers to adapt to future jobs.</p>   | <ul style="list-style-type: none"> <li>• This would also include the ASEAN Confederation of Employers and other international organisations such as the International Organisation of Employers (IOE).</li> </ul>   |
| <p>We task the ASEAN Senior Labours Official Meeting (SLOM) with the support of the SLOM Working Group on Progressive Labour Practices to Enhance the Competitiveness of ASEAN (SLOM-WG) to implement this Statement, including mobilising appropriate resources, subject to the national laws, regulations and policies of Member States.</p> <p>Done in Singapore, this Twenty-ninth Day of April in the Year Two Thousand and Nineteen, in a single original copy in the English language.</p> <p>[Signed by all ASEAN Labour Ministers]</p> | <ul style="list-style-type: none"> <li>• Finally, it is not just about making declarations or statements, there also needs to be a political will to follow through all the commitments above, and to have regular reviews in cooperation with all the stakeholders.</li> </ul> |