Governing Body

Geneva, March 2001

FOURTH ITEM ON THE AGENDA

Report and conclusions of the Sixth European Regional Meeting

(Geneva, 12-15 December 2000)

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Introduction

- **1.** The Sixth European Regional Meeting of the ILO was held in Geneva, Switzerland, from 12 to 15 December 2000.
- **2.** The Meeting was attended by 420 delegates and advisers from 43 countries. They included 213 Government delegates, including 12 Ministers, 106 Employers' delegates and 101 Workers' delegates. The Meeting was also attended by representatives of intergovernmental and international organizations. Of the delegates and advisers attending the Meeting, 312 were men and 108 were women.

I. Opening ceremony

- **3.** The Meeting unanimously elected Ambassador Jean-Jacques Elmiger, Chief of International Labour Affairs at the Ministry of Economic Affairs of Switzerland, as Chairperson, and Mr. Ludek Rychlý, Deputy Minister of Labour and Social Affairs of the Czech Republic, Mr. Antonis Pierides (Employers' delegate, Cyprus) and Mr. Marc Blondel (Workers' delegate, France) as Vice-Chairpersons.
- **4.** The Director-General of the International Labour Office welcomed the delegations to the Meeting, and extended a special welcome to the delegation of the Federal Republic of Yugoslavia, which had recently been admitted to membership of the ILO. He also extended his thanks to Switzerland for hosting the Meeting and for its support to the multilateral system. He recalled the importance of regional meetings for the decent work agenda, and noted that the heterogeneity and vastness of the European and Central Asian region presented a particular challenge. Nonetheless, the region was united in change, as many countries were making a transition to democracy and the market economy, as well as facing globalization and the information revolution. He also recalled that the ILO's roots were in Europe (14 out of 42 founding Members were European States), and that in Europe the ILO's goals and principles had most widely become a reality.
- 5. He noted that the European social model, which was guided by the idea of social solidarity in a market economy, faced the challenges of modernization and globalization. Furthermore, European achievements could not be taken for granted; problems of human trafficking and child labour were emerging in the region. Nonetheless, it was heartening to witness regional mobilization around these matters: to date, 42 European and Central Asian States had ratified the Minimum Age Convention, 1973 (No. 138), and 14 had ratified the Worst Forms of Child Labour Convention, 1999 (No. 182). In many ways the future of social development in the global economy was being played out in Europe. The world was eager to see that countries with well-developed social protection systems as in Europe could demonstrate success in terms of economic performance, productivity and trade.
- **6.** The Director-General then outlined the role the Organization might play in a region in which social integration was already high. He mentioned the role of the ILO as a vehicle for expressing Europe's commitment to the developing world and as a platform for Europe in the global policy-making agenda. Beyond this, the ILO should also be an actor in the social and labour challenges confronting European societies themselves. In the east and centre of the region, the ILO had the priority task of assisting nations grappling with economic transformation or those emerging from armed conflict. In those nations preparing for accession to the European Union (EU), ILO assistance in achieving this goal was a clear objective as well. In the most advanced economies, the policy concerns of the

ILO's decent work agenda remained highly relevant. These policy objectives were: generating employment to ensure continued prosperity; sustaining social protection in the face of demographic change and increased global competition; promoting social dialogue and generating consensus-based solutions through active tripartite participation; and applying labour standards and fundamental principles and rights at work. To achieve these goals, the ILO sought to strengthen its cooperation with European institutions. The ILO was intent on strengthening cooperative relations with the European Commission and the European social partners and exploring joint actions which brought the ILO together with constituents in new forms of dialogue to address "key issues" in developed countries.

- 7. The Director-General referred to the Report's theme of decent work in the information economy. The intention had been to deal with an issue at the heart of the new economy, the prospects for job creation and job destruction based on information and communications technology and to address the problem of the digital divide within and between countries. He observed that technological development was irreversible but it was important to work towards ensuring that the potential benefits were extended to many more people. Finally, he called on the delegates to give the Office guidance on the way forward on ICT and other issues in terms of their different realities and within the context of decent work and the strategic objectives agreed upon by the Conference and the Governing Body.
- **8.** Lord Russell-Johnston, President of the Council of Europe Parliamentary Assembly, stated that he was honoured to have been invited to speak at the Meeting. He highlighted the convergence between the fields of activity and objectives of the ILO and those of the Council of Europe and its Parliamentary Assembly. He elaborated on the European Social Charter as perhaps the best-known and most important example of such a shared field of activity.
- **9.** As regards the impact of information and communication technologies in the world of work, Lord Russell-Johnston expressed the view that new technologies had revolutionized forms of work and working conditions at a high speed. While flexibility resulting from new technologies had improved access to employment for many, their development also posed new dangers, such as the violation of workers' rights and privacy, work under high pressure, and risks of new occupational diseases. He called on the delegations present and on both the ILO and the Council of Europe organizations to cooperate, where common ground existed, in the implementation of human and social rights in their respective member States.
- 10. Mr. Pascal Couchepin, Minister of Economic Affairs of Switzerland, welcomed the delegates on behalf of Switzerland. He noted that order in Europe was maintained through the expanding European Union, the Council of Europe, and the Organization for Security and Co-operation in Europe (OSCE), yet the social conscience of the world and of Europe remained the responsibility of the ILO. He further noted that all European and Central Asian countries were affected by the process of liberalization and the information technology revolution. The new information and communication technologies would result in the creation of new jobs, and would allow transition countries to bridge the digital divide through their educational systems. Countries which were opposed to new technologies would be deprived of significant economic gains. He then asked why Europe lagged behind the economic growth which had marked the United States for the past decade. The answer, he found, was that the United States was open to innovation and technology, which allowed it to be a leader in information technology and biotechnology. Only a Europe which remained open and economically strong could serve as a model for other countries.
- 11. To meet this challenge, the social partners would have to redefine their respective roles. The State would have to ensure education for the global economy and training in

information and communication technologies. As an employer, the State should allow interaction between the public and private sectors; the lifting of the status of official for Swiss civil servants had allowed the public authorities to act as modern employers. In the new global economy, employers would have to become more aware of their social responsibilities. For this reason, the participation of employers in the ILO World Employment Forum of 2001 and the United Nations Global Compact was essential for their success. Finally, globalization presented a challenge to trade unions, as work was transferred abroad and as telework fostered individual, outsourced work. As a result, trade unions would have to be strengthened, and they needed to offer a wider range of services, including vocational training and legal support. Deregulation at the national level called for greater regulation at the international level, in which the ILO had an important role to play. In this regard, he expressed his satisfaction at the reform of the ILO's standards policy, and added that the Organization should also strengthen the Governing Body's Working Party on the Social Dimension of Globalization through an integrated approach which included such issues as trade, investment and working conditions. The ILO should also use its technical cooperation to seek new solutions, for example, in the area of migration. Through these means, the ILO could help create in all of the Global Village a globalized economy with a human face.

II. General discussion of the Report of the Director-General

Development trends in the region

- **12.** Before beginning the discussion of the Report of the Director-General, the Meeting viewed the video *Globalizing Europe*.
- 13. The Workers' delegates, through their spokesperson Lord Brett, remarked that, although the Director-General's Report referred to the "European social model", reference was actually made to universal principles and values embodied by the ILO. Such values were universally important to social and economic progress regardless of region. With regard to Volume I of the Report, Globalizing Europe: Decent work in the information economy, they believed that it did not address the wider problems with the new economy, such as the fact that many new technology companies had failed, resulting in job loss, job transfers and insecurity. The Report called for migration to fill the needs of the new labour demands, giving the false impression that there was full employment in Europe. Social security would have to be re-examined as workers were less tied to one employer. For the same reasons, trade unions would have to be strengthened so as to offer protection to nomadic and isolated information technology workers. The ILO should address these issues in a wider context of the changing nature of work, which extends beyond information and communication technologies. Turning to Volume II of the Report, Decent work in Europe and Central Asia: ILO activities 1995-2000, the Workers' delegates hoped for greater cooperation between the ILO and the international financial institutions working in European and Central Asian countries. Specifically, they hoped that the ILO would examine the widespread problem of corruption. Other issues which needed to be addressed were the weak development of small and medium-sized enterprises and the rise of atypical employment. The latter called for European member States to ratify the Part-Time Work Convention, 1994 (No. 175), and the Home Work Convention, 1996 (No. 177).
- **14.** The Employers' delegates, through their spokesperson Mr. Thüsing, noted the broad scope of the Report, which covered the region from Western Europe to Central Asia. They expressed the desire for greater cooperation between the ILO and the European Union

- (EU). Turning to the Employment Chapter of the Amsterdam Treaty, they noted that the task of employment policy-making had been given to Europe, while labour markets and tax, wage and economic policy remained the competency of individual nations. It had to be made clear that these areas would remain the responsibility of individual nations. The Employers' delegates also noted the mention in the Report of atypical forms of work, which in their view were no longer atypical but new forms of work with concomitant advantages and problems. They pointed out that many of the social protection systems lauded by the Report could only be maintained through reductions in benefits. It was difficult to take such necessary measures because of an ingrained sense of entitlement in Europe. In transition countries, social security benefits would also have to be examined in the light of market forces. Finally, they underlined the need for transition countries and members of the Commonwealth of Independent States (CIS) to develop sound political and administrative infrastructures, which would be the basis for peace and progress. Such a legal framework should also guarantee the autonomy of each of the respective social partners.
- 15. The representative of the Government of France, speaking on behalf of the Member States of the European Union (EU), underlined the convergence of ILO principles and European social policy goals. European social policy had sought to encourage a more inclusive society. At the European Council in Lisbon, the Member States of the EU had affirmed the common objectives of combating exclusion, which included promoting participation in employment and access to all resources, rights, goods and services, preventing exclusion risks, acting for the most vulnerable, and mobilizing all actors. Social dialogue would also have to be promoted. The objective of decent work coincided well with the EU policy agenda, which sought to enhance education, lifelong training, invest in human resources, improve employability and reduce skills shortages, and promote social inclusion and equality of opportunity for men and women.
- 16. The representative of the European Commission indicated that cooperation with the ILO was very important, especially given the vast areas of convergence between the social and economic objectives of both organizations. The ILO's decent work agenda also coincided with European Commission priorities, which included a new social agenda of the Commission aiming to ensure employment, and social protection and promote industrial relations. With a view to achieving quantitative and qualitative improvements in employment, educational and lifelong learning strategies should be developed. In this respect, the Lisbon European Council had established the objective of making Europe the most competitive knowledge economy in the world.
- 17. The representative of the Organization for Security and Cooperation in Europe (OSCE) emphasized that democracy, peace, and stability in the European region, which were the focus of his organization, also contained the dimension of decent work. The ILO, with its unique tripartite structure, was an important partner in the OSCE's activities for peace. The representative expressed his hope that the regional meeting would develop proposals for further intensifying collaboration between OSCE and ILO, taking into account the particularities and strengths of both organizations and avoiding unnecessary duplication of activities.
- 18. A number of speakers from the region observed that despite macroeconomic stabilization in many transition countries, no tangible economic growth had been achieved yet. Many of these countries were burdened with public debt, which had reduced the budgetary resources for job creation, heath care and social protection. Women especially suffered from such policies as they faced a reduction in maternity benefit and related health care. In this respect, cancelling the foreign debt would contribute to the realization of the goals of the ILO in some countries. Some speakers suggested that it might be time to review the ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social

Policy in order to provide it with a more effective supervisory mechanism. They urged the ILO to further stress in its relationship with the international financial institutions the need to take into account the adverse social impact of their policies on the workers in developing countries. Labour market policies and macroeconomic policies needed to be linked to establish full employment as a central political goal. The ILO should advocate the inclusion of international labour standards in international agreements and treaties, and in the work of relevant international organizations, such as the International Monetary Fund (IMF) and the World Trade Organization (WTO).

- 19. A number of delegates emphasized that economic reform and the need for labour flexibility should be balanced with the maintenance of a strong social protection system and employment promotion. To achieve this, governments needed to pursue macroeconomic stability, open markets, and active vocational training and labour market policies. The ILO could contribute to such policies through its research, the reform of the standards-related policy, and the formulation of policy on work in the information technology field. Some speakers pointed out that in some countries, structural policy reforms and a stable fiscal policy as well as a common understanding between the government and the social partners on wage increases, were the main reasons for positive economic and employment development. They stressed the need for strong social dialogue in order for such mediated approaches to succeed, and stated that the ILO had an important role to play in fostering such mechanisms.
- 20. Regarding the social challenges of the new information technology, a number of speakers suggested that these challenges were best met through lifelong learning, greater employability and flexibility. The principal sources of economic wealth would be the wage earners' capacity to adapt to very rapid changes in the world of work. Workers would thus need to be innovative, constantly trained, and increasingly professionally mobile. More investments in education were needed in the EU countries to counter the risk of skill deficiencies, and future EU Member States should further develop their expertise in the field of information and communication technology. They emphasized that new technologies would impact on all of working life and all workplaces, irrespective of whether they were exposed to global or only domestic or even local competition, or even not exposed to market competition, as in the case of the public sector. The social partners would need to be strengthened in order to respond to this powerful change. A new balance between flexibility and security had to be found. Security had to be maintained, since it was understood that it acted as a springboard for new jobs. The tripartite constituents and the ILO had to act on the basis of knowledge of the forces of change at work, at the level of both workplaces and economies in general.
- 21. Several speakers called for increased protection of migrant workers, often socially excluded in most European countries. They expressed the hope that the region would play a central role in formulating and implementing policies targeting migrant workers and other disadvantaged groups. The issues of trafficking in humans and irregular migration needed to be addressed.
- **22.** Many delegates commended the ILO's involvement in the Stability Pact for South-Eastern Europe, in particular the initiative for social cohesion. Respect for labour standards, promotion of social dialogue and active labour market policies were considered essential building blocks for social cohesion and the development of democracy.
- **23.** A large number of speakers called for closer cooperation between the ILO and the EU, the European Commission, and with the Phare and Tacis programmes in Central and Eastern Europe and in the CIS countries. They also advocated further cooperation with the OSCE and regional employers' and workers' organizations.

- **24.** A number of Employers' delegates emphasized the need for well-organized, representative and autonomous employers' organizations in Central and Eastern Europe as an important ingredient for creating social dialogue. The current weakness of employers' organizations was due to their financial instability. Their situation with respect to the tax deductibility of membership fees was not considered satisfactory. They appealed to governments to adopt and fully implement the resolution on the subject which had been adopted at the Fifth European Regional Conference in Warsaw in 1995.
- 25. A number of Workers' delegates stressed the importance of strong trade unions, especially in Central and Eastern Europe and Central Asia. After ten years of reforms in CIS countries, free trade unions had become more important in the context of social dialogue. In this connection, the ILO had to re-examine its attitude towards different types ("old" and "new") of trade union organizations. In the future, each country of the CIS region should be treated and considered separately, taking account of their level of development and specific particularities. Furthermore, trade unions should have among their future priorities training in information and communications technology, as well as lifelong and distance learning that would allow them to preserve their major role as a social partner. With ILO support, trade unions might use information and communications technology to promote the observance of fundamental rights at work, as well as to deliver information, training and knowledge. The promotion of framework agreements including collective bargaining should also be considered.
- **26.** Several speakers also expressed their concern about the reform of ILO standards-related policy which had been approved by the Governing Body in November. In their view, the new approach to standard-related activities would slow down the standard-setting process, weaken the supervisory mechanisms, and transform standards into mere guidelines. Such a process might be dangerous for Central and Eastern Europe and Central Asia.
- 27. One speaker pointed out that many workers in Central and Eastern Europe and in the CIS worked in agriculture. These workers found themselves faced with considerable difficulties with respect to fundamental principles and rights, including the right to organize and bargain collectively. Furthermore, they worked in a hazardous sector with a high rate of occupational accidents and fatalities. He welcomed the forthcoming discussion of new standards on occupational safety and health in agriculture at the International Labour Conference in June 2001. The role of the ILO to ensure decent work in agriculture was therefore important for countries in transition.
- **28.** In addition to the general discussion above, a number of individual speakers made statements regarding their respective countries and institutions.
- 29. The Minister of Labour, Social Affairs and Family of Slovakia stated that his Government had sought to orient social policy towards the fundamental principles and rights at work which were contained in the ILO Declaration on Fundamental Principles and Rights at Work, and that it had included the development of information and communication technologies as part of its strategy of economic and social growth. He recalled that the ILO's Central and Eastern European Multidisciplinary Advisory Team (ILO-CEET) in Budapest had provided assistance with the recently adopted Economic and Social Partnership (Tripartite) Act, and that his Government had signed an agreement of cooperation with the ILO which focused on promoting employment for men and women, increasing social protection and strengthening social dialogue. Slovakia was preparing further new labour laws, including a new Labour Code, with ILO technical assistance. He announced that Slovakia had deposited the instrument of ratification of the Maternity Protection Convention, 2000 (No. 183), making it the first country to ratify the Convention.

- **30.** The Minister of Labour and Social Affairs and Deputy Prime Minister of Albania expressed her satisfaction with the Report of the Director-General. Development in the Balkans and South-Eastern Europe had an impact on labour relations in the whole region. Social development, reduction of poverty and unemployment, and the strengthening of social cohesion were priority issues for Albania at this moment. Cooperation with the ILO should be further strengthened in this area. The Minister welcomed the importance given to regional development concerns by the ILO, especially in the framework of the Stability Pact for South-Eastern Europe. The promotion of development and consolidation of labour relations, as well as tripartism as an element of social consensus-building, were essential for the ILO's and the international community's agenda for Kosovo.
- 31. The Minister of Labour and Social Policy of Bulgaria recalled positive developments in his country, including the high-level Tripartite Conference of ILO Constituents on Employment, Labour and Social Policy in South-Eastern Europe, which was held in October 1999 and which resulted in the adoption of the Sofia Declaration, and the adoption by the Bulgarian Government of a Draft Statute of the Council for Economic and Social Cooperation in South-Eastern Europe. This Council would contribute to the enhancement of regional economic and social cooperation, identification and discussion of common problems, exchange of experience and elaboration of employment promotion programmes, social integration and poverty alleviation. He recalled that, under the agreement for cooperation in the field of European integration, signed in June 2000 by the ILO and the Republic of Bulgaria, consultations had been undertaken with a view to harmonizing national labour legislation with European and international standards.
- 32. The Minister of Labour and Social Welfare of Croatia stated that the number of ILO projects in the transition countries was impressive. He welcomed especially the objective assessment of the situation in each country within the active partnership policy and underlined the cooperation between his country and ILO-CEET in Budapest. The Minister stressed that Croatia had supported the ILO initiative to develop a social dimension of the Stability Pact for South-Eastern Europe and expressed his hope that the ILO would continue to support projects within this context.
- 33. The Minister of Labour and Social Protection of Kazakhstan said that many efforts had been undertaken by his country to achieve democracy and a socially-oriented market economy. Under the auspices of the National Permanent Tripartite Commission, tripartite general agreements had been signed over the past five years. In the context of cooperation between the ILO and Kazakhstan, many important programmes were being carried out, including poverty alleviation for the period 2000-02. He hoped that the ILO would assist Kazakhstan in the elaboration of social policy and that the Organization would disseminate codes of good practice and codes of ethics with regard to multinational enterprises.
- 34. The Employers' delegate of Croatia recalled that the employers of South-Eastern Europe had created in September 1999 a South-Eastern Europe Employers' Forum (SEEEF). Its meeting in Zagreb on 3 October 2000 had taken decisions on the creation of mechanisms for future cooperation to participate in the Working Tables of the Stability Pact; to participate in the economic development and cooperation proposed by the Sarajevo Declaration; to represent the interests of the employers' organizations towards other international institutions and conferences. Lastly, some new initiatives had been discussed during the meetings in Istanbul in October 2000, and in Paris in December 2000. In this context, the speaker suggested that the social partners should be involved in all the processes and decisions in the region. This could be made possible through national tripartite structures from each country at the level of the South-Eastern European region. Representatives of the social partners of each country of the South-Eastern European region should have the possibility to inform and consult their members about all the proposals for improving employment, incomes and decent work in the region, such as

investments, job creation programmes, vocational training, etc. She asked for support for the proposal prepared by the Bulgarian Industrial Association to create an electronic network for the countries in the Stability Pact region aiming at promoting employment, cooperation and economic growth.

- 35. The Workers' delegate of Belarus expressed his agreement with the position that the process of strengthening social dialogue provided opportunities for addressing national problems and that social dialogue itself was also a fundamental element of the rights of the social partners. He pointed out, however, that social dialogue in Belarus was very formal and did not have any impact on national problems, such as poverty and low standards of living. At present, trade unions in Belarus were undergoing transition and becoming more independent. He stated that the Government tried to intervene in trade union affairs and that, through the specific procedure of re-registration, trade unions were subject to greater control. As a result, the Belarusian trade unions had submitted a complaint to the ILO. He thanked international and national trade union organizations for their support.
- **36.** A number of speakers voiced their support for the Workers' delegate of Belarus and stated that they did not believe that the Government of Belarus had made adequate efforts to resolve problems of interference in trade union affairs in that country.
- 37. The representative of the International Confederation of Free Trade Unions (ICFTU) highlighted the interdependence of globalization and the European integration process. It was essential for the ILO to advocate and monitor the respect of core labour standards, and to influence other international organizations, such as the World Bank, or international treaties, to that end. This was particularly relevant in the light of trends to undermine collective bargaining and workers' rights in the region, as well as the yet unresolved problem of non-payment of wages.
- 38. The representative of the World Confederation of Labour said that the influence of the ICTs on the world of work had become evident. Now the role and objective of States as well as of employers' and workers' organizations was to make sure that each person had the possibility of participating in the information society. New technologies were changing types of work, types of contracts and relationships with employers. She stated that the WCL placed great importance on the fundamental principles of collective bargaining and collective relations at the world of work, and in particular framework agreements including industry-wide collective bargaining at the European level. She also drew attention to problems in Central and Eastern Europe of degrading working conditions, non-payment of wages, low levels of social protection and discrimination. She recalled the importance of the strict implementation of ILO Convention No. 95 and the necessity to involve women in the social dialogue process. She also called for governments in the region to ratify Conventions Nos. 143, 144, 175 and 177.
- **39.** A representative of the European Trade Union Confederation (ETUC) stressed that promoting economic growth and modernizing the economy must be balanced by attempts to strengthen the social dimension. The "European social model" would be crucial in order to make workers and citizens "winners" and not "victims" of the ongoing globalization process and rapid technological development. The role of the social partners would increase at the enterprise, national and European level, and workers' rights to information, consultation and participation would be key factors, together with training and lifelong learning. The ETUC would be committed to establishing a social foundation for peace and economic prosperity, especially in South-Eastern Europe, and the successful implementation of the Initiative for Social Cohesion (ISC).
- **40.** Finally, the representatives of the Governments of Bulgaria, the Russian Federation and Slovakia expressed their thanks to the ILO-CEET in Budapest and the ILO Moscow Office

- for technical assistance and cooperation in the preparation of labour legislation and other activities.
- **41.** The representatives of the Governments of Bulgaria, the Russian Federation, Slovakia and Turkey announced significant reforms in their labour legislation.
- **42.** A number of other representatives of Governments also stated that they would soon ratify further fundamental and priority ILO Conventions.

Decent work in the information economy

- **43.** Mr. Philip Jennings, Secretary-General of the Union Network International (UNI), gave a keynote address to the special session on information and communication technology. He argued that the modern "dot.com bubble" had burst and "dot.com mania" had subsided, but that the IT revolution was here to stay. He then raised five issues regarding information and communications technology:
 - Skills shortage in the IT sector. There could be a shortfall in the numbers of available IT professionals of 1.6 million in 2002 and 1.7 million in 2003 in the European Union Member States plus Norway and Switzerland. This shortage may be attributed to the downsizing programmes which occurred at the beginning of the 1990s in large companies, during which thousands of highly skilled specialists were laid off and younger and less experienced - in other words cheaper - workers were hired in their place. To remedy this shortage, the IT sector could call upon untapped reserves of female labour; this would mean recognizing the current gender inequalities and putting in place measures to combat them. Another remedy would be to pay more attention to lifelong training to retain older workers. In practical terms, UNI was calling for a European-wide training scheme for the ICT sector for skilling and reskilling employees. UNI would like to establish a "talent bank", that is a multiemployer European-wide clearing house to match skills no longer needed by one employer with skills needed elsewhere. UNI also would like a trans-European employer and trade union network to facilitate good practices in recruitment and retention of ICT employees.
 - (ii) *E-ways of working*. New ways of working that maximized the opportunity for workers to use their own knowledge were needed. More flexible working practices could be beneficial to both employers and workers. But they could also pose dangers for individuals. It was therefore vital that new ways of working were not imposed on workers but were developed through partnership and negotiation. With the growth of new ways of working, self-employment was increasing. UNI was increasingly reaching out to welcome the self-employed as members. However, there was also a growth of false self-employment in situations where employers tried to avoid their employment and social insurance responsibilities. The ILO needed to pay attention to this phenomenon.
 - (iii) Online rights for online workers. Good industrial relations in the electronic workplace required appropriate access to the powerful new electronic means of ICT. Workers needed to be able to have free access to an enterprise's e-mail and Internet systems to network with their union. The rise of electronic surveillance was a matter of concern in this regard as it undermined unions' activities. The individual's rights to privacy at work were eroding.
 - (iv) Authors' rights for all. It was necessary to broaden the traditional industrial relations agenda to copyright and intellectual property rights. This was an issue which should

- be addressed by the ILO since the idea of value today would be based less on material assets than on intellectual property.
- (v) *E-health and safety*. Stress in the workplace due to new technologies was an important labour matter and should be addressed as a collective issue.
- **44.** Mr. Jennings concluded by saying that there was great potential for Europe to enjoy the benefits of the information age provided that the revolution took place in the context of a social Europe. This meant that the digital divide had to be confronted. It was vital that new inequalities were not allowed to develop, either within or between countries. Social partnership was similarly important. It was important to move forward by negotiation and agreement. Finally, it was vital that the ILO develop its own e-agenda. The ILO Declaration on Fundamental Principles and Rights at Work should also be respected in the e-world. Therefore, the ILO should, as part of its activities, support online rights for online workers, highlight best practices for learning and training, embrace the new economy in its sectoral work, and study related mobility issues.
- **45.** Mr. Neuve-Eglise, Chairman of the Comité Consultatif du Fonds Commun de Placement I-Source, was the second keynote speaker of the special session. He underlined that the world of work was deeply changing in the sway of ICTs. The objective thus should be to master the changes instead of surrendering to them. ICTs impacted the world of work at five levels:
 - (i) Occupations/jobs. ICTs created new occupations and jobs as a result of the emergence of new activities, particularly in the services sector. ICTs also transformed existing jobs and occupations, especially because they brought about significant changes in the relationship of work with the dimensions of time and distance.
 - (ii) The need for skills. In the banking sector, for example, massive lay-offs were currently taking place as a result of the closing down of counters; however, massive hiring was simultaneously taking place of more skilled staff in marketing or information systems. Thus, to harness the immense potential offered by ICTs and to satisfy the demand for new skills, Europe needed to increase the number of young skilled graduates, retrain young graduates originally skilled in non-ICT disciplines, increase lifelong learning and the retraining of older workers, allow the immigration of highly skilled specialists, and invest and outsource in foreign countries.
 - (iii) Social inclusion. The potential of ICTs benefited primarily workers already in the labour market. For those excluded from it, it was much more difficult to take advantage of the opportunities offered by ICTs (such as teleworking). There was a risk of a divide growing between those who were IT-skilled and those who were not. Thus, accompanying policies with respect to information, training and learning were needed. Conflicts between generations had to be avoided and the costs of training should be shared between the enterprises and the State.
 - (iv) Organization of work. ICTs had given rise to a new production paradigm; ICTs also facilitated the relocation of work. But the freedom offered by ICTs also posed the problem of the measurement as well as of the fair remuneration of work. New modes of remuneration were bound to emerge based on tasks completed or objectives reached rather than on presence at work.
 - (v) *Management*. ICTs could be real opportunities for enterprises as much as they could be a pitfall. Therefore, enterprises had to be careful when using these technologies. Managers needed to explain ICT projects clearly, develop a digital culture among

themselves, avoid risks of exclusion, and to manage risks of using ICT and to clarify the role of middle management.

- **46.** The Workers' delegates, through their spokesperson, stated that they were in agreement with almost everything the Secretary-General of the UNI had said in his presentation. They emphasized however that the digital divide had an age factor: older persons encountered greater difficulty in using the technologies than younger ones. Turning to the impact of ICTs on traditional industries, they cited the example of retailing. A cashier today passed goods in front of a scanner and the bar code was recorded automatically. Earlier, a cashier had been required to know basic arithmetic to perform his or her job. This was no longer the case. Thus, the impact of ICT on this particular traditional sector had been one of deskilling. In relation to the issue of the digital divide, they argued that a major effort was needed to overcome it and place it in the broader context of sustainable development. Even in Europe, some trade unions did not have computers and thus could not network efficiently. They suggested that the ILO provide technical assistance to the unions in this field.
- **47.** The Employers' delegates, through their spokesperson, questioned whether there was a widening split between rich and poor countries within Europe and even more to what extent that was due to ICT development. It was clear that there was and would be job destruction as well as job creation in the information economy. Future prospects were nonetheless good. Europe had to accept that jobs would be displaced to developing countries because this was in Europe's long-term interest. They then emphasized that the private sector had to be involved in education since this was the crucial tool to harness the potential of ICTs. ICTs could help disadvantaged groups enter the world of work and improve the quality of the services delivered, the ILO being no exception.
- **48.** The representative of the European Commission fully agreed with the Report's emphasis on social dialogue. She underlined the fact that in less than ten years, half of all jobs would be in ICT-intensive skills. Thus, the importance of developing the right skills was crucial. Similarly, increasing the participation rate of women generally and in ICT jobs in particular should be emphasized. She then addressed the divides that were deepening in Europe between the North and the South, and within income ranges, age groups, and vulnerable groups. Building an inclusive ICT society meant paying attention to specific social needs of different groups. For example, public Internet access was essential for those who could not afford it at home. Similarly, access for all to online public services should be made available. She concluded by calling for the ILO to focus on the divide between countries.
- **49.** In the course of the debate that followed the presentations by the two keynote speakers, many critical questions for social policy were raised. Several speakers pointed out that ICTs provided an opportunity that would help resolve employment problems in Europe. For every computer scientist job created, four to five other jobs were created. The multiplier effect was very large. But the question remained as to whether Europe would be able to guide this employment creation potential to enjoy all its benefits without suffering its disadvantages. To answer this question, one needed to look first at the obstacles in the way of this potential.
- **50.** The skills shortage was mentioned by many speakers as the main problem facing Europe in the information economy. The speed of change was such that there were not enough qualified people to fill all the vacancies. This skills shortage, it was stressed, could cause a slowing down of economic growth in Europe.
- **51.** Many solutions were suggested to overcome the skills shortage. Several speakers underlined the need for more appropriate education, better training of the younger

generations, retraining schemes for older workers and, most importantly, lifelong learning. A number of other speakers also pointed out that special attention should be given to the education and training of women who were not, at the moment, taking full advantage of the new opportunities offered by ICTs and who could, if they entered the labour market better prepared, play a key role in resolving the skills shortage problem. The skills shortage in Europe should be addressed by a unified Europe, which should engage in a real policy of human resources promotion.

- 52. Several speakers said that migration had been envisaged as a solution to the skills shortage in Europe. A number of Employers' delegates considered migration as a necessary part of globalization. In their opinion, the European response to migration could not be a restrictive migration policy. But the migration process should not lose sight of the principle of equal opportunities for all. Countries that were in danger of experiencing a brain drain should think about how they could retain skilled people: e.g. develop cooperation in the field of science, offer incentives for attracting foreign investors, and support student exchange programmes. But for other speakers, migration was not to be the solution to the skills shortage in Europe; instead, they emphasized the need for lifelong learning. They feared the possibilities of a brain drain and some speakers said that such a loss of skilled workers would increase the divide between countries.
- 53. The digital divide was a recurrent issue in the debate. Several speakers underlined the divide within countries while others pointed to the divide between countries in Europe. Several Workers' delegates said that a widening divide between a minority of highly skilled, highly paid workers and a majority of precarious workers should be avoided. Employers' delegates pointed out that the divide was rather one of generations than one between rich and poor. One delegate stressed that it was important to ensure that ICTs did not reinforce the existing duality in the labour market. Vulnerable groups, the unemployed, and older people might be excluded from the technological revolution, which would threaten social cohesion. There was a risk that several categories of workers would be left behind in the knowledge economy. There was also a risk of increased segmentation in the labour market. Thus, public policy should concentrate on training and lifelong learning to prevent the potential marginalization of certain groups. The risk of exclusion was not just a theoretical speculation. It was pointed out that the Czech Government had decided to act on three fronts: connect all primary schools by 2002, reinforce programmes of lifelong learning, and encourage retraining. No country could afford to see any of the actors in its labour market remain outside of the ICT revolution. Doing so could cause economic and social turmoil.
- **54.** Several speakers addressed the issue of working conditions in the information economy. The spokesperson for the Workers' delegates described how workers in the media, public relations and ICT work practically lived in the office almost 24 hours a day, seven days a week. At the same time, there were opposite situations where work was performed outside the workplace (for example homeworking) and colleagues did not know each other. Companies were moving across borders at the expense of working conditions and workers' remuneration. Such situations needed to be regulated by legislation and agreements, and they underlined the importance of ILO Conventions in this field, such as the Home Work Convention, 1996 (No. 177). They would appreciate more references to these and other relevant Conventions in future ILO reports as it was the task of the ILO to create awareness of these instruments and push for their ratification and implementation. Similarly, some speakers pointed out the need to review employment contract laws and labour laws generally as they might no longer be appropriate. Finally, one speaker pointed out that at the European level, the Sectoral Social Dialogue Committee for ICT was working to reach a consensus on guidelines on telework to be adopted via proper collective agreements by all the telecommunication companies in Europe. The assistance of the ILO could be useful to guide the Committee's efforts in the right direction.

- 55. On working conditions, the Workers' spokesperson further emphasized that organizational changes brought about by ICTs facilitated the externalization of work where precarious employment, imposed flexibility and bad working conditions were often to be found. But competitiveness was not incompatible with decent working conditions and a high level of social protection. Competitiveness particularly depended on education and training systems, lifelong learning, and research and development. Trade unions were not against ICT; on the contrary, they were at the forefront of using it for their own development.
- **56.** Social protection was also an issue raised by several speakers. The Employers' delegates pointed out that the current trend towards having numerous jobs in a lifetime implied that the system of social protection would have to be adapted. In particular, rules and criteria were needed to determine clearly who was employed and who was self-employed. Other speakers also underlined the need for social protection systems to adapt to the fast-changing employment environment. Social protection must be adapted to take into account workers' increased mobility.
- 57. Numerous speakers addressed the question of fundamental principles and rights at work. The Workers' delegates stated that without a social dimension and without respect for the fundamental rights of workers, the use of ICTs and telework would not be much different from homeworking in the eighteenth and nineteenth centuries. All the workers in the new economy should benefit from their fundamental rights at work, for example, freedom of association. The growing independence of work from location had the potential to undermine workers' collective rights. The ILO's standards-related activities had a role to play in this regard as international labour standards were more pertinent than ever. Furthermore, one speaker said that in spite of the current robust economies and rapid growth in productivity, European countries faced a deficit in decent work. The benefits of higher economic growth needed to be translated into well-paid, productive and secure jobs for all.
- 58. The representative of the International Federation of University Women highlighted gender inequalities related to ICTs, such as gender segregation along typical male/female lines in new jobs. Comparative advantages sought by transnational corporations investing in Central and Eastern Europe were often found in cheap and abundant female labour, but they were often associated with precarious employment, low wages and inadequate conditions of work. ILO Conventions Nos. 175 and 177 were of particular importance to women in ICT jobs. Further research was needed on the reasons for continued gender segregation, and an overhaul of the International Classification of Occupations (ISCO) was required to reflect the new forms and nature of ICT work. ICT-related work should seek to avoid the present pitfalls of discrimination based on age and gender. Education, lifelong learning and distance learning should take into account workers' most often women's constraints because of family responsibilities. E-business could function as an equalizer between men and women, yet workers could face yet unknown difficulties with regard to protection of their intellectual property rights. A joint effort of the ILO, WIPO and UNESCO was needed to address this matter.
- **59.** Finally, many delegates discussed the role the ILO should play in the information economy. Some speakers pointed out that the pace of change was unequal within Europe. Therefore, the ILO had a role to play through technical cooperation to ensure that the divide between countries did not increase. Other speakers stated that the ILO should create and operate an international advisory network on the application of ICTs, available to all the actors in the labour market and to governments. Others pointed out that the ILO should not limit itself to an intermediary role in which it only collected information and then diffused it in reports. The ILO should move forward and set up an interactive website where constant discussion among all the interested parties would be possible. Workers' and employers' groups were already doing this, so the ILO should examine this possibility

as well. The ILO should also compile a record of experiences and best practices in the field of ICTs. In other words, the added value of the ILO was not necessarily to undertake further research, but to provide its constituents with the facilities to access best practices around the world. Perhaps the Director-General should seriously consider the proposal from Philip Jennings that the ILO should set up its own e-university, or at least develop an e-strategy to help its constituents more effectively. The Turin Centre did not have a module on ICT; it was worth considering if the Centre should develop one. The ILO should play an active role, going beyond its current observatory and forecast roles to actively impact the process of change. The ILO could also contribute to lifelong learning in Central and Eastern Europe. Through its MDTs, the ILO should give priority to the countries in the region which had the lowest level of development, as well as the most severe problems in the transition process to the market economy and in responding to the challenge of globalization.

Activities of the ILO

- **60.** The Workers' spokesperson re-emphasized that the disparities within the region should be the determining factor in planning ILO activities. The decent work agenda and its four strategic objectives remained relevant everywhere - despite regional differences - and constituted an essential ingredient in "Social Europe". Freedom of association and the right to organize were not sufficiently protected throughout the region. Future emphasis on Conventions other than the fundamental Conventions was needed. In the light of the decreasing social protection in countries of the region, in particular that of women workers, the ILO should launch a campaign on the promotion and ratification of the Maternity Protection Convention, 2000 (No. 183). In this respect they congratulated Italy and Slovakia for being the first countries to ratify Convention No. 183. The discussion on the impact of ICT on the world of work had clearly indicated the need for ratification and effective implementation of a number of ILO Conventions, in particular the Part-Time Work Convention, 1994 (No. 175), and the Home Work Convention, 1996 (No. 177). Other issues which demanded rapid and more effective political solutions and which could benefit from ILO assistance were discrimination, especially on the basis of gender and race; trafficking in women; growing child labour; and social protection of political refugees and migrant workers. Any assistance and investment should contribute to the goal of sustainable development, and to the strengthening of principles of social dialogue and tripartism as pillars of democracy.
- **61.** With regard to the situation in Belarus, Lord Brett outlined the written statement submitted by the Workers' group on violation of trade union rights in Belarus. This was a serious situation which needed to be addressed, although it was not the only situation warranting attention in this region. The Workers' delegates further added that the ILO should be aware that there was no total harmony between EU regulations and the decent work agenda.
- 62. The Employers' delegates, through their spokesperson, recognized the positive role the ILO had played in Europe, in particular through the MDTs and the employers' specialists in Budapest and Moscow. Stronger support and financial resources were needed for such work as it dealt with a vast geographical region. The support of Western European countries in this regard was appreciated. Since the goals of the ILO and the EU were largely identical, although implemented through different means, more coordination between the two organizations was needed. The ILO had clear comparative advantages in terms of competences, but not in finances. The strengthening of institutions in social dialogue, in particular employers' organizations which were currently the weakest parts of the system, was of great importance. They pointed out that the matter of the financial stability of employers' organizations had not been solved, including the question of tax deductibility of membership fees. True social dialogue could only take place between

- strong, free and independent partners. With regard to the situation in Belarus, the Employers' delegates indicated their support for the statement, since employers' and workers' organizations were equally affected.
- **63.** The delegate of the Government of France, speaking on behalf of the European Union member countries and Bulgaria, Cyprus, the Czech Republic, Estonia, Hungary, Iceland, Latvia, Lithuania, Malta, Norway, Poland, Romania, Slovakia, Slovenia, Turkey, San Marino, and Switzerland, endorsed the statement put forward by the Workers' group. She reiterated the importance of the principles of freedom of association and the right to collective bargaining as enshrined in the ILO Conventions, particularly Conventions Nos. 87 and 98 and the ILO Declaration on Fundamental Principles and Rights at Work, and urged for specific and significant measures to be addressed by the Government of Belarus.
- **64.** The Government delegate of the Republic of Belarus referred to the statement of the Workers' group and pointed out that the procedure of registration introduced in the Republic was: in strict conformity with the national legislation; well known by all the parties concerned, including trade unions; and was known to the OSCE. It could be shown that all actions carried out in relation to the registration procedure were legal. Other actions such as the blocking of bank accounts of the Belarusian Trade Unions Federation were also carried out in accordance with national legislation. As regards pressure brought to bear on unions, new legislation on trade unions which provided for expanded trade union rights and guarantees had been adopted on 14 January 2000. Labour disputes could be resolved by the appropriate national courts. The speaker stressed that the Government was open to dialogue and interested in constructive cooperation with the social partners. The visit in October 2000 to Belarus of the high-level ILO delegation was evidence of this attitude.
- **65.** The Workers' delegate of the Ukraine pointed out that actions undertaken by the Government of Belarus against unions had a history. He recalled that retaliatory measures had been taken in 1995 against those who had participated in the strike in the metropolitan underground railway in the Belarusian capital. These measures had still not been redressed, and he stated that the ongoing acts against trade unions were deliberate and planned. He expressed his support for the Workers' group's statement.
- **66.** The Government delegate of the Russian Federation pointed out that the purpose of the present Meeting was to discuss problems existing in countries of the region and not those subjects related to one specific country. The ILO had adequate procedures to deal with such cases, namely the Committee on Freedom of Association and the Committee of Experts on the Application of Conventions and Recommendations. He proposed that the matter of Belarus be taken up in the appropriate supervisory bodies through their regular procedures.
- 67. A Workers' delegate of Kazakhstan stated that events in Belarus reflected what was occurring in various countries of the CIS region. He recalled the freedom of association Case No. 1834 (Complaint against the Government of Kazakhstan presented by the Independent Trade Union Centre of Kazakhstan (ITUCK)) submitted in 1995. The recommendations made by the Committee on Freedom of Association in this case to the Government of Kazakhstan had not been implemented. Interference in trade union matters was a regular occurrence in his country. He expressed his support for the statement of the Workers' group.
- **68.** The spokesperson for the Workers' delegates reiterated the Workers' group's commitment to the use of established mechanisms and procedures within the ILO. The Workers' group also shared the views of those who wished to seek solutions to the problems in Belarus through advice and technical assistance by the ILO. Considering that the Declaration on

Fundamental Principles and Rights at Work created obligations for all ILO member States, this Meeting provided a unique opportunity to express a shared view on the worrying situation in Belarus, as articulated in the statement put forward and endorsed by the Employers' group and the overwhelming majority of member States present. He encouraged delegations that had not endorsed the statement of the Workers' group to do so.

- **69.** The Chairperson, in summing up, noted that the statement put forward (which is appended to the conclusions) had been endorsed by the Employers' group, as well as a large number of governments present.
- 70. The Workers' delegate from Hungary highlighted the often formal character of social dialogue and the resulting lack of effective consultation with the social partners. The ILO should prepare guidelines on the effective implementation of the fundamental rights of social partners to information and consultation at all appropriate levels. Such rights would also apply to employers' organizations. The speaker suggested that the ILO should pay attention to the fact that there was no clear definition of "representativity" of workers' and employers' organizations. Both the criteria for representativity itself and the powers to decide on the criteria needed to be determined. To address discrimination in new forms of work such as the ones created through ICTs, a new ILO Convention was needed. Existing Conventions, such as Conventions Nos. 111, 175 and 177, did not adequately address discrimination and social protection of workers in these forms of work.
- **71.** The Employers' delegate of Romania emphasized that the ILO, through its expertise, could support the development of SMEs in Central and Eastern European countries. He stated that the Romanian employers and workers were under the impression that Romania had not received concrete economic support from the international community, but only congratulations for its positions on international issues.
- 72. The Government delegate of Belgium considered that the ILO should play a leading role in the relationship between East and West with regard to new technologies. The ILO should develop its expertise in these fields and call on the support of its Regional Office for Europe and Central Asia. He informed the Meeting of his Government's intention to intensify multi-bilateral cooperation with the ILO, namely through the MDTs in the Central and Eastern Europe region. He expressed his concern that despite his Government's and the ILO's efforts, social dialogue still remained difficult in several countries.
- 73. The Workers' delegate of Sweden drew attention to the fact that there was no ILO presence in the five Nordic countries, which had a negative effect on public awareness of the ILO and its values. He considered that the existence of an unresolved conflict of competence between the EU and the ILO had a negative effect on the rate of ratifications of ILO Conventions in European countries. He also believed that the ILO should provide additional support and technical assistance to countries in transition. He stressed that governments had the obligation to actively promote collective bargaining, explicitly provided by ILO Convention No. 98.
- 74. The Employers' delegate from Norway regretted that the format of the Meeting was too general and suggested a fixed agenda with working groups for the next regional meeting, which should be better able to produce clear guidance for action. Future priorities of the ILO should be the development of small and medium-sized enterprises as engines of job creation. ILO capacity-building activities should focus on the areas of health and safety and collective bargaining, as well as wage statistics as a basis for collective bargaining. Recipients of assistance should be granted more opportunities to visit and gather experience in Western European countries. He also appealed to countries with strong

- commitments in the field of technical assistance to re-examine the possibilities of allocating additional resources to projects in Central and Eastern Europe.
- **75.** A Workers' delegate of Poland supported the statement on Belarus. He stressed the need to gather experience in Europe and to make other countries' experience available to other regions. He indicated that a tripartite agreement of cooperation had been signed the day before with the ILO. The ILO should support the process of reform of legislation to avoid the exclusion of people in the transition process.
- **76.** The representative of the General Confederation of Trade Unions (GCTU) expressed his appreciation for the reference to the "brain drain" from the CIS countries in the Report of the Director-General, *Globalizing Europe*. He recalled that the GCTU had prepared a model labour code, based on international labour standards, for countries of the region, and he called for further ratifications of fundamental ILO Conventions by countries of the CIS. The assistance provided by some international trade union organizations (ICFTU, WLC, ETUC) to national trade unions was highly appreciated. He concluded by expressing his support for the statement of the Workers' group on Belarus.
- 77. The representative of the Government of Germany cautioned the ILO against focusing short-sightedly on transition countries in the European region. Principles and rights at work needed to be the focus of attention everywhere during this era of globalization. ILO country studies on Western Europe, as well as ILO work on labour market information systems, enterprise creation by the unemployed, occupational safety and health, and social protection, continued to be of benefit to Western Europe as well. On behalf of the Government of Germany, he thanked the Regional Director Mr. Scharrenbroich for his work during the last five years.
- **78.** The representative of the Government of Romania informed the Meeting of institutional reforms in her country intended to improve social dialogue and the social partners' participation in the decision-making process. The reform of the social insurance system and the expansion of benefits and social services to prevent social exclusion remained a priority for the Government. By recently ratifying ILO Convention No. 182, Romania had joined the countries that had ratified all of the ILO core Conventions. The programme of cooperation between Romania and the ILO for 2000-01 represented a new step in consolidating an active partnership with the ILO.
- 79. The Employers' delegate of Ukraine pointed out that it was difficult to overestimate the importance of social dialogue in countries with transitional economic systems which allowed them to resolve conflicts and problems. In this respect, the role of the ILO was very important. Through social dialogue, employers' organizations in Ukraine had a growing influence on Government decisions concerning: employment; improvement of the wage payment system; occupational safety and health; and workers' social protection. They also participated actively in the National Council of Social Partnership and other tripartite bodies, and took part in the elaboration of new legislation, including the draft Act on Employers' Organizations submitted to the Ukrainian Parliament. He expressed his appreciation for activities developed within the programme of active partnership between the ILO and Ukraine.
- **80.** The Workers' delegate of Kazakhstan pointed out that his country attached great importance to cooperation with the ILO and to participation in seminars, symposia, and workshops. Such activities had been useful in devising policy to address the problems of decreasing living standards, mass unemployment, and non-payment of wages which had plagued his country in the past. Trade unions had shown their openness to discuss with the Government ways and methods to overcome these problems, but their contributions had been ignored. Only through strikes and demonstrations had trade unions been able to

- initiate talks with the Government, resulting in the signing of a general agreement. Tripartism was now taking root in Kazakhstan.
- 81. The Minister for Health and Social Policy of the Federal Republic of Yugoslavia expressed his Government's pleasure at the fact that Yugoslavia had recently become a member State of the ILO. Yugoslavia was attaching utmost importance to the ILO and its fundamental principles and values. For the time being, Yugoslavia was facing numerous problems, such as an extremely high unemployment rate, an underdeveloped market economy and private sector, and almost depleted funds for health care and pensions. To find long-term solutions to these problems, numerous multilateral and bilateral initiatives had already been launched. The Government of Yugoslavia was intending to launch other multilateral cooperation activities with the ILO, WHO, and IOM in this regard.
- **82.** The representative of the Government of the Russian Federation noted the dynamic development of the information economy in Russia and at the same time the considerable gap between this country and the most advanced countries in this respect. He stated that his Government was carrying out a number of activities in the field of labour, including the preparation of the new Labour Code in consultation with the social partners, the development of a more responsive system of social assistance, labour market policies to boost employment and training activities to foster the creation of new workplaces. The speaker underlined the growing role of ILO assistance and of the specific help provided by the ILO Moscow Office for implementing the decent work agenda. He concluded by suggesting that two more specialists be added to EECAT in order to reinforce the work of the ILO Moscow Office.
- **83.** The representative of the Government of Italy indicated her support for the ILO's priorities in Europe and Central Asia with regard to social dialogue, employment policy, social security reform, equal opportunity and migrant workers' protection. Through the ILO and the ILO Training Centre in Turin, Italy had supported several programmes designed for Eastern European and Central Asian countries, with a particular focus on Balkan countries.
- **84.** The representative of the Government of Hungary expressed his sincere appreciation to the Director of the Regional Office for Europe and Central Asia and to the Budapest MDT for the assistance it had provided in his country. He also expressed deep satisfaction that the ILO had taken on a dynamic role in assisting candidate countries preparing for accession to the EU. He highlighted the major progress Hungary had made on the way to European integration. However, as the European Commission had pointed out in a recent report, further efforts were required to strengthen social dialogue and his Government would like to rely on the assistance of the ILO in this regard.
- **85.** The representative of the Government of Lithuania noted that the promotion of employment and the development of social security were two important areas of activity for the ILO within the context of globalization. The Lithuanian Government was addressing these issues through the development of a number of programmes, including an anti-poverty strategy, pension reform, a National Employment Action Plan and a new Labour Code.
- **86.** The Workers' delegate of Albania briefed the Meeting on the current situation in Albania which was characterized by high long-term unemployment and poverty. He announced that a number of tripartite structures had been established and highlighted the strong ILO support in speeding up the reform process in his country. He concluded by expressing his solidarity with the trade union movement in Belarus.
- **87.** The representative of the Government of Belarus noted that future cooperation with Belarus should include the improvement of national labour legislation, the development of

- effective social dialogue, improvement of occupational safety and health systems, reforms of wage systems and finding new approaches towards generating employment.
- **88.** The Workers' delegate of the Czech Republic deplored the colonization of pension systems in the Central and Eastern European countries by some Western countries and transnational financial groups and the assistance of international financial institutions, which tried to encourage private for-profit schemes. He thanked the ILO for what it had done for the emerging democracies and nascent trade unions in the region and stressed that the ILO was the only respected tripartite organization in these countries. He supported the Workers' group's statement on the situation in Belarus.
- **89.** The Workers' delegate of Greece considered that increasing unemployment in the region was due to neo-liberal policies and requested a change of political and social forces at the European level. He expressed his hope that the ILO would strengthen its supervisory mechanisms to promote the implementation of international labour standards.
- **90.** The Workers' delegate from Italy stressed that, taking into account the specificities and needs of different countries, the ILO should promote all international labour standards and not focus exclusively on the core standards. Two concerns which urgently required attention were the growing phenomenon of child labour and the violation of women's rights, especially the trafficking of women. She was concerned about the situation in Belarus and voiced her support for trade union organizations there.
- **91.** A representative of the Government of the Czech Republic associated himself with the previous speakers who highly appreciated the efforts of the ILO in the region in the past five years. He particularly thanked the ILO for assistance received in the fields of social dialogue, occupational safety and health, labour inspection, public employment services and elimination of discrimination, especially discrimination between men and women, as well as pension reform and the open dialogue on labour migration. Further ILO assistance would be needed in the near future regarding the ratification of Convention No. 138, and in the development of pension reforms, the Labour Inspection Act, as well as the new Labour Code.
- **92.** The Workers' delegate from Belgium emphasized the need for a better coordination of the policies of different national and international organizations, including macroeconomic policies, trade policies and their interrelation with social principles and norms. At the next meeting of this kind, other actors for social development in the region such as the Council of Europe, the Bretton Woods institutions, the WTO and others should be more strongly involved.
- **93.** The Employers' delegate from Poland stated that formal restrictions against the free movement of ICT experts were not justified. In government-backed programmes for the migration of experts, mechanisms of compensation for countries who lost skilled workers should be found. The delegate also strongly emphasized the need to address the problems of employment accident insurance reform.
- **94.** The representative of the European Commission underlined the high degree of compatibility between the ILO's decent work agenda and the European Union's programmes in Central, Eastern and South-Eastern Europe and the CIS countries, namely Phare and Tacis. Both organizations' objectives were mutually supportive. The European Commission strongly supported the Social Cohesion Initiative within the Stability Pact, in which the ILO was playing a leading role, and looked forward to further cooperation with the ILO in the European region.

- **95.** An Employers' delegate from Hungary stressed the central importance of knowledge in the new economy and the possibilities it opened for countries poor in other resources. The ILO should be particularly active in developing strategies to meet these challenges.
- **96.** The Employers' delegate of Belarus pointed out that the Belarusian employers participated actively in social dialogue. Social dialogue was carried out in a structure set out in a series of agreements concluded at different levels, as well as various tripartite councils, including the National Council on Labour and Social Issues. The speaker also pointed out the particular usefulness of technical assistance provided by the ILO and in particular by the ILO Moscow Office to the Belarusian Confederation of Entrepreneurs and Employers.

III. Adoption of the report and conclusions of the Meeting

- **97.** The Sixth European Regional Meeting adopted its conclusions and its report by consensus, and noted the following reservations expressed by the Employers' group and by the Government of Belarus.
- **98.** The Employers' group stated that it could not ignore the existence of the Home Work Convention, 1996 (No. 177). However, the group has a continued fundamental opposition to this Convention. Therefore it wished to record its strong reservation on the adoption of paragraph 39 of the conclusions and on the mention of Convention No. 177 in the conclusions.
- **99.** The Workers' group stated that Convention No. 177 was duly adopted by the Conference and having received the required number of ratifications, it was already in force. The reference in the conclusions to Convention No. 177 was an indication of its relevance to the ICT sector.
- **100.** The Government of Belarus, supported by the Government of the Russian Federation, expressed strong reservations as to the content of paragraph 20.
- **101.** The Government of the United Kingdom wished to clarify that in paragraph 24 of the conclusions, it was agreeing to what was contained in the resolution aiming at ensuring the independence and facilitating the financing of employers' and workers' organizations, adopted at the Warsaw Regional Conference (September 1995), and nothing more and nothing less.
- 102. The Regional Director, Mr. Scharrenbroich, addressed the Meeting and noted that it had been productive. The European and Central Asian region was very diverse but faced a number of common problems. In order to address these problems, the ILO would seek to assist its constituents in the region with employment creation, strengthening of social dialogue and social security, and the development of information technology. In follow-up to views expressed at the Meeting, the ILO would also seek to strengthen its cooperation with the European institutions and other international organizations.
- **103.** The Meeting concluded with thanks expressed by the representatives of the Government, Employers' and Workers' groups and by the Director-General to Mr. Scharrenbroich for his effective service and valued contribution to the work of the ILO in his capacity as European Regional Director.

104. The Governing Body may wish to request the Director-General:

- (a) to draw the attention of the governments of member States of the European region and, through them, that of their national employers' and workers' organizations, to the conclusions adopted by the Meeting;
- (b) to bear the conclusions in mind in executing ongoing programmes and in preparing future programme and budget proposals;
- (c) to transmit the text of the conclusions:
 - (i) to the governments of all member States, and through them, to national employers' and workers' organizations;
 - (ii) to the international organizations concerned, including the nongovernmental international organizations having consultative status.

Geneva, 31 January 2001.

Point for decision: Paragraph 104.

Appendix

Conclusions

- 1. The delegates at the Sixth European Regional Meeting of the ILO welcome the contents of the Report of the Director-General, *Globalizing Europe Decent work in the information economy* (Volume I) and *Decent work in Europe and Central Asia: ILO activities 1995-2000* (Volume II). They adopted these conclusions by consensus as well as the report of the Meeting which reflects also the discussion which took place before the adoption of the conclusions.
- 2. The participants at this Meeting reaffirm their commitment to the decent work agenda which encompasses the four strategic objectives of the International Labour Organization, as endorsed by the International Labour Conference in 1999:
 - promoting and reinforcing fundamental principles and rights at work and international labour standards:
 - creating greater opportunities for women and men to secure decent employment and income;
 - facilitating access to social protection for all; and
 - strengthening tripartism and social dialogue.
- 3. The participants recommend that policies and activities should be developed, at the national, subregional and regional levels, which encompass all of the four strategic objectives of the Organization, including gender-sensitive and development-oriented components.

Development trends in the region

- 4. Europe and Central Asia is a vast and diverse region with countries at different levels of development. The disparities between the levels of development in the region are very wide and might even be growing.
- 5. The Meeting acknowledges the diversity of situations in the employment, social dialogue and social protection systems throughout the European and Central Asian region. There is however a wide range of common approaches that can assist those most impacted by economic and social change. These approaches should be highlighted and shared throughout the region.

Challenges and opportunities for the ILO

- 6. The Meeting reaffirms the importance of international labour standards and the Declaration on Fundamental Principles and Rights at Work as benchmarks and tools for achieving social and economic progress.
- 7. The establishment of two multidisciplinary teams in Europe and Central Asia, each of them coinciding with an area office, as well as the consolidation of the network of National Correspondents, brought technical expertise closer to constituents. The main interventions in the countries covered by the teams consist of policy advisory and technical cooperation activities. Further measures to enhance their effectiveness require that the composition of the teams more accurately reflect the needs of constituents. Labour standards are noted as a technical field of particular importance.
- 8. The Meeting also invites the Governing Body, during discussion and adoption of the programme and budget for the next biennium, to propose adequate financial and human resources for the proper functioning of the ILO Regional Office for Europe and Central Asia, including its field units and network of National Correspondents, while fully taking into account the needs of the constituents of the countries concerned. In order to enhance the capacity of the tripartite constituents, the Office is

also called upon to provide adequate resources for strengthening its research and advisory services capacities in the economic and social sectors.

ILO's contribution to accession countries

9. The ILO should continue to provide assistance to European Union candidate countries to modernize their social systems and integrate the "acquis communautaire" in the labour and social fields.

ILO's contribution to the Stability Pact

10. Well-functioning tripartism and bipartite social dialogue within the South-Eastern Europe region, involving representatives of the social partners of each country via proper institutions, are essential tools for a stable economic and social development policy. All activities aiming to increase access of the social partners to the workings of the Stability Pact and of tripartite consultations at the regional level are encouraged.

ILO's contribution to the consolidation of democracy

- 11. Good governance plays a fundamental role in the economic transition consolidation process for a number of Central and Eastern European as well as Central Asian countries. The fight against corruption, which is a component of good governance, has to be pursued vigorously wherever it happens. When addressing these issues, the ILO should request the assistance of member States to coordinate its efforts with those of other interested international and regional organizations that are also active in this field.
- 12. Some countries within the region are beset by conflicts that jeopardize economic and social cohesion. The ILO is requested to continue being active with rehabilitation programmes in crisis-affected countries, and to contribute during conflict and post-conflict situations to the protection of displaced persons, in particular workers and their families. The Meeting also recognizes that, to be successful, reconstruction efforts should include as a strong component the establishment of sound and effective tripartite and bipartite social dialogue mechanisms.

ILO's relationship with the EU, the CIS and other regional institutions

- 13. A pan-European approach, whereby countries of the region will pool their human resources, technical resources and expertise with those of the ILO, the United Nations family and other international organizations, is essential in dealing with issues in relation to the accession process, positive development in the CIS and South-Eastern Europe, and will be beneficial to the consolidation of democracy throughout the region.
- 14. The ILO and the EU are invited to develop a concerted approach on international social matters as foreseen by the conclusions of the European Council in Nice. The ILO and the EU could increase their collaboration in research and joint activities of mutual interest.

Activities of the ILO

Europe's technical assistance priorities

Promoting decent employment and income

15. Economic growth has been uneven in much of Europe for most of the decade and too slow to deal with long-standing problems of unemployment. In a number of transition countries, despite some improvements in growth, problems of low wages, non-payment of wages, serious unemployment and underemployment remain. A strong ILO response through technical cooperation and advisory services is required to minimize the adverse effects of persisting unemployment threats. The ILO should focus on the training and redeployment of displaced workers and the protection of women, migrants and other groups that may be especially adversely affected. Employment should be promoted through social dialogue leading to sound enterprise development strategies, investment in

human resources and a business environment which is conducive to sustained enterprise competitiveness in an economy which has increasingly to take into account globalization and the information revolution.

16. The Meeting reaffirmed the importance of the resolution on Human Resources Development adopted at the 88th Session of the International Labour Conference and its relevance to the current discussion.

Promoting fundamental principles and rights at work and international labour standards

- 17. Although member States of Europe and Central Asia have a very good ratification record in terms of fundamental ILO Conventions, problems persist in the region in the application of these Conventions. All Members should continue to pursue an active policy of ratification of ILO Conventions, which should not be regarded as duplicating existing and forthcoming regional instruments.
- 18. In line with the universal campaign of ratification launched in 1995, efforts must continue to be made to ensure the application of, and effective compliance with, the eight fundamental Conventions. Special attention should be paid to ensuring that employers and workers can enjoy their fundamental rights of association and free collective bargaining, as defined in Conventions Nos. 87 and 98.
- 19. Freedom of association and the effective recognition of the right to collective bargaining are essential principles in industrial relations. Cases of alleged infringement of such fundamental principles still persist in several countries of the region. The Meeting therefore calls upon governments to take all necessary measures to redress these situations or to avoid their occurrence, on the basis of provisions contained in the Declaration on Fundamental Principles and Rights and in relevant Conventions and Recommendations.
- 20. In the light of the above, a special reference was made to what the great majority of those attending the Meeting saw as a serious violation of trade union rights in Belarus. The statement by the Workers' group is annexed to these conclusions. The Employers' group associated themselves with this statement as did 32 Government delegations.
- 21. Governments, employers and workers alike must decisively tackle discrimination based on race, colour, sex, religion, political opinion, national extraction or social origin. Special attention should be paid to the danger of discrimination against the most vulnerable groups of workers, and particularly those facing multiple grounds of discrimination such as displaced populations and ethnic minorities.

Fostering tripartism and social dialogue

- 22. Ratification of the Tripartite Consultation (International Labour Standards) Convention, 1976 (No. 144), and its appropriate implementation should have a high priority, not least as a means to encourage tripartite mechanisms. Tripartite subregional and regional exchanges of views on labour and social issues can also strengthen such mechanisms while providing balanced guidance on policy questions.
- 23. Reform of labour legislation should continue, whenever necessary in transition economy countries, so that fundamental and pragmatic elements of constructive tripartite and bipartite social dialogue are fully recognized and implemented. ILO's contribution to this process is considered of fundamental importance in the countries concerned, and should be continued and strengthened.
- 24. In the light of the resolution adopted at the Warsaw Regional Conference (September 1995), governments that have not yet taken the necessary measures are reminded that they should facilitate by all means (including tax deductions) policies that ease the expansion of membership in employers' and workers' organizations.

Ensuring social protection for all

- 25. A large number of workers in Europe and Central Asia are killed, injured or suffer illness at work each year. In this respect, much preventive and protective work remains to be done. Steps need to be taken to induce learning and innovation supportive methods at the level of the workplace combined with appropriate legislation and effective inspection.
- 26. The future of social protection is the subject of debate in all countries of the region. The ILO should pursue its efforts to provide assistance in the process of reforming social security systems through a process that respects fundamental rights of the insured persons and of beneficiaries, while remaining financially sustainable and part of an overall solid social consensus. The general discussion at the International Labour Conference in 2001 can be expected to provide the region with valuable insights.
- 27. Labour migration is likely to grow via inter-European flows. These movements are often accompanied by a number of undesirable features, such as clandestine and illegal migration, unsatisfactory conditions of work and lack of protection for migrant workers and indeed sometimes intolerable forms of migration of human beings, especially trafficking in women. Policies are needed both in countries of origin and in destination countries to deal effectively with the protection of the rights of legal migrant workers in conformity with relevant ILO Conventions.
- 28. When considering the issues related to **information and communication technology** (ICT), the Meeting reached the following conclusions.

Policies for an inclusive information society

- 29. The potential of ICT to promote economic and employment growth is recognized and higher productivity through ICT can be consistent with net employment growth. Nevertheless, new patterns of job losses and job creation emerge through ICT diffusion, and there are losers and winners in this process. A major policy focus on education and lifelong learning needs to be part of countries' strategies regarding ICT if the digital divide within and between countries is not to widen further. The need to improve access to lifelong education and training, in particular in new technologies in order to avoid skill shortages, is widely recognized.
- 30. In order to increase and improve the opportunities for acquiring occupational skills related to the introduction and adoption of communication technologies, governments and organizations of employers and workers should work together to develop education and training policies and improve all forms of vocational training. Familiarity with the use of modern information and communication technology should start from the basic levels of primary education, for which the State has to develop appropriate programmes and try to identify commensurate means of action.
- 31. The above should be a priority for the social partners, since education and skills are ever more critical to economic growth and the speed of technological change is rapidly outdating skills and rendering it difficult for both workers and training institutions in some countries to keep up. Deficiencies in the provision of skills and access to lifelong learning are a major source of the digital divide.

Moving people to work or work to people?

32. Special attention must be given to ensure that the migration of the highly skilled should not result in a "brain-drain" of needed human resources from countries of origin, nor should it deter countries of destination from investing more in the training and retraining of their own citizens, especially those currently unemployed.

Adapting management to the new technologies and organization of work

33. New employment opportunities, especially those created through information and communications technology diffusion, largely depend on private enterprises, particularly small and medium-sized enterprises. Through ICT, the tradability of services has grown, and there are greater opportunities

for European countries to export "intangible" products such as software. The technologies also promote entrepreneurship and self-employment, since barriers to entry are relatively low, and rely more on creativity and innovation than on physical resources or capital investment. It is important to help entrepreneurs to meet the challenges of globalization and European Union integration by encouraging productivity improvement and training programmes to enhance managerial effectiveness and the promotion of entrepreneurship for women and men.

The inclusion of vulnerable groups in the information society

- 34. Digital divides are apparent by income, education, gender and location. Of equal concern is the divide between older and younger workers, particularly in the context of an ageing workforce. Special efforts need to be addressed to the problem of equipping older workers with skills relevant to the new technologies.
- 35. Fewer women than men are employed in the ICT sector. ICT can be a tool for generating employment possibilities for women and for overcoming discrimination. But policies and institutions need also to ensure that ICT does not result in a gender-based polarization of skills or reinforce existing patterns of gender-based labour market segmentation. A special effort to increase the enrolment of girls in ICT-related subjects in schools also needs to be made.
- 36. In the labour market, the growth of Internet-based commerce can be a powerful tool for overcoming areas of discrimination, such as those facing persons with disabilities. However, extensive use of ICT in the world of work may also lead to greater worker isolation through teleworking, and the increased monitoring of workers at the workplace.

Adapting labour market institutions to the information society

- 37. ICT may have major impacts on human and labour relations over time. Accordingly, the ILO needs to examine potential adverse consequences for workers and society and the way in which these might best be addressed.
- 38. Due account should be taken of the effects that ICT will have on the workers and their families, since in the more diversified labour market that ICT is creating, gaps in social protection are emerging. Although the self-employed or contract worker at the high end of the skills market is often in great demand and can earn a high income, for others the standard employment contract resulting from collective bargaining usually offers greater protection than the various individual contracts for work and for self-employment. There is a need to review the appropriateness of existing laws governing contracts, and a need for both the ILO and member States to monitor more closely the distinction between genuine and false self-employment.
- 39. Several ILO Conventions can be regarded as having particular relevance to the changes in the labour market occurring with the spread of ICT. Examples include Convention No. 156 on workers with family responsibilities, Convention No. 175 on part-time work, Convention No. 177 on home work, and Convention No. 181 on private employment agencies.

Adapting worker and employer organizations to the information society

- 40. The independence of work from its location and the ability to monitor worker behaviour in real time may result in the relative weakening of collective approaches to labour, which makes it all the more important that ILO Conventions be fully respected in the ICT sector and that the ILO continue to devote attention to related issues in the European and Central Asian region.
- 41. Also, while the effects of ICT on the quality of life on and off the job can often be quite positive, the potential for negative effects is also significant. New challenges to health and safety may include burn-out and rising stress at work. The involvement of the social partners will be essential in minimizing these negative effects. People must not allow technologies to determine outcomes but

instead should negotiate how gains can be more widely shared and the social costs and risks made minimal.

42. The knowledge economy brings new challenges, one of which is ensuring the strength of organizations of employers and workers. Organizing the new ICT workforce and attracting the new ICT firms as members of employers' organizations will, for both the trade unions and employer organizations, enhance their effectiveness and that of the services they offer, extend their reach to members and non-members alike and foster economic and social progress.

Adapting the ILO to the information society

43. Through its technical cooperation, the ILO should assist its constituents in adjusting to the information society through the collection and diffusion of best practices with a particular focus on those member States lagging furthest behind. It is recommended that the International Training Centre of the ILO in Turin become a centre of excellence for training in ICT-related skills. This may in due course give rise to the consideration of the establishment of an "e-university" through which the Office's knowledge-base can be more broadly accessed. The ILO should review its own capacity in ICT and upgrade its competencies as appropriate.

Annex

Violation of trade union rights in Belarus

Statement to the Sixth European Regional Meeting

(Geneva, 12-15 December 2000)

- 1. The Workers' group wishes to draw the attention of the Sixth European Regional Meeting to the serious violations of trade unions rights in Belarus. The Workers' group recalls the complaint submitted to the ILO in June by the Belarusian trade unions against violations of Conventions Nos. 87 and 98 by the State. Extensive documentation was provided to substantiate the complaint, exposing in particular state interference in trade unions' internal affairs and restrictive trade union registration procedures.
- 2. None of the practices denounced by the Belarusian trade unions have been stopped. On the contrary, since June, the Belarusian trade unions have provided additional evidence about continuing pressure from the state authorities; attempts to replace trade union leaders through direct and indirect interference in congress procedures and intimidation, including blocking of union bank accounts. Pressure was also brought to bear on enterprise directors to co-opt them into this process as well as to establish management-controlled company trade unions. Many local trade union organizations are still denied registration. Subsequently they cannot operate and represent their members adequately.
- 3. Attempts by the social partners to engage in a substantive social dialogue have been disregarded by the state authorities.
- 4. We ask the state authorities of Belarus to address this serious situation constructively to ensure full compliance with the provisions of Conventions Nos. 87 and 98, ratified by the Government of Belarus, and to fully respect freedom of association in law and practice.
- 5. We ask the Director-General to take all necessary measures to ensure compliance by the state authorities of Belarus with the provisions of Conventions Nos. 87 and 98 and to promote effective collective bargaining and social dialogue.