

**Tripartite Meeting on Employment, Social  
Dialogue, Rights at Work and Industrial Relations  
in Transport Equipment Manufacture**

Geneva  
10-12 January 2005

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**Conclusions on employment, social dialogue,  
rights at work and industrial relations in  
transport equipment manufacture**

submitted by the Working Party on Conclusions

The Tripartite Meeting on Employment, Social Dialogue, Rights at Work and Industrial Relations in Transport Equipment Manufacture,

Having met in Geneva from 10 to 12 January 2005,

Adopts this twelfth day of January 2005 the following conclusions:

**Employment development**

1. The level of employment in the automotive industries is of concern in all countries. There are various approaches to addressing employment issues. The social partners should be encouraged to seek a negotiated framework that addresses employment issues.
2. Respect for the provisions of the ILO Declaration on Fundamental Principles and Rights at Work and its follow-up is the basis for the treatment of workers. All constituents should promote and realize the rights and principles contained in the Declaration, or meet national laws and regulations, whichever are higher. Decent work should be a global objective.
3. Safeguarding existing employment is a priority for all economies, as is ensuring that investment brings high quality jobs, contributing to improved social and economic conditions and development. The situation within countries may vary depending on the mix and relative size of assemblers and components manufacturers, but all are dealing with many common employment issues in the sector.
4. Generally speaking, wages are higher, and conditions of work better and/or more stable in the final assemblers than in the components sector. The Meeting notes with interest the work of the ILO Governing Body on export processing zones (EPZs) and on the social responsibilities of corporations. Also, large employers could, where possible, assist their SME suppliers in adapting to changing economic circumstances.

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5. The employers reserve the right to make decisions when outsourcing or restructuring. Employers, in consultation with workers' representatives,<sup>1</sup> should as early as practical, explore alternatives with a view to avoiding, reducing or mitigating the negative impact of restructuring and/or job losses. In such cases, information, consultation and negotiated agreements between workers' representatives and employers are essential to the process. Restructuring also has a human cost. Active labour market policies can reduce that cost.
  6. Governments in consultation with the social partners have the responsibility to ensure social protection and security in the case of restructuring, as well as to implement active labour market policies, including retraining and lifelong learning throughout the entire production chain that will assist workers to be reassigned within a company or find employment elsewhere. The Meeting reaffirms the ILO Human Resources Development Recommendation, 2004 (No. 195) that calls on governments, employers and workers to renew their commitment to lifelong learning. It is particularly important that governments prevent the inequitable impact of restructuring on vulnerable groups such as women, youth, migrant workers and minorities.
  7. Continuing research, data collection and monitoring of the situation should be implemented in order to provide an early warning and help to ease the social policy burden. The ILO should continue and sustain its work on a regularly maintained and updated database for the metal trades industries to support social dialogue, as agreed to by the Tripartite Meeting on the Social and Labour Impact of Globalization in the Manufacture of Transport Equipment (Geneva, 2000).

## **Social dialogue**

8. Social dialogue includes all types of information exchange, consultation, negotiation and collective bargaining between representatives of governments, employers and workers – and between the social partners themselves – on all issues of common interest.
9. Social dialogue is, therefore, a fundamental mechanism for promoting and enabling effective solutions to social and industrial relations challenges and complex issues faced by the industry that may affect workers. For this reason, social dialogue is different from a wider dialogue that involves civil society.
10. Governments, with the assistance of the social partners, have a responsibility to ensure and support the appropriate legal and institutional framework to enable and encourage true social dialogue. The parties should make efforts to promote social dialogue, the exchange of information, and good faith bargaining.
11. Respect for the ILO Declaration on Fundamental Principles and Rights at Work and the ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy provides an effective and appropriate framework for the sustained functioning of

<sup>1</sup> Throughout this text when the term “workers’ representatives” is used, it refers to Article 3 of the Workers’ Representatives Convention, 1971 (No. 135), which reads as follows: “For the purpose of this Convention the term ‘workers’ representatives’ means persons who are recognized as such under national law or practice, whether they are: (a) trade union representatives, namely, representatives designated or elected by trade unions or by the members of such unions; or (b) elected representatives, namely, representatives who are freely elected by the workers of the undertaking in accordance with provisions of national laws or regulations or of collective agreements and whose functions do not include activities which are recognized as the exclusive prerogative of trade unions in the country concerned.”

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the principle of freedom of association and the right to organize and to collective bargaining that are cornerstones of social dialogue.

12. Freely negotiated agreements between employers and workers' organizations,<sup>2</sup> including international framework agreements (IFAs), promote social dialogue and core labour standards in accordance with the provisions of the ILO Declaration.
13. Social dialogue in the automotive industry should be a permanent feature of the industry.

## Decent work

14. Decent work is a broad concept stemming from the ILO's mandate to improve social justice. It was enunciated by the Director-General in 1999 as "opportunities for women and men to obtain decent and productive work, in conditions of freedom, equity, security and human dignity".<sup>3</sup> It includes six dimensions: opportunities for work, freedom of choice of employment, productive work, equity in work, security at work, and dignity at work.
15. It is impossible to define decent work using a single index; a variety of sources are needed. Moreover, there are many levels at which decent work could be measured: national, sectoral, subsectoral, enterprise, job, etc. To date, the focus has been on decent work at the national level.
16. A reduction in decent work deficits, where they exist, in the industry and all its sectors is essential.<sup>4</sup> Achieving decent work is a continuous process, including creating conditions and institutions, as appropriate, leading to decent work, as well as the outcome of specific activities.
17. Statistics on hours of work, percentage of women in the workforce, union density, collective agreements, wage levels and the incidence of accidents, etc., found, for example, in national labour force surveys, could be used as proxy indicators of the degree of decent work. However, problems of timeliness, comparability and reliability associated with such data collection are known. Governments, employers and trade unions should cooperate with the ILO in making adequate data available. At the sectoral level, employers and workers' organizations could make a significant input.
18. The principle and practicality of using indicators to measure decent work should be considered in the context of the conclusions and recommendations of the Seventeenth International Conference of Labour Statisticians, and the decision of the ILO Governing Body at its 289th Session, that "the issue of decent work indicators be the subject of a debate at a future session of one of the committees of the Governing Body, as a precondition to the convening of a tripartite meeting of experts".<sup>5</sup>

<sup>2</sup> When the term "workers' organizations" is used, it refers primarily to trade unions as well as other workers' organizations.

<sup>3</sup> ILO: *Decent work*, Report of the Director-General, International Labour Conference, 87th Session, Geneva, 1999, p. 3.

<sup>4</sup> ILO: *Reducing the decent work deficit: A global challenge*, Report of the Director-General, International Labour Conference, 89th Session, Geneva, 2001, p. 66.

<sup>5</sup> GB.289/14, para. 57(b)(i).

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- 19.** In addition to quantitative indicators of decent work, the development and use of certain qualitative indicators could provide a more focused perspective. Such qualitative indicators should be discussed and developed in consultation with the social partners.
  - 20.** Governments, employers and trade unions should take measures to provide for health and safety at work and appropriate financial protection in the case of deterioration of health, injury and other cases.