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Background Report

The Sustainable Development of
Economy and Society, Decent Work and
the Role of Trade Unions

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1. Economic globalization, while promoting world’s economic growth, has brought about the imbalance in economic and social development of all countries. With the cross-border capital flow and market competition, the employer-employee contradictions turn out to be more complicated and have received the wide attention from the society. To this end, we are faced with daunting challenges to play the due role of trade unions through adhering to the principle of equality and justice in economic and social development and safeguarding the dignity of employees with decent work.

2. Against the backdrop of economic globalization, countries worldwide, in particular, development countries have realized the necessity to establish an effective mechanism to balance economic and social development, decent work and the role of
trade unions since the principle of social equality and justice will be eroded in the end by economic globalization in the absence of such a balance mechanism. In the international community, the process of economic globalization has indicated that consistent expansion of capital would lead to bipolarization with the concentration of capital and social wealth in a few hands who will play a dominant role in national economy and labour relations. Thereby, degrading livelihood and consumption power will lead to shrinking market and further erode the dignity and passion of workers for work and undermine the foundation of social harmony in the end. In this context, it calls for the active role of trade unions and the partnership between trade unions worldwide, in particular, those of developing countries to promote the sustainable development of economy and society and safeguard the dignity of workers with decent work.

I. Sustainable Development of Economy and Society
3. In the 21st century, with the strong economic growth worldwide, issues of working environment, ecologic system and resources turn out to be more striking. Many countries started reflecting on and explore the strategic orientation of their economic development and decided to realize sustainable development characterized by people oriented approach, fair distribution and effective improvement of working and natural environment rather than a mere focus on economic growth.

4. Sustainable development was defined for the first time in the 1987 report Our Common Future submitted by UN World Commission on Environment and Development. It has been pointed out in this report that sustainable development refers to “Development that ensures that the use of resources and the environment today does not restrict their use by future generations.” In 1992, Rio Declaration on Environment and Development was adopted in the UN Conference on Environment and Development in Brazil, sustainable development was further explained as “Human beings are at the centre of concerns for sustainable development. They are entitled to a healthy and productive life in harmony with nature.
The right to development must be fulfilled so as to equitably meet developmental and environmental needs of present and future generations.” It was not until then that the concept of sustainable development was universally accepted by countries with varied development models and strategies on sustainable development were being mapped out accordingly. The concept of sustainable development includes the following elements:

4.1) First, sustainable development is the coordinated and harmonious development between human and nature. It accords top priority to meeting the needs of humans including basic conditions for subsistence such as food and shelter, clothing and transportation, services like health care and education of certain degree as well as a favorable ecological and natural environment suited for the livelihood of human beings.

4.2) Second, sustainable development requires the realization of rights. For workers, the right of development is of particular importance. In this context, development refers to the overall economic and social development represented by
general economic growth or increase of output plus the improvement of quality in basic necessities of workers like food and shelter, medical care, security, more access to employment, education and choices in social and economic arena.

4.3) Third, sustainable development is the further development of ecological and natural environmental protection. The 4th principle of the Rio Declaration states that environmental protection should be an integral part of sustainable development, the principle of protecting ecological environment is supposed to be respected in all aspects and areas of material production.

4.4) Fourth, sustainable development is the development of realizing social equality. The principle of social equality should be respected between countries, between developing and developed countries, and between employees and employers to achieve the goal of reducing social wealth disparity and eliminating poverty, combating forced labor and promoting fair
distribution of materials, products and services among society members.

4.5) Fifth, sustainable development requires public participation. Information of all sorts related to social and economic development shall be obtained through active participation from the public, especially from workers. They should also be provided with opportunities to participate in the policy making processes directly or indirectly related to their production and living.

4.6) Sixth, governments bear extremely important responsibility of realizing sustainable development. United Nations calls upon all governments to play active roles in taking sustainable development into consideration as a whole when setting up various policies, and to undertake wide-ranging cooperation in the spirit of global partnership. Efforts should be made to build open international economic system and law system suitable for realizing sustainable development and to
address transnational environment and development problems through partnership.

5. All in all, sustainable development is a global, comprehensive and long term developing strategy concerning economic and social present and future, involving all aspects of human social activities and running through economic, social, natural and ecological systems. It is worth noting that the concept of sustainable development enlarges the essence of developing from solely material production to all-round development of human beings. It means not purely economic development, but coordinated development between human and nature, between human beings, between human and society. Furthermore, sustainable development emphasizes on addressing elimination of poverty and ensuring health and safety of working and living, building a growth model inductive to creating more employment opportunities and investing in worker potentiality. The objective is to provide every worker with the opportunity to develop and make choice, to effectively address pressing issues related to workers’ benefits.
II. Decent Work of Workers

6. Undoubtedly, the workers benefit directly from economic and social sustainable development and they would especially obtain the dignity of decent work in the process of material production. In June 1999 at the 87th International Labor Congress, Director General of International Labor Office Juan Somavia initiated the new concept of providing people with “decent work”. Decent work means workers’ rights, in production, can be protected and they are entitled to sufficient income, full access to social security and adequate employment positions. The concept of decent work is based on the following four fundamental aspects:

6.1) First, promoting and implementing international labor standards, basic principles and rights in work;

6.2) Second, creating for all workers more employment opportunities of decent work;

6.3) Third, providing all workers with extensive and effective social security;
6.4) Fourth, strengthening tripartite principle and promoting social dialogue.

7. Confronted with the impact of economic globalization, the International Labor Organization integrates the above four strategies into the goal of decent work and views it as a “touchstone” to review globalization, which means to see if globalization process is able to provide decent work for all workers. In this view, decent work is an important political objective as well, as it responds positively to universal demands of workers of all countries under different social systems. Furthermore, decent work is a globally achieving objective, in the process of which, it is crucial, in realizing decent work, for us to build the capacities of employers and workers interacting more effectively and participating in social dialogue, put tripartite mechanism into full play and adopt and stick to international labor standards. It is equally important to enhance corporate social responsibility and transparency and provide an environment inductive to collective negotiation and social
dialogue among parties in face of challenges in labor world. In addition, trade unions in all countries shall take important responsibility in promoting the realization of decent work.

8. The International Labor Organization (ILO) has actively taken a series of measures to help countries and regions achieve the four strategic goals of decent work. The ILO 2002-2006 strategy implementation framework focuses on promoting decent work at country level at first. The 2006-2009 framework aims at setting up decent work as a global objective under the efforts of the ILO and its member countries. The decent work country program, launched by the ILO council in 2006-2007, requires all countries to identify priorities and set up concrete action plans through tripartite consultation and consensus. Meanwhile, the ILO brought decent work concept into poverty alleviation strategy and global process of realizing social equality and inclusiveness.

9. Clearly, the decent work concept, which brings universal concern of international community, is not only a simple
concept advocated by the ILO and social partners, it has gradually become an important goal of development cooperation for national governments, UN system and other international agencies. As early as in 2000, the ILO decent work program was explicitly supported by the UN special convention following Social Summit. In 2005, the UN World Summit identified decent work as national and global objective. In April 2007, the UN Specialized Agencies Heads Committee, which was chaired by Secretary-General Ban Ki-moon in Geneva, agreed to include employment and decent work in UN system. In Asia Pacific region, the ILO Asia Regional Convention 2001 took the lead in proposing “Decent Work Country Action Plan”; the 14th ILO Asia Regional Convention in 2005 set up “Asian Decent Work Decade”, with participating members committed to realizing decent work in Asia by 2015. In August 2007, Asian Employment Forum was held in Beijing with the theme of “Growth, Employment and Decent Work” and discussions on how to realize employment growth and decent work while promoting economic growth.
10. Notwithstanding the persistent efforts made by the ILO and trade unions of countries all over the world toward realizing decent work, we are still facing a tough issue as it was stated in the report presented by Somaviat to the International Labour Conference in 2001 entitled "Reducing the Decent Work Deficit: A Global Challenge": the challenges facing decent work are mainly focused on the lack of sufficient employment opportunities, deficient social security, deprivation of workers rights and a defective social dialogue mechanism. Meanwhile, environmental pressure, insecurity of market economy, government management deficiency and unequal income distribution are the main causes of indecent work.

III. Role of Trade Unions

11. As an important indicator of economic and social sustainable development, decent work is not only the strategic objective of the ILO, but also an objective requiring devotion of trade unions in all countries. In the history of world trade unions evolution, trade unions have, since the very beginning, made a loud and clear goal of striving for workers benefits, representing
and protecting workers’ rights and interests of immediate concern, safeguarding and realizing human dignity in work. Therefore, fighting for workers’ decent work is the unswerving objective of trade unions. With a view to realizing sustainable development and decent work based on social equality and fairness, trade unions of all countries are charged with important tasks.

12. First, trade unions need to consolidate their own organizational basis. They need to expand the coverage of workers, improve workers’ unionization rate and strengthen their organizing and lobbying capacities, in order to become more influential to economic and social development.

13. Second, trade unions need to play an active role in participating national labor legislation, through which, workers’ rights can be protected in terms of employment, labor compensation, work leave and vacation, vocational safety and health, educational training and social security.
14. Third, trade unions need to safeguard workers’ rights through collective negotiation, determine labor price together with employers and employers associations, set up and build a regular increasing mechanism of worker wages. Meanwhile, all levels of trade unions shall be given into full play in setting fair and reasonable labor standards at national, industry, sector and corporate levels.

15. Fourth, trade unions need to combat discriminatory labor practices of all kinds and protect the disadvantaged workers, and especially fight discrimination in employment and treatment against women, minority ethnics, minors, foreign migrant workers and physically or mentally disabled workers. The goal is to ensure all workers with fair and decent work.

16. Fifth, trade unions need to promote the extensive participation of workers in national political, economic, social, cultural and other areas, promote and establish a system ensuring workers’ democratic participation in corporate
management and make sure workers have access to voice their interests and wills at different economic and social levels.

17. Sixth, trade unions need to be active in tripartite consultation and social dialogue to achieve social recognition of trade union status. The workers’ fair appeal of decent work shall, through the platform of tripartite mechanism, be transformed into effective social policy.

18. Seventh, trade unions need to strengthen worker education and training. As demonstrated by workers’ revolution of all countries, those workers who were better educated and trained with advanced skilled tended to be more capable of being employed and protecting, standing for and eventually realizing their own reasonable rights and interests.

19. Eighth, trade unions need to participate and promote economic and social all-round development. Economic sustainable development is the only way to gradually improve workers’ well being, to realize a cooperative relationship with
employers for corporate growth and win-win situation of labor and capital on the basis of maximizing worker interests.

20. To sum up, sustainable development of economy and society, decent work and role of trade unions are integral components relating to each other and linking each other.