

## Social justice for all

## How the private employment services industry contributes to reducing inequalities in the world of work

15 November 2023

#### **Executive Summary**

- Social Justice is linked to the ambition that "all human beings, irrespective of race, creed or sex, have the right to pursue both their material well-being and their spiritual development in conditions of freedom and dignity, of economic security and equal opportunity".
- Four dimensions matter in the debate on social justice: Fundamental principles and rights at work; full, productive and freely chosen employment; social and labour protection, as well as social dialogue and tripartism.
- The ILO has launched several initiatives to advance social justice in view of the rise in inequality and exclusion. Such initiatives include the Global Coalition for Social Justice and the Global Accelerator on Jobs and Social Protection for Just Transitions.
- The private employment services industry advances social justice by opening up pathways to decent and formal work, ensuring adequate working conditions, securing social protection benefits and encouraging social dialogue and multilateral policy frameworks. This is guided by the vision of the World Employment Confederation to create better labour market outcomes for all.

## I. The concept of social justice

- With climate change, demographic changes, technological development and, more generally, globalisation, the world of work is changing at an unprecedented pace and scale. While these changes have brought significant new opportunities, they have also led to inequality and exclusion, which is a threat to social cohesion, economic growth and human progress. The focus on social justice has, therefore, become increasingly prominent in employment and labour market debates at the global level. It has been particularly prominent on the agenda of the International Labour Conference in 2023, with a focus on social protection for all, just transitions and skills development and training.<sup>1</sup>
- Social justice is linked to the ambition that "all human beings, irrespective of race, creed or sex, have
  the right to pursue both their material well-being and their spiritual development in conditions of
  freedom and dignity, of economic security and equal opportunity".<sup>2</sup> It is premised on the intrinsic
  value of human dignity, as expressed in the ILO's founding principle that "labour is not a commodity".
- Four dimensions matter in the debate on social justice: Fundamental principles and rights at work; full, productive and freely chosen employment; social and labour protection; as well as social

<sup>&</sup>lt;sup>1</sup> Report of the ILO Office: <u>Advancing social justice (ilo.org)</u> (2023). The Global Coalition for Social Justice was also discussed during the <u>World of Work Summit</u> hosted by the ILO in 2023

<sup>&</sup>lt;sup>2</sup> Declaration of Philadelphia, Part II(a).



dialogue and tripartism. Advancing social justice is essential to achieve the UN Sustainable Development Goal 8 on Decent Work and Economic Growth since it will enhance inclusive and effective governance at work, ensure access to full, productive and freely chosen employment and lifelong learning; protect people over the life cycle of work and make transitions more equitable; and help revitalising labour market institutions for fair outcomes.

#### Advancing social justice, promoting decent work **Ensuring** the inclusive access to full, and effective productive **Fundamental** governance and freely principles and of work chosen employment and lifelong rights at work learning **Equal acces** human rights and Social productive dialogue and freely and choser tripartism mployment distribution Revitalizing Protecting people over the life cycle Social protection labour market labour protection and making institutions transitions for fair outcomes equitable

Source: ILO

## II. International initiatives to advance social justice

- At the International Labour Conference in 2023, the International Labour Organisation called to
  establish a Global Coalition for Social Justice to fight growing inequalities through fostering
  multilateral cooperation and policy coherence. This Coalition would provide a framework within
  which the ILO constituents could assemble with a wide range of stakeholders to increase global,
  regional and national action to advance social justice for all. The Global Coalition for Social Justice
  presents a significant opportunity to integrate tripartism and social dialogue more firmly into a
  networked multilateralism.
- The Global Accelerator on Jobs and Social Protection for Just Transitions represents one such coherent framework for action aimed at improved multilateral cooperation, increased investments within national financing frameworks and the development of integrated and coordinated employment and social protection policies at the country level that facilitate just transitions. The Global Accelerator would be a vehicle for realising the objectives of the Global Coalition. It creates strategic opportunities and specific intervention modalities for achieving social justice in developing countries. It would promote partnerships within the Global Coalition, demonstrating the case for policy integration and international policy coherence while building momentum and support for essential social investments.
- The World Employment Confederation follows with interest the discussions in the context of the
  Global Coalition for Social Justice. From a private employment services industry perspective, such
  initiative should be closely linked to the debates for a new social contract, thus including the value of
  diverse forms of work, social protection for all and especially for people in diverse forms of work,
  access to training and skills development and constructive industrial relations.



# III. How the private employment services industry contributes to ensuring social justice for all

Based on its fundamental role in fostering social innovation, defined as developing new forms of working, learning and social protection to the benefit of workers, companies and societies at large, the private employment services industry contributes substantially to ensuring social justice for all, especially by enabling better labour market outcomes for all. This applies to the four main dimensions of social justice as defined by the ILO.

Ensuring fundamental principles and rights at work: The private employment services industry
ensures and fully respects fundamental principles and rights at work. This includes fundamental rights
granted by the UN Conventions and the European Charter of Fundamental Rights. Still, also
international standards directly addressed to private employment services, such as the ILO
Convention 181 on private employment agencies and the EU Directive on temporary agency work.
The World Employment Confederation and its members work with national governments worldwide
to ensure appropriate and balanced regulation.

An essential element of ensuring fundamental principles and rights at work is based on the labour contracts offered to agency workers. These must be clear in terms of the rights, working conditions and social protection provided to agency workers. The World Employment Confederation advocates for the possibility of offering a diverse range of labour contracts and work arrangements to workers, certainly including fixed-term contracts, part-time contracts and open-ended contracts. In times of rising skills and labour shortages, open-ended contracts are an essential element in attracting workers to the sector, offering stability and work security. In accordance with national law and practice, open-ended contracts in the agency work industry provide an innovative approach to reconciling the flexibility and adaptability of work assignments with more stability and protection for workers and the option for employers to attract and retain talent.

- Enabling access to full, productive and freely chosen employment: On a yearly basis, the private employment services industry offers access to work for more than 70 million workers. On average, 34% of agency workers were unemployed or inactive prior to their first assignment. Agency work also often opens up pathways to employment for certain groups of workers who may struggle more to access labour markets. For instance, young workers often gain their first work experience through agency work. People aged under 24 years account for 40% of the agency workforce in Argentina, 39% in Brazil and 34% in France. It is also growing in popularity amongst elderly workers. Diverse forms of work, which are increasingly characterising labour markets around the world, are essential to meet the aspirations of workers seeking to reach a better work-life balance as well as the needs of companies to cope with more uncertain economic cycles. In many countries, the percentage of agency workers who are satisfied with their employment situation is over 70%. The satisfaction gauge hits the 80% mark in Switzerland and Sweden, and in Finland and the United States, it surpasses 90%.
- Ensuring social and labour protection: The World Employment Confederation strongly supports and advocates for social and labour protection for all. Agency work is a well-regulated form of flexible work, ensuring appropriate working conditions and social protection for the workers. In several countries, sectoral social partners have acted jointly to implement initiatives to enhance further social and labour protection, including establishing transferable and portable rights. WEC research shows that an employment contract is key to formal social protection coverage. In 90% of countries analysed, agency workers enjoy full statutory access to unemployment & sickness benefits.
- Promoting social dialogue and tripartism: The Word Employment Confederation and the agency work industry around the world are committed to promoting social dialogue and tripartism in accordance with national law and practices. Differences in the industrial relations systems and the respective roles of employers and labour unions should be fully respected and valued. In 79% of



cases, social dialogue exists between the agency work sector  $\vartheta$  trade unions. In 35% of cases, mainly in Europe, they engage in sectoral collective bargaining. Wages, occupational health  $\vartheta$  safety, and industry quality are the main topics for social dialogue. In Western European Countries such as Belgium, France, Italy, the Netherlands or Switzerland, sectoral social funds have also been put in place to provide training and occupational health and safety rights  $\vartheta$  benefits. At the global level, the World Employment Confederation engages actively with the International Labour Organisation, especially in the context of the annual International Labour Conferences, as well as with the work of the Organisation for Economic Cooperation and Development (OECD).