Global Dialogue Forum on Challenges for Decent and Productive Work Arising from Digitalization in the Chemical and Pharmaceutical Industries

Geneva 10–12 December 2018

Points of consensus 1

Opportunities and challenges with respect to decent and productive work

- 1. The chemical and pharmaceutical industries are critical to the social, economic and environmental development of all ILO member States and are key to the achievement of the 2030 Agenda for Sustainable Development. ² Digitalization and other technological advances, along with globalization, demographic changes and climate change, will have a profound impact on these industries and society as a whole.
- **2.** As discussed in the ILO "Future of Work Centenary Initiative", the world of work is undergoing a major process of change. In order to understand and to respond effectively to these new challenges, the role of the ILO is essential in order to be able to advance its mandate for social justice.
- **3.** Digitalization is part of the changing world of work, leading to an increase in productivity and efficiency, as well as opportunities and challenges for workers and enterprises in the chemical and pharmaceutical industries. Governments, employers, and workers have a stake in making these changes successful for the benefit and interests of all. Digitalization may improve working conditions, including occupational safety and health, and can enhance the sustainability of the chemical and pharmaceutical industries.
- **4.** Female participation rates can and should be improved in many countries in the chemical and pharmaceutical industries. Digitalization offers new employment opportunities to all workers, particularly for women and youth, in digitalized workplaces, in accordance with the Decent Work Agenda.³ Digitalization also creates opportunities to improve work-life balance.
- 5. New jobs will be created, many will change, and some will be lost as a result of digitalization. There is increasing demand for workers with a background in the science, technology, engineering and mathematics (STEM) disciplines. In light of skills shortages, there is an urgent need to invest in education, knowledge, training, upskilling and life-long learning for employers and workers. As part of this, social dialogue can be instrumental in defining the new knowledge and skills, and education and training to be delivered.

¹ These points of consensus were adopted by the Global Dialogue Forum on 12 December 2018. In accordance with established procedures, they will be submitted to the Governing Body of the ILO at its 335th Session in March 2019 for its consideration.

² See: https://www.un.org/sustainabledevelopment/development-agenda/.

³ See: https://www.ilo.org/global/topics/decent-work/lang--en/index.htm.

6. New and emerging forms of employment can benefit some workers and can bring challenges to some others.

Shaping a future that works for all

- 7. Sustainable industrial policies are key to addressing the challenges outlined above and to taking advantage of the related opportunities. Such policies should be developed, implemented and monitored based on consultations among the tripartite constituents through meaningful and effective social dialogue at the global, regional, national, sectoral, local and company levels, as appropriate. To this end, the capacity of the constituents should be strengthened and tools such as collective bargaining utilized.
- **8.** There is a need for massive investments in infrastructure (for example universal broadband access), technology transfer and skills to ensure that the benefits of digitalization are shared by all. Women and men should have equal access to education, and they should equally be encouraged and supported to pursue education in the STEM disciplines. Educational and vocational training systems and programmes need to be adapted to the new job requirements of evolving technologies as well as to workers' and employers' needs and circumstances. All workers, including older workers, should have opportunities for education, lifelong learning and upskilling. The technology transfer needs of developing nations, in particular, should be accommodated.
- **9.** The establishment of an enabling environment for all actors is an integral part of sustainable industrial policies. Special support needs to be provided to small and medium-sized enterprises (SMEs) for the adoption and development of new digital technologies and the enhancement of workers' skills, safety and health at work and respect for workers' rights.
- 10. Sustainable industrial policies should build on all dimensions of sustainability and take into account the ILO Guidelines for a just transition towards environmentally sustainable economies and societies for all. Social protection systems and social dialogue, including collective bargaining processes, where appropriate, need to be maintained, improved and adapted to new ways of organizing work and production in order to protect all workers, including those negatively affected by the changes resulting from digitalization, automation and other new technologies.
- 11. Occupational safety and health needs to be ensured for all workers, respecting the applicable international labour standards, particularly the Occupational Safety and Health Convention, 1981 (No. 155), and the Promotional Framework for Occupational Safety and Health Convention, 2006 (No. 187). Risk assessments of workplace hazards should be based on effective consultation with workers and their representatives. The risk of illness resulting from stress and chronic fatigue associated with new ways of working should be addressed. Depending on the respective standards in place, the capacity of labour administrations and inspectors should be strengthened.
- 12. Digitalization will produce more data than ever before in the history of humankind. This data can be an important source for improving production processes and creating business models. A balance will need to be found between these developments and the need to respect privacy. Cyber security should be improved to protect employers. Workers' data and privacy should be protected in law and practice. Limits are needed on personal data collected on

⁴ ILO: <u>Guidelines for a just transition towards environmentally sustainable economies and societies for all, 2015.</u>

workers, and levels of privacy defined. The transparency brought about by digitalization offers an opportunity to eliminate corruption.

Recommendations for future action by the International Labour Organization and its Members to ensure decent and productive work in the era of digitalization in the chemical and pharmaceutical industries

- 13. The chemical and pharmaceutical industries are generally characterized by mature industrial relations. In order to ensure a Just Transition towards a sustainable future, Governments, employers and workers should continue to engage in all forms of effective social dialogue, including collective bargaining. The constituents reconfirm their commitment to the outcomes of previous meetings concerning these industries.⁵ As both industries are highly engaged in the global economy with large supply chains, agreed forms of cross-border social dialogue should be considered where possible.
- **14.** Governments have the duty to adopt, implement and enforce national laws and regulations to ensure that the fundamental principles and rights at work⁶ and ratified international labour conventions protect and apply to all workers in the chemical and pharmaceutical industries, taking into account other international labour standards. In this context, governments should foster an enabling environment in which employers are expected to respect the fundamental principles and rights at work.
- **15.** Governments, employers and workers' organizations and multinational enterprises are recommended to observe the principles of the ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy ⁷ and the United Nations Guiding Principles on Business and Human Rights.
- **16.** Governments, in consultation with employers and workers, should develop sustainable industrial policies and strategies to create an enabling environment that:
 - (a) promotes and develops digital technologies as drivers of productivity, inclusive growth in the industries and job creation, including in SMEs;
 - (b) ensures workers' rights;
 - (c) promotes social dialogue and good industrial relations including collective bargaining agreements;
 - (d) generates equal opportunities for women and men;

⁵ Points of Consensus from the Global Dialogue Forum on Initiatives to Promote Decent and Productive Work in the Chemical Industry (Geneva, 26-28 November 2013) and Conclusions of the Tripartite Meeting on Promoting Social Dialogue on Restructuring and its Effects on Employment in the Chemical and Pharmaceutical industries (Geneva, 24-27 October 2011).

⁶ ILO: ILO Declaration on Fundamental Principles and Rights at Work, 1998.

⁷ ILO: <u>Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy</u>, 2017.

- (e) helps the industries strengthen their contribution to a Just Transition towards sustainable economies, inclusive social protection and universal health coverage; and
- (f) fosters the considerable potential of chemical and pharmaceutical businesses of all sizes and types to achieve the Sustainable Development Goals and to effectively contribute to a future that works for all.
- 17. Governments should formulate and implement policies to develop the skills required by the rapidly evolving industries and give greater attention to the promotion of STEM disciplines and the development of digital skills. Employers should expand their commitment to education and training to facilitate the reskilling of workers to fill growing skills shortages and meet their changing skills requirements. Workers need to be open to taking advantage of opportunities to upgrade their skills or acquire new ones through training, education and lifelong learning. The constituents should jointly conduct labour market analysis to better understand existing and future skills needs.
- **18.** The Office should continue its general and sectoral work to:
 - (a) promote the ratification and effective implementation of international labour conventions relevant to the pharmaceutical and chemical industries, as well as respect for the fundamental principles and rights at work, and build the capacity of constituents to realize these rights;
 - (b) undertake and disseminate research and comparative analysis, develop and share knowledge on trends and developments, lessons learned and good practices, including on a regional basis, in addressing challenges and opportunities arising from digitalization in the industries with the full involvement of the tripartite constituents, including with constituents in other sectors; and
 - (c) strengthen international cooperation and collaboration with other international organizations, where appropriate and agreed by the ILO constituents, keeping the Governing Body informed of further developments.

⁸ https://www.who.int/sdg/targets/en/