

**Speech by ILO Director-General Guy Ryder on**  
***“The Future of Work and the role of enterprises in Portugal”***

Estoril, Portugal. 22 October 2019

Pedro, thank you very much.

President Saraiva of the CIP, dear Antonio,

President Kiresepi of the International Organization of Employers, dear Erol,

Ladies and gentlemen,

Greetings to you all. Let me begin by thanking the Confederation of Portuguese business for inviting me to your congress and I'm particularly happy to be here in this, the centenary year of the International Labour Organization.

We are 100 years old this year and I want to use the opportunity to thank you the employers but also the successive governments and workers of Portugal, for the remarkable contribution that they have made to the work of the International Labour Organization.

Portugal in fact was a founding member of the International Labour Organization. It was a pioneering and active Member throughout the political life of the organization and throughout the 100 years of our history - and I have to say, the relationship between the ILO and Portugal has sometimes been a bit of a bumpy ride.

You will not know perhaps that it was through Lisbon that the ILO ran away from Switzerland during the Second World War its exile in Canada. The ILO, we ran away from Geneva to Canada but we came through Lisbon. It's a great adventure story.

In 1961 during the dictatorship, well Portugal less positively was the object of the first ever commission of inquiry by the International Labour Organization. So it's quite a history but since the restoration of democracy here our partnership has been recovered, it's deepened and it's grown. And I want to tell you all how highly we value our partnership and the work of our office here in Lisbon, and the work it does which allows us to cooperate so well together.

Portugal is a strong supporter of our development cooperation work, notably in the lusophone countries. But with all of this I am quite clear; that the greatest contribution that you all make to the ILO is here at home in Portugal. Working together to promote social justice, social dialogue, and tripartite cooperation, which are at the heart of what the International Labour Organization does and what we stand for.

And this cooperation has played an important part in recent years in your recovery from the crisis that broke in 2008. Your exit from the programme from 2011 to 2014. A recent ILO study of labour market developments in Portugal concluded that, and I quote: *“that social dialogue was heavily relied upon prior, during, and after the crisis period... and where*

*decisions were made unilaterally, or against the interests of trade unions and or employers, conflict and pushback resulted.”*

And the same ILO report makes clear as well how important the Tripartite Agreement, concluded in June of 2018 is. It's played a key role in strengthening the culture of collective bargaining, something that is particularly important in these still uncertain times, and I understand that new legislation has now been approved to push forward this agreement, and that too of course is important.

But legislation alone is not enough. If the ideals and objectives behind the tripartite agreement are to be turned into concrete progress, then each party must, as a matter of conviction, bring to it its active commitment to implementation. And I have no doubt that the CIP will be a key partner in that process.

Ladies and gentlemen,

You've heard it already from other speakers. The world of work is today undergoing transformative change that is unprecedented; unprecedented in its pace, in its scope, and in its effect.

Change is being driven by, of course, technological innovation, but also by demographic shifts, by climate change and what we must do to stop it, and by globalization. Globalization, the future path of which is today more uncertain than at any time in recent decades. Probably the most frequently asked question about the future of work is whether the fourth industrial revolution, as we tend to call it, will destroy more jobs than it creates. Are we heading towards an era of chronic job scarcity or toward something much more benign than that?

And earlier this year the CIP launched a pioneering study looking at job creation and destruction and the impact of automation here in Portugal. And I think it's an important piece of work and I would urge everybody to read it.

But regardless of the many and often very divergent job projections which are available, I think we should take great care not to fall into a trap of believing that the future is already determined for us by technology or by other forces. The reality is that the future of work will be as it has always been, the result of society's capacity to set goals and to design and then implement policies for their realization.

This is to say that we can and we must shape the future that we all want. And that is what the ILO and its constituents have done for the last hundred years, and today I see that this work is more important than it has ever been.

But at the same time globally we are seeing strong challenges to some of the basic principles that the International Labour Organization embodies in many countries. We are seeing a rise of populism the rise of nationalism, a loss of confidence in established political actors and institutions, and particularly important from an ILO perspective, a rejection of international cooperation through multilateral action. And we have seen far too frequently how our international laws and standards can be ignored, how a culture of impunity can

arise, and in this time of fake news we see how obvious truths can be dismissed as lies and evident falsehoods presented as facts.

Now Portugal, so far as I can judge it, seems relatively unaffected by these developments and we ought to be congratulated for your resilience in that regard. But in the end these developments concern us all and so we need to look at why they are taking place and what we can do about them.

Ladies and gentlemen,

In facing these challenges I believe that it is as well to recognize that to a great extent they have their roots in the world of work. Many peoples' reasonable expectations of working life around the world are not being met. Growing inequality breeds anger; take a look at Santiago de Chile, take a look at Beirut today and rapid change brings disorientation.

So a lot of people look to the future with more apprehension than hope. They doubt the capacity of established institutions and actors of public life to provide credible solutions to their pressing needs. And they are tempted to look elsewhere for alternative deceptively simple solutions, solutions which, frankly have little to do with the objectives of the ILO.

Now this is not the first time in the ILO's 100 years that it has been faced with these challenges to its core values of tolerance and social justice and of solidarity. And as before, together we will defend the goals of social justice, and in the course of this our centenary year we have set about working out how exactly we can do it.

Ladies and gentlemen,

The strategy is outlined in the report of the ILO's Global Commission on the future of work which was published in January of this year, and then the centenary declaration for the future of work.

A declaration negotiated and adopted by the governments employers and workers of our 187 member states at the ILO centenary conference in Geneva this June, and this declaration sets out a human-centred agenda for the future of work. But for the agenda to become a reality we see the need for investment, investment in three concrete areas:

Firstly, investment in the capacities of people. Through provision of lifelong learning opportunities. Through reinforced comprehensive social protection so that they can navigate successfully the many transitions in working life in conditions of human security. Investment through a new agenda to complete the unfinished business of gender equality at work.

The second set of investments needs to be in the sustainable jobs of the future. We need to put that special emphasis on the green carbon-neutral, climate-neutral economy, on the care economy, on infrastructure be a digital physical or social and for much of the world the investment must still be in rural development

And the third set of investments have to be what we refer to as the institutions of the labour market; the laws, the regulations, the mechanisms, even the concepts, that ensure that labour is not a commodity and that markets generate socially agreed outcomes.

And the point here is that investment in these pillars can drive growth, equity and sustainability for both present and future generations. And if we are to achieve these goals a culture of innovation and sustainable enterprise will be absolutely vital, and the ILO will do all it can, working with you, to support the enabling environment necessary for business to play its part.

I'll come back to that, but before I do there's one other part of the declaration that I want to draw your attention to, and that is the importance it gives to multilateralism, this multilateral system which is under strain.

It's our belief that a coherent and effective multilateral system is absolutely fundamental not only to the future of the ILO, but for the future of our world of work. The world of work that we want.

The ILO is at that place where multilateralism intersects with Tripartism, the cooperation of government's employers' and workers'. And I'll be frank with you, that location is one today of considerable turbulence, but it also puts us in a responsible, even a privileged position, as tripartite actors. We have a particular duty to work to restore faith in international cooperation.

The obvious point is that the global challenges that we face call for global solutions, and means that we must work harder to make international co-operation function better. We need greater coherence between the different organizations in the international system, in particular those that have responsibility for finance, for trade, and for social and labour issues; that is respectively the Bretton Woods institutions, the IMF and the World Bank, the World Trade Organization, and of course our International Labour Organization.

The fact is that the constitutional mandates of each of these organizations are complementary and interrelated. But the way we currently work simply does not reflect that complementarity.

Ladies and gentlemen,

Your president has said at one point that the productivity and competitiveness of your enterprises can be achieved in the context of harmonious labour conditions and social peace, and I have to say that I agree.

I have never conceived that the objectives of successful and profitable enterprises exist in conflict or contradiction to the promotion of the living and working standards of the people who work in those enterprises. Enterprises will necessarily play a crucial role in creating a productive decent and fair future of work.

This is a main theme of your Congress and I want to commend the CIP for addressing it. It's also why one of the seven initiatives that I launched to mark the centenary focuses on enterprises recognizing the fundamental role of business in job and wealth creation. It aims

to advance the ILO's goals through closer engagement with enterprises of all sizes and in all regions.

And I see this as a two way learning process for addressing decent work challenges. The ILO needs to improve its understanding of, and our responses to your business realities, and at the same time I hope that enterprises can discover more about the instruments expertise and work of the ILO and profit from that.

The ILO study on decent work in Portugal which I have referred to stressed the importance of a strong private sector in the country's successful economic recovery, supported by an employment friendly macroeconomic environment, careful wage policies, business and labour reforms, and improvements in education and skills provision.

But we also argued that for the next stage of progress a focused growth strategy was needed, one that would encourage enterprises to diversify, innovate, and to compete more effectively in technology, in quality tourism, in niche agricultural products, and in green industries.

We called for the public and private sectors to work together on skills, on business support services, and financial support for innovative enterprises, and for the promotion of clusters and upgrading within value chains.

Now this approach is challenging but it would create a remarkably positive foundation for sustainability, prosperity, and decent work in Portugal which would benefit both enterprises and the people of Portugal.

Ladies and gentlemen,

100 years after the foundation of the ILO we are all aware that a great deal has been achieved, and we're all aware that we cannot rest on the victories of the past.

Firstly, because the way I see it, social justice which the ILO exists to promote is like a receding horizon. The more progress you make, the more that progress calls for a renewed effort for more progress.

Secondly because the responsibilities of the ILO have not yet been fully discharged. I think for instance of one key provision in the ILO's historic declaration in Philadelphia which commits the ILO, and I quote: *"to examine and to consider all international economic and financial policies and measures"* in the light of this fundamental objective of social justice. That's not happening today.

And thirdly, because some of our most fundamental objectives have only been partially achieved. Think for example of our constitutional principle that poverty anywhere constitutes a danger to prosperity everywhere.

Today more than 20 percent of all people who are actually working are still living in poverty. Sixty one percent of the world's workers work in informality. There are more than 150 million child labourers in the world. Still there are 25 million victims of forced labour.

These are intolerable figures and it's what our former Director-General David Morse described so very well fifty years ago when he accepted the Nobel Peace Prize on behalf of the ILO. He described these as *"the unexploded ordinance"* of injustice in our societies which have yet to be defused.

Ladies and gentlemen,

When your Prime Minister Antonio Costa addressed the ILO's Centenary Conference this June, he recalled, and I quote again that, *"there is no economic growth possible without investment and there is no investment without trust and confidence."*

Policies in Portugal were developed and based on this strategy of consultation with you the social partners, and so the success of these policies were possible because and only because through dialogue they were based on mutual trust.

And your Prime Minister also reminded us that, and I quote again, *"the future of the world is not a race to the bottom. On the contrary, it should be a sustained upward spiral, taking on board the best, most inclusive social models that create more dignity in our work and greater prosperity that is shared by all."*

And I think that is a sentiment that we can all agree with.

And my feeling in conclusion is it in our actuality of global uncertainty, even insecurity, this is also a moment of Portuguese leadership. You probably think I'm exaggerating.

My boss, the Secretary-General of the United Nations is Portuguese. Even the manager of my football team is Portuguese (we look for an improvement in results by the way) and Portugal seems able to form governments more easily than other people.

But more than this and above, all I say that this is a moment of Portuguese leadership because Portugal has committed to, and demonstrated, even in the toughest circumstances the success of policies which are the result of partnership and of dialogue; policies that properly address social equity issues and embrace openness to the global economy.

And that is why Portugal's voice, Portugal's example, and Portugal's values matter so much in the world. And with this approach we can not only meet the insecurities and challenges of today, but we can build together, as I hope we will, on the achievements of the last hundred years for the next hundred years.

So I wish you all good luck at your Congress this week and I thank you for your invitation.

Thank you.