



## ILO Global Dialogue Forum on collective bargaining in the public service

### [Introduction to the GDF background paper](#)

#### **New ILO report on public services: “Social dialogue essential – and even more so in times of crisis”**

*The ILO Global Dialogue Forum on Challenges to Collective Bargaining in the Public Service will take place in Geneva from 2-3 April 2014. The tripartite meeting will consider 4 discussion points and make recommendations for future action to the ILO and its constituents. EI’s delegation will comprise EI Deputy General Secretary, Haldis Holst, and representatives from Canada, Senegal, United Kingdom, the Pacific Islands and the USA. Teacher representatives be reinforced by workers from Public Services International and trade union centres. The ILO office recently published an issue paper to inform the discussion.*

The ILO issue paper (30 pages) provides an overview of the impact of the financial crisis on labour relations and social dialogue in the public service, with a focus on ILO Convention 151 (1978) on Labour Relations in the Public Service. “This is a welcome contribution to the discussion on how to strengthen collective bargaining rights for public employees and confirms many of the findings of EI’s own recent study”, said EI General Secretary, Fred Van Leeuwen. “However, we would have wished for greater attention to good practice examples of government –union social quality public service agreements, as well as a more action-orientated format directly related to the questions that will be addressed at the forthcoming Global Dialogue Forum on the Challenges to Collective Bargaining in the Public Service,” he added.

The paper is entitled **Collective bargaining in the public service: Bridging gaps for a better future**<sup>1</sup> and explains the five main guarantees covered by ILO Convention 151: protection of the right to organize; facilities to be afforded to public employees’ organizations; procedures for determining terms and conditions of employment; civil and political rights; and disputes settlement procedures. It notes that the term “guarantee” requires government action mainly through laws or regulations.

ILO Convention 151 seeks to strengthen the right of public servants to negotiate their terms and conditions but also to use “other methods as will allow representatives of public employees to participate in the determination of these matters” (Article 7). The Convention covers all persons who are employed by public authorities to the extent that more favourable provisions in other Conventions are not applicable to them. ILO Convention 98 (1949) on Collective Bargaining only limits this right in the case of the Police and Armed Forces and those public servants directly engaged in the administration of the State. Hence teachers and educators, who are not engaged directly in the administration of the State, are covered under the provisions of ILO Convention 98.

The paper notes that more than 30 years after its adoption, “there is still a large gap in terms or recognition of the rights it embodies” and that some governments determine working conditions unilaterally. It underlines that the lack of consultation mechanisms has played a major role in the occurrence of severe and very costly labour strife; that public sector wages often lag behind those of private sector counterparts; that public employees have sometimes not been paid for months and their union leaders are even putting their lives at risk.

---

<sup>1</sup> Collective bargaining in the public service: Bridging gaps for a better future, Issues paper for discussion at the Global Dialogue Forum on Challenges to Collective Bargaining in the Public Service (Geneva, 2-3 April 2014) Sectoral Activities Department, ILO Geneva, 2014

On a more positive note, the paper provides a useful reminder of the role of quality public services, which facilitate sustainable economic and social development, improve and enhance democracy and secure human rights. It confirms the trend towards a growing participation in the setting of terms and conditions of work in the public sector, the right to collective bargaining and increasingly the right to strike. It also notes that employment relations in the public sector are deeply rooted in country-specific legal, normative and institutional traditions, which make comparisons difficult.

### **The impact of the financial crisis of 2008**

The paper reflects on the current discussion on the origins of the crisis and the role of public services in economic and social development in general. It describes how following the 2008 financial crisis, in those countries with a developed social security system, the resultant increase in government spending had a beneficial effect, limiting the fall in consumption and acting as an automatic stabilizer. Many governments chose to stimulate demand by expanding government spending, and/or reducing taxation. Referring to an IMF study, it states 101 developing countries and 43 developed countries initially responded to the crisis by increasing public spending in 2008-2009. However, by June 2010, many major international institutions were calling for a reduction in public deficits as the major priority. Financial support from the IMF has been conditional on reductions in public deficits and public spending. According to the IMF, governments implemented wage cuts or caps on pay in the public service in 14 out of 25 Latin American countries, 22 out of 43 sub-Saharan African countries, seven of ten in the MENA region four of eight in South Asia; 13 of 21 in East Asia and the Pacific and 14 of 21 in Eastern Europe and Central Asia or 58% of the total reviewed.

### **Job losses and cuts in pay and conditions**

Job losses have contributed to increased workloads and working hours for the remaining employees. The ILO Committee of Experts (CEACR) has observed other trends in labour relations in the public service, including the extension of contracts ruled by private sector labour law; the admission of temporary public employees, agency workers and service contracts and increased use of performance incentives typical of the private sector. The Committee warned of the potentially negative repercussions for the independence of public servants. There are other consequences, including lower compliance with labour regulations, such as occupational health and safety. The report particularly notes the impact of budget reduction on the quality of education delivery, including poorer school services for low performers and reduced teacher to student ratios; and increased brain drain.

Cuts in pay and conditions have resulted in a downgrade of skill levels, reduced levels of investment in public occupations and prevented public administration/services from attracting young qualified graduates. The “new” phenomenon of the public sector working poor in Europe has led to increased migration of public sector workers from the Czech Republic, Hungary, Poland and southern Europe. Cuts are likely to increase the gender pay gap and stall progress towards gender equality.

### **ILO supervisory bodies recommendations on social dialogue**

The ILO supervisory bodies have emphasized that “social dialogue is essential in normal times and becomes even more so in times of crisis.”<sup>2</sup> The CEACR commented in 2013 that social dialogue and collective bargaining can help public services to maintain:

*“A qualified and motivated staff and a dynamic and depoliticized public management and administrative culture, with an ethical focus which combat administrative corruption, make use of new technologies and are founded on the principles of confidentiality, responsibility, reliability, transparent management and non-discrimination, both in access to employment and in the provision of benefits to the public.”* The CEACR further stated that collective bargaining contributes to social peace, adaptation to economic and political change, the fight against corruption

---

<sup>2</sup> CEACR Observation on Ireland (Convention no 122) adopted in 2012 and published at the 102<sup>nd</sup> Session (2013) of the International Labour Conference. This is a recurrent phrase in the Committee’s comments.

and the promotion of equality. According to the ILO,<sup>3</sup> in 51 countries, the main anti-crisis measures were approved in consultation with the social partners and the report outlines a few good practice examples, from Ireland, Grenada and Australia.

However, the issue paper notes that the political will for social dialogue has been weakened by the crisis. Extended social unrest has been stronger where crisis responses have been introduced by unilateral decision-making. Social dialogue has been severely tested as social partners have often disagreed over the need for austerity. There has also been a decline in social dialogue in pension reforms. Pressures on provincial and state governments have increased as federal governments lessen transfers to them in order to balance their federal budgets.

### **ILO and constituents actions to promote and implement Convention 151**

There has been increased interest in ratification of ILO Convention 151 over the last few years, with 8 new ratifications since 2006. There have been strengthened consultation and negotiation mechanisms, including the granting of collective bargaining rights to government workers. ILO has carried out promotional campaigns on ILO Convention 151 and its technical assistance programmes support implementation mechanisms, including setting up or strengthening public service collective bargaining councils and disputes resolutions systems. EU-ILO collaboration on social dialogue has increased and there has been capacity building for social partners from EU enlargement countries and from new member states. ILO has also organised bi-partite regional meetings on collective bargaining in the public sector.

In conclusion, the report lists recent publications of interest including:

- a manual on collective bargaining and dispute resolution in the public service (available in 10 languages);
- Promoting collective bargaining and dispute resolution in the public service: an ILO training workbook (available in 4 languages);
- Practical guide for strengthening social dialogue in public service reform (available in 3 languages).

EI is expecting that the outcome document, which is in the form of tripartite points of consensus, will include a renewed commitment to promoting collective bargaining in the public services and a call for governments to ratify ILO Convention 151. EI and the workers group is also putting forward a proposal for a 4-year integrated action programme on the promotion of collective bargaining in the public sector, to include tripartite sub-regional training programmes and specific national action plans with the aim of establishing joint public sector negotiating councils.

<end>

---

<sup>3</sup> Public sector shock: the impact of policy retrenchment in Europe ed. Daniel Vaughan-Whitehead April 2013 ILO Geneva