

International Labour Standards and Sustainable Enterprises

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What are international labour standards?

In 1919, the signatory nations to the Treaty of Versailles created the International Labour Organization (ILO) in recognition of the fact that "conditions of labour exist involving such injustice, hardship and privation to large numbers of people as to produce unrest so great that the peace and harmony of the world are imperilled." To tackle this problem, the newly founded organization established a system of international labour standards - international conventions and recommendations drawn up by representatives of governments, employers and workers from around the world - covering all matters related to work. What the ILO's founders recognized in 1919 was that the global economy needed clear rules in order to ensure that economic progress would go hand in hand with social justice, prosperity and peace for all.

The Decent Work agenda

- Labour standards
 - Employment
 - Social protection and
 - Social dialogue
- Fundamental Principles and Rights at Work

The relevance of international labour standards for sustainable enterprises

- **A path to decent work**
- **An international legal framework for fair and stable globalization, Commitment of ILO member states**
- **A level playing field**
- **A means of improving economic performance**
- **A safety net in times of economic crisis**
- **A strategy for reducing poverty**
- **The sum of international experience and knowledge**
- **But also**
 - **Increasing relevance through other instruments (Global Compact, Equator Finance Principles, etc.)**
 - **Increased relevance through the supply chain**
 - **Sustainable Development Goals (SDG)**

In short: Decent work for all

www.betterwork.org

Better Work's impact on

- **working conditions.** The impact assessment demonstrates the causal effect of the Better Work programme on a wide range of working conditions in garment factories.
 - Preventing abusive practices (forced labour, verbal abuse, sexual harassment)
 - Curbing excessive overtime
 - Closing the gender pay gap
- **firm performance.** Tufts researchers explored the impact of Better Work on firm performance from multiple angles: productivity, profitability, position in the supply chain and order sizes.
 - **Productivity** Supervisory Skills Training (SST), particularly among female supervisors, increases productivity by 22 per cent. Discover more results about the [SST course](#).
 - **Profitability** Factories experience a rise in profitability (measured as the ratio of total revenue versus total costs) due to their participation in the programme

Promoting Workers' Rights and Competitiveness in Egyptian Export Industries

The Egyptian Labour Inspectorate

- *The number of labour inspection warnings decreased by 9% and the number of violations decreased by 23%;*
- *The number of OSH warnings increased by 3% while violations decreased by 58%.*

Employers, Workers and Social dialogue

- Labour compliance levels in the Egyptian export (RMG, Textile and Food Processing sectors) is improved and the progress/changes were monitored at the factory level as below:
 - 75% Egyptian exporting factories in the RMG and food sectors improved their compliance with Egyptian labour law and ILS
 - Turnover rates decreased at the rate of 30% of the current rates (Baseline: TO for RMG and Textile: 8-14% & TO for Food: 4-15%);
 - Worker satisfaction is improved on the working conditions and social dialogue levels.

Conclusions and take-aways

- Compliance with (international) labour standards is a requirement for sustainable business
- Investing in decent work offers a business case
- It takes time and concerted efforts to comply
- Different stakeholders, complementary roles
- Focus on win - win - win