Future of Work & Industrial Relations:
A Workers’ Perspective

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CONTENT OF PRESENTATION

- Megatrends affecting FoW: Workers’ perspectives on FoW in the region
- ILO response to FoW
- The role of trade unions: Suggestions
Megatrends affecting FoW
Technical innovation (1)

According to International Federation of Robotics (IFR),

- China purchased 25,000 of the 162,000 industrial robots sold worldwide in 2013.
- Between 2005 and 2012, sales of industrial robots in China have increased, on average, by about 25% per year.
- In the meantime, industrial robots in Asia-Pacific have increased by 70% up to 887,400 units during the 2010-15 period.
The Economic Model in Asia for Decades
Now Automation threatens to block the ascent of Asia’s poor. Civil unrest could follow.

Source: Kevin Hamlin and Dexter Roberts, in Bloomberg Businessweek (22 June 2017, New York).
Demographic shifts (2)

• The world population will grow up to 8.5 billion by 2030 and further 9.7 billion in 2050.

• The world population aged above 65 years will increase from 7% in 2015 to 14% in 2050.

• Approximately 12.4% of the population in the region was above 60 years in 2016 and the number will increase by 25% or 1.3 billion people by 2050.

• The millennials will consist of 50% of the total global workforce by 2020 and up to 75% by 2030.
World Population Day
July 11, 2016: Food for Thought

More than 42% of people in the world are age 0 to 24.

1 in 3 of the world’s workers make a living from agriculture.

& in developing countries, women comprise 43% of this labor force.

54% live in urban areas.

Africa + Asia combined host 90% of the world’s rural population.

But by the year 2050, researchers predict the world will grow to a population of 9.7 billion.

The average woman bears 2.5 children, but still 2/3 of the world’s illiterate population is female.

We must act today to prepare the world’s resources for a bigger, brighter tomorrow.

*All statistics provided by The United Nations.*
200 MILLION: Number of senior citizens in the PRC by 2015

The country now has more senior citizens than all European Union countries combined.

15%: Percentage of persons aged 65 and older in Malaysia by 2050

This is triple the 2010 percentage of 4.8%.

20 YEARS: Time needed for Viet Nam to make the transition from aging to aged

Japan: 26 YEARS
Thailand: 22 YEARS

Source: ADB, 2017
SUSTAINABILITY

Potential support ratio of the working-age population to the retired population in the PRC by 2040

The current ratio stands at 6.

Ratio of working-age persons to the elderly in Singapore in 2030 and 2050

The ratio dropped from 8.2 in 2010.

Source: ADB, 2017
Free trade and foreign direct investment (2)

ILO estimates of employment trends in EPZs (2008)

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Ten of Asia's Most Dynamic Export Processing Zones

- Bangladesh: Chittagong Export Processing Zone
- Myanmar: Thilawa special Economic Zone
- India: Madras Export Processing Zone
- Thailand: Southern Regional Industrial Estate
- Malaysia: Port Klang Free Zone
- Singapore-Indonesia: Batam Free Trade Zone
- Vietnam: Tan Thuan Export Processing Zone
- China: Andujar Economic Development Zone
- Philippines: Bataan Export Processing Zone
- Indonesia: Tanjung Emas Export Processing Zone
Climate impacts resulted from pollution, CO2 emission and rising sea-levels are a grave concern for the region.

Recent devastating natural disasters include Bangkok flood in 2011, Fukushima earthquake in 2013, Haiyan typhoon in 2013, and Nepal earthquake in 2015.

Solomon Islands, Kiribati and Maldives are at risk from rising sea levels.
Workers’ perspectives on FoW in the region
We are creating a world where we are going to have glittering technologies, generate inequality, and create fewer jobs (the new machine age).
In just five years (2010-2015), Asian industries’ operational stock of industrial robots rose 70 percent to 887,400 units.

In all industries, Korea is with 531 robot units per 10,000 workers, followed by Singapore (398 units) and Japan (305 units).

In automotive industry, in 2015, the robot density in the USA came to 1,218 per 10,000 workers and in Japan with 1,276. Between 2006 and 2016, the US car industry alone increased industrial robots up to 70% at 127,000 units.
They toured one of modern Ford factories and had a conversation on automation of the factory.

*Mr Ford asked Mr Reuther, “how are you going to get these robots to pay union dues?”, and then, Mr Reuther shoot back, “how are you going to get them to buy cars?”*
Automated cars have the potential to see more and react faster than human drivers.
There are growing concerns with automation and the digitalized economy.

- 37% of people surveyed in Australia said technology poses a threat to their job prospects.

- A study conducted by Oxford University tells that 20% of the exiting jobs will be lost by automation and robotics in 10 years time and up to 50% in 20-25 years time.
The future of work is a cultural shift of work and employment relationships

- **Transformation of work** from the manufacturing era and industrial workers to a huge amount of diversity of jobs.

- Everyone will **virtually work** all over the world, sometimes with no office.

- **Much wider labour disparity** between high-paying jobs and low-paying precarious ones.
Widening income inequality

Inequality in Asia has risen from 39% in 1990s to 46% in late 2000s (ADB data, 2016).

Sources: Author’s calculations based on OTEXA and CIRI data.
A loss of labour rights would be obvious.

- Contract-based workers with a multiple choice of income sources will increase, but no standardized price and compensation for contract-based labour will be set in the on-demand economy.

- Current labour legislation won’t be able to properly regulate employment relationships.

- There is an increase in insecurity, fear and intimidation of working people.
ILO Response to FoW
ILO Centenary Initiative

In the report of the International Labour Conference (ILC) in 2013, Towards the ILO centenary: Realities, renewal and tripartite commitment, the seven centenary initiatives were stated

(i) the future of work initiative,
(ii) the end of poverty initiative,
(iii) the women at work initiative,
(iv) the green initiative,
(v) the standards initiative,
(vi) the enterprises initiative,
(vii) the governance initiative.
Future of Work portal opened
HTTP://WWW.ILO.ORG/GLOBAL/TOPICS/FUTURE-OF-WORK/LANG--EN/INDEX.HTM

Future of work issue note series

Issue Note 1: Technological change
Issue Note 2: Labour supply
Issue Note 3: Employment relationships
Issue Note 4: Social contract
Issue Note 5: Forthcoming
Issue Note 6: Cooperation in a changing world of work
The Future of Work We Want: A Global Dialogue: 6-7 April 2017, ILO HQs

Session 1: Work and society
Session 2: Decent jobs for all
Special session: How youth of today see the future of work and how they will contribute to ensuring the future we want
Session 3: The organization of work and production
Session 4: The governance of work
The Future of Work We Want: Workers’ perspective in South-East Asia and the Pacific
26-27 July 2017, Bangkok

- Around 60 participants from governments, employers’ organisations, academics, ASEAN and UN (ESCAP and ILO) as resource persons and trade unions

- To discuss possible policy responses both of governments and social partners as a means to promoting and protecting the rights of working men and women.

- To contribute to a report to be made by the Global Commission on Future of Work and to be submitted to ILC 2019
Conclusion and suggestions
THE ROLE OF TRADE UNIONS

- To participate in and contribute to the national dialogue for developing a national plan of action for employment and protection.
- To campaign for establishing a fair distribution system of income for growing inequality between rural and urban workers and between boutique jobs and moonlighters.
- To develop new campaign strategies like use of social media to bridge between traditional workers (adults) and knowledge workers (millennials).
- To campaign for the promotion of sectoral CB for geographically scattered, individual workers.
Showcases of Trade Union Initiatives for shaping the future of work

- **In Bangladesh**, trade unions teamed up with human rights and civil society organisations and formed a Domestic Workers' Rights Network (DWRN) in December 2006. After 10 years’ campaigns, they could convince the Government to introduce a “Domestic Workers Protection & Welfare Policy (2015)”.


- **In Sri Lanka**, free trade unions, unionising export processing zones (EPZ) workers, signed a number of Collective Bargaining Agreements (CBAs).
In Bengaluru, India, three wheeler’s drivers are unionized, simultaneously operating their own healthcare insurance scheme.

Pakistan Workers Federation (PWF) formed and registered the first agriculture Workers’ Union in Sind Province.

Federation of Asian Domestic Workers’ Unions (FADWU) was formed in November 2010 with domestic workers from Indonesia, Nepal, Thailand, Hong Kong China, and the Philippines. Being a backbone of forming the International Domestic Workers Federation (IDWF); as of July 2016, IDWF has 59 affiliates from 48 countries, with 500,897 domestic workers.
We, ILO, should take responsibility for reshaping the world of work for current and next generations.

**Knowledge centre**

Should be a centre, coordinating between developed and developing countries to better understand the transition of future of work, learn lessons and respond to its impacts.

**leadership**

Should be a leader, inspiring the tripartite constituents and the global community to abide by our policies and standards, embodied by a decent work goal.
THANK YOU