

Outsourcing and labor relations: decent work and sustainability requirements

This report was adopted unanimously by all Council members during the 82nd ordinary meeting of the General Assembly, held on 25 January 2018. It was developed with input and data from interviews with twenty-nine (29) key actors from governmental and non-governmental institutions.

The objective of this own-initiative opinion is to explore ways to ensure outsourcing creates decent work and drives more effective action against social dumping and unfair competition.

To this end, the report's focus was on the need to develop a global vision for outsourcing that can lead to the convergence of public development policies, the aim being to promote decent work and facilitate transitions from the informal to the formal economy.

It is in this context, the Council stresses, that there is an urgent need for a national decent work agenda that fits within international labor standards, most notably the International Labor Organization's (ILO) Decent Work Agenda.

This is even more important given that the changes in the global production structure may aggravate informality and force entire businesses into informal sector activity. This is particularly relevant as new technologies make it possible to exchange through collaborative web platforms, without having to meet corporate social responsibility requirements.

The Council has therefore provided operational proposals to reverse the current precarious working conditions to which outsourced workers are exposed.

Recommendations:

➤ Among these recommendations are:

- Ensure convergence of sectoral policies for decent work and support the creation of decent employment opportunities through such mechanisms as work placement, support for SMEs, etc.
- Improve the institutional framework and incentives for subcontracting firms that demonstrate commitment to sustainability and corporate social responsibility.
- Strengthen the legal and regulatory framework for labor intermediation.
- Clarify the provisions for outsourcing activities and launch awareness-raising and training activities in this area for inspection and monitoring bodies, competent courts and professional organizations.
- Ensure that social security legislation is complied with and that decent work principles are integrated into account in subcontracting processes.
- Prohibit all transactions with unauthorized temporary employment agencies that are not up to date with social security obligations.
- Set up a national agenda and regional decent work agendas identifying the tools and measures necessary for the development of decent work and the transition from the informal to the formal economy.
- Adapt social security to the working conditions of non-permanent workers.
- Develop dialogue between the social partners to discuss employment, decent work and the transition from the informal to the formal economy.
- Adopt standard sectoral subcontracting agreements for departments and professional organizations.
- Establish a professional subcontracting monitoring authority.
- Draw up an action plan to stabilize the situation of labor subcontracting firms and temporary work agencies and to settle their legal status as employers.
- Support and advance the body of knowledge, research and training activities on the social dimension of employment.