

RESOLUTION
of the Tashkent International Conference
“New Social Contract: the view of Trade Unions in Europe
and Central Asia”

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The world is undergoing a significant transformation due to rapid technological changes and persistent climate cataclysms.

The profound changes observed in the region, whether geopolitical tensions and conflicts or longer-term transformations such as technological change, require a discussion of how current social contracts that have existed for decades must adapt to address the core challenges of our time, both in adapting to the speed of changes, for example, to counter the pitfalls of technological change, as well as to the scope of coverage, for example, to counteract greater instability at work.

Equality, fairness, inclusion and access to tools that enable workers to create a decent life for themselves and their families are of decisive importance to strengthening social cohesion.

In the emerging turbulent conditions, there is an objective need to renew the current social contract and the obligations of labour subjects to each other.

Renewing the social contract involves maintaining historical principles and using existing instruments to adapt norms, policies and institutions to a changing global environment.

The countries and regions of Europe and Central Asia face different challenges and risks, many of them common and interrelated. Addressing such challenges will require measures to coordinate them at the international and regional levels.

The new social contract, to be effective, must be anchored in national social contracts and adapted to specific national circumstances and priorities, and it must be integrated into a common global framework and internationally agreed norms.

Social justice is at the heart of any social contract. The effectiveness, legitimacy and adaptability of social contract depend

on whether it delivers social justice through decent work. Consequently, there was a need to renew the social contract to promote the idea of social justice for all.

Participants of the International Conference “**New Social Contract: the view of trade unions in Europe and Central Asia**” came to the conclusion that it is necessary to define a policy of social contract renewing to ensure social justice in the light of global transformations.

We, the participants of the International Conference believe that the voice of trade unions as the most representative actors of civil society and real economy should be heard by governments and employers' organizations all over the world.

The Conference believes that new social contract must recognize the need for just transition to more sustainable economy.

Based on the above, the Conference recommends focusing on the following areas.

1. Respect for human rights, particularly, fundamental principles and rights at work

Ten ILO Conventions are part of the minimum level provided by the fundamental principles and rights at work. However, other rights such as limitations on working hours, remuneration ensuring a decent standard of living for workers and their families, social security, maternity protection and access to adequate food, clothing, housing and education are equally important social protection measures.

Concerted efforts at the multilateral level in the run-up to the Second World Summit for Social Development are supported at the intergovernmental level.

Along with the social partners, trade unions also have a responsibility to back up international commitments with real change on the ground.

Based on the ILO fundamental principles, trade unions declare their collective commitment to justice, equality and well-being of all people, regardless of employment status!

The expansion of protection measures makes it appropriate to adopt a new version of the Universal Declaration of Human Rights.

2. Inclusive and effective management

It is very important to achieve policy coherence between economic, social and environmental objectives, objectives that are not always naturally synergistic.

The inclusion of employment and social priorities in economic policymaking at both national and global levels is a critical aspect of the sustainability and effectiveness of the new social contract.

After decades of liberal economic policies, there has been deregulation, privatization, financialization and reduction in the role of the state in the economy.

While such policies can sometimes stimulate economic growth, if not properly regulated, they do so at the expense of decent working conditions and workers' rights or do not contribute to the creation of needed jobs.

Trade unions advocate reforming labour management, as well as changing fiscal policy, introducing a progressive scale of personal income taxation, applying socially responsible VAT rates, and providing benefits to social enterprises.

3. Policies and strategies that create full, productive and freely chosen employment

Technological progress is the key driver of economic and social progress.

Introduction of new technologies and artificial intelligence will lead to job cuts in the medium term.

In foreseeable future, dehumanization is expected in such sectors as transport, public health service, education, science, arts, public services, trade, justice, etc.

Technologies such as Artificial Intelligence are fundamentally changing the relationship between management and employees in how decisions are made in the workplace.

New forms of production and company models are emerging, leading to a surge in challenges to existing labour standards, in particular questioning the centrality of labour relations as the basis for how labour institutions are governed.

Too often, work becomes fragmented, becomes more precarious, and economic risks fall increasingly on the shoulders of workers.

Addressing this issue will be a central goal of the upcoming discussions on platform economy standards at the International Labour Conference in 2025 and 2026.

The ability of enterprises to utilize technological advances differs significantly even within the same region. There is a tangible digital divide between Europe on the one hand and Central Asia on the other.

The interconnectedness of the global economy means that people and goods move through supply chains that cross national borders, with many young workers taking jobs in other regions and taking their skills and experience with them.

This is a serious obstacle to achieving full and productive employment that leaves no one behind.

Trade unions are also seriously concerned about the growing scale of informal and non-standard employment, as well as false self-employment. The number of workers in the informal economy in the world is more than 60%, and in Europe and Central Asia more than 25% and such figures are growing.

Data published by the ILO on the social composition of the informally employed in 107 countries casts light upon important aspects of such mega-problem: about 60% of the informally employed live in developing and emerging market countries.

Trade unions are pressing for adoption of international labour standard in the form of Convention governing platform employment, for radical solution to the problem of informal employment and false self-employment, and for recognition of the labour rights of dependent contractors.

Trade unions believe it is unacceptable to use Artificial Intelligence to control workers and evaluate their work.

4. Ecology and just climate transition

Transition to green economy dictated by the need to combating climate change could create millions of new jobs in such sectors as renewable energy resources, energy efficiency and sustainable agriculture, provided it is done for the purposes of just transition that ensures that workers are not keep out of profound economic transformation that it will require.

It is a matter of serious concern that positive trends in the development of the world economy are accompanied by environmental degradation, energy and food problems, which have an adverse impact on people.

Economy of the Europe and Central Asia countries have diversified, multi-sectoral nature, in which, along with high-tech, there are such industries as coal, mining, pit-and-quarry industries, metallurgical, chemical, oil and gas extraction, oil and gas processing, defense sectors, and powerful agro-industrial complex.

For sustainable development of the economy, health and environment must have a close symbiotic relationship.

Trade unions believe that green jobs offer hope that humanity will be prepared to meet the two defining challenges of the twenty-first century:

- **to prevent the danger and potential unmanageability of climate change and protect the environment that sustains life on Earth;**
- **to ensure decent work and thereby create the prospect of prosperous and dignified life for all people in the face of widespread and rapid population growth and exclusion of nearly one billion people from social and economic life.**

5. Equitable distribution of the fruits of progress

In economically developed countries the share of labour remuneration in GDP exceeds 50%, while in developing countries it is sometimes below 30%.

Rate of workers exploitation as expressed in the rate of surplus value in the "golden billion" group of countries is well below 100%.

At the same time, in most developing countries and number of post-Soviet countries, share of value in the newly created product appropriated by capital is 3-5 times greater than the share given to wage workers. This means that, for example, with an eight-hour workday, a worker works only 2 hours for himself and the remaining 6 hours work for the employer, creating surplus value for him.

There is a lot of injustice in pension issues as well. Today, more than 22% of people past retirement age worldwide and nearly 77% of people in low-income countries do not have access to pensions.

This makes social protection systems based on the intergenerational and international solidarity relevant.

In solidarity with the ILO position, trade unions believe that the question of the fair distribution of the fruits of progress between labour and capital should be the subject of social dialogue and collective bargaining.

6. Harmonization of work and personal life

Trade unions over a hundred years ago won the right to an eight-hour workday, which was secured by the first ILO Convention of 1919 concerning industrial working time.

But today, this goal of a fair work-life balance has not been achieved everywhere. For example, Convention No. 47 concerning forty-hour working week has been ratified by only 15 countries.

Prolonged working hours in excess of 55 hours per week is the occupational risk factor with the highest burden of work-related diseases, resulting in nearly 745,000 premature deaths worldwide in 2016.

This phenomenon has not only social but also economic consequences: hundreds of thousands of orphaned children of prematurely deceased workers receive survivor pensions, placing a heavy burden on the pension system.

The Conference participants emphasize that the Preamble to the Charter of the ILO calls for the improvement of working conditions through the regulation of working time, including the establishment of maximum working hours and working week.

Nor has the right to rest for workers become universal: the Paid Leave Conventions No. 52 and No. 132 have been ratified by only 75 countries.

Trade unions affirm the common understanding that rest and leisure, including reasonable limitations on working hours, are an inalienable human right.

As we know, the tasks and functions of trade unions are quite multifaceted, but the main economic purpose of trade unions as organizations is to increase the wages of workers.

Regard must be paid to the gap between wages and labour productivity and declining share of employment earnings as factors of labour inequality.

Statements that wage growth spurs inflation are irresponsible, while rising inflation undermines real wage growth in many countries.

Progress in closing the gender pay gap has stalled, with women still earning at least 20% less than men.

Women continue to bear most of the burden of unpaid domestic and care work, further exacerbating inequality.

Few countries regularly review and adapt minimum wages through social dialogue. Only 54 countries have ratified ILO Convention No. 131 concerning Minimum Wage Fixing.

Trade unions in Europe and Central Asia:

- **call for the enactment of living wages through wage setting processes, particularly, taking into account the needs of workers and their families, as well as economic factors;**
- **propose to promote the idea of declaring the right to decent wages as a fundamental right of workers!**

In 2023, nearly 700 million people worldwide lived below the internationally defined poverty line, while almost 7% of the world's workers lived in extreme poverty.

There is a need to replicate the tripartite consensus on living wages in wage setting and award processes at national, sectoral and local levels.

Trade unions advocate the widespread minimum wage setting at a level not lower than the living wage, and they propose to exclude substandard incomes from taxable income of citizens.

7. Democracy in labour

The world is witnessing that democracy and fundamental rights at work are increasingly under threat.

Freedom of association, strong and independent trade unions that take on a role in society as advocates of peace, democracy and workers' rights are key to a well-functioning social contract.

The Conference participants support the International Trade Union Confederation's global campaign for democracy, whose basic message is that workers should have control over all processes in their workplace.

This campaign has three levels:

- a) democracy in societies, i.e. performance of the new social contract;
- b) democratization in the workplace, i.e. respect for fundamental principles and rights at work;
- c) democratization of Global Institutions.

Trade unions believe that workplace democracy, fundamental freedoms and social justice are essential pillars of the social contract.

8. Universal access to social protection

Social protection is an inalienable human right. It strengthens the new social contract by encouraging mutual obligations and preventing social benefits from being seen as a handout that can be reduced or eliminated at the pleasure of public officials, based on the subjective perceptions of who does or does not deserve such benefits.

Trade unions believe that universal access to social protection and social insurance should be the cornerstone of the new social contract.

9. Updating of rulemaking and reforming supervisory mechanism

The effectiveness of renewed social contract depends on the continued relevance and legitimacy of the rules governing it, and on how clearly those rules define the obligations of its subjects.

The Conference participants consider it advisable to renew the content of international labour standards with a broader coverage of issues:

human rights and possibility of just transitions;

universal social protection;

fundamental principles and rights at work;

sharing of benefits and burdens;

international solidarity and responsibility as the basis for social justice and lasting peace.

The ILO supervisory mechanism should be improved to make it more adaptive, responsive and inclusive, and able to find ways to achieve coherence between social, economic and financial policies.