



**Address by Mr Juan Somavia,
Director-General of the International Labour Office
to the
Asian Employment Forum:
Growth, Employment and Decent Work
(Beijing, China, 13 August 2007)**

Mr. Hua, State Councillor and Secretary General of the State Council,
and Chinese officials,
Ministers,
Representatives of employers' and workers' organizations,
Ambassadors,
Representatives of ministries of finance and planning,
Members of regional organizations and the UN family and multilateral system,
Special guests,
Dear friends,

I am glad to welcome the ILO's tripartite constituency together with a wide range of partners—policymakers, academics and representatives of civil society.

Growth, employment, and decent work connect with many policy areas, so I welcome in particular the representatives of finance and planning ministries.

Thank you all for being here. This is truly national policy coherence in action.

Let me begin by expressing our thanks to the Government of China for your warm welcome—and for the tremendous support and engagement in hosting this Forum. Thank you very much.

This meeting is another expression of the good cooperation between China and the ILO under the Memorandum of Understanding based on the ILO Decent Work Agenda we signed six years ago.

The Chinese experience given its global impact is, of course, relevant to all of us. We are all extremely happy to be here.

Dear friends, less than one year ago in Busan, the ILO's tripartite constituents came together for our Asian Regional Meeting.

You identified a number of shared priorities for action in the region and agreed to establish a Decent Work Decade to 2015, based on rights, employment, social protection and social dialogue.

This Forum is about looking more closely at key challenges and responses to get there.

Making the Connection: Growth and Decent Work

Asia is today the focus of global attention with your remarkable accomplishments in terms of economic growth and indeed job creation and poverty reduction. This is heartening and gives people hope.

But at Busan, you said there is more to the story. Even in those places where growth is strong, there are gaps, inequalities, and insufficient opportunities.

Too many are still left behind. And persistent gender inequality creates a double disadvantage for many women. Above all, you put a spotlight on a fundamental economic, political and social reality in Asia today—but also worldwide:

Growth is not delivering enough decent jobs; we are not seeing jobless growth, but job-weak growth with too much informal work, not to speak of child labour, forced labour or trafficking.

This is not politically sustainable over the long run because underlying it all are different forms of social tensions already expressing themselves in different ways. That is why the ILO Constitution reminds us that you cannot have peace without social justice.

Asian Development Bank President, Mr Kuroda, makes the point clearly in his foreword to last week's ADB report. He says that rising inequality can both:

“dampen the beneficial impact of economic growth on poverty reduction, (and) also weaken social cohesion and (in fact) adversely affect prospects for economic growth.”

He calls on policy-makers “to pay considerable attention to ensuring that growth is inclusive.”

I believe all of us share this perspective.

So, what type of policy convergence do we need to increase the employment and decent work outcomes?

I believe we are in the midst of a paradigm shift. There is a search underway for a sustainable development approach to growth that balances in a fair way economic, social and environmental objectives. In other words, let us make sustainability a development objective.

A way in which, for example, reducing inequality and expanding social protection is considered a productive investment that helps expand aggregate demand and market dynamics.

And if you ask a person on the street how best to reduce inequality and have a share in their country's growth, they will say: through my life at work. A decent job.

So crucial goals emerge anchored in human dignity and political realism.

Diverse Asia, Common Challenges

How do we get there? In a region as vast and diverse as Asia, there is no single Asian strategy. But there are commonalities.

We see it in a number of concepts— “Harmonious society” in China; the “sufficiency economy” of Thailand; the “Common Minimum Programme” in India; the “Pro-Growth, Pro-Poor, Pro-Employment Policy” of Indonesia, among others.

Regardless of country or condition, stimulating and sustaining growth from a Decent Work perspective means a number of things. Among them:

- Embedding employment and decent work objectives in comprehensive development strategies;
- building more equitable societies to counter the growth of inequality;
- sustaining competitiveness without sacrificing quality of work;
- turning productivity into incomes, safer workplaces and greater social protection;
- expanding workers capacity to organize freely, bargain collectively, and voice their concern without reprisals;
- promoting investments and sustainable enterprises in a sound macro-economic setting;
- tapping the enormous potential of all Asia’s people through education and empowerment with strong emphasis on women and youth;
- focusing on expanding local markets and local consumption so essential to Asia’s future growth, particularly in rural areas; and
- integrating the goals and values of decent work in global supply chains through regional coordination.

Towards a Decent Work Pattern of Growth

These issues will be taken up in different ways over the course of the next two days. As we begin, let me highlight four critical areas you have already identified in Busan:

First, progressively rolling back the massive informal economy

More than 1 billion Asians—60 per cent of the work force—labour in the informal economy. The work is marked by low productivity, poor working conditions, little if any voice, and an absence of basic social protection.

I believe the time has come to strive for a social floor in every country according to its means, pursued as a systematic national and international development objective to expand the security of its people. This requires an integrated strategy that can tap the energy and creativity so often present in informality.

It can mean, for example, a basic income, health care and education package—together with organization, rights at work and empowerment to voice and defend their interests. Taken together, these measures can no doubt enhance growth and productivity. But they are also justified by the enormous growth in wealth creation that has been taking place.

These issues are receiving serious attention in this region—from the island states of the Pacific to China and far beyond.

I must commend the Government of India, which will host a reflection on social protection later this year.

Second, contributing to a cleaner, greener future

The sustainability of the Asian region's development is at the core of the issues we will discuss at this Forum: environmental, social and economic sustainability. That includes taking a closer look at the impact and potential of environmentally friendly green jobs.

Addressing global climate change will require new patterns of production, consumption and employment.

The opportunity is there. The United Nations Environmental Programme (UNEP) has estimated that the market for clean energy technologies could be worth US\$1.9 trillion by the year 2020.

That is a lot of potential new quality jobs, where the particular technological and investment needs of developing countries must be fully considered. But we know already that jobs will be lost so we must act preventively.

I believe that tripartism can contribute much to this dialogue and in particular by developing, proactively, appropriate policy tools for an ILO "Green Jobs Initiative" to support workers and enterprises through the transition to a much more environmentally sustainable process of development.

Third, improving statistics, indicators and research

As you build policies, shape programmes, develop Decent Work Country Programmes (DWCPs), data is key for setting targets and measuring progress.

The Busan meeting called on the ILO to expand the priority already given to its statistical work by promoting the development of up to date and reliable statistics and data gathering.

I believe this is essential. Many of the policies that need to be developed in a Decent Work framework will require a much wider and sophisticated set of social and labour data, statistics and indicators. Countries will need to invest in this and international support should be forthcoming.

For example, data on the reality of work in the informal economy—and very often rural economies—are very weak.

I think that a look at real life and the evidence before us makes clear that present statistical methodologies are probably under representing the extent of real unemployment in the world.

Your guidance for next year's meeting of the International Labour Statisticians Conference will be key.

Fourth, building our networks of knowledge through dialogue and sharing experiences

One of the ILO's main functions is to bring together and facilitate easy access to information on the relevant policy experience of others and its own knowledge base. And you want handy materials—the tools that can help you define your own policies.

This is why this Forum will explore the possibility of establishing an Asia Pacific Decent Work Knowledge Network—a system that would allow you to have readily available the kind of information that you may need.

This Network could be an enormous practical and operational tool drawing from diversity of experiences and know-how from throughout the region. At this Forum I look forward to your ideas on how such a network could best serve you.

It could also be fed by the toolkit that was recently approved by the UN Chief Executives Board chaired by Secretary-General Ban Ki-moon.

Its objective is to help international agencies—including the Bretton Woods institutions—self-assess their policies in terms of employment and decent work outcomes with the same methodology. It will result in better ways to incorporate these goals in their policies, programmes and activities.

A Continent of Hope

Dear friends, the ILO's tripartism has accomplished much in moving the Decent Work Agenda up global and regional priorities and into your national policies.

This Forum is an opportunity to help clarify your own policy and strategic options with the experience of others as you prepare national plans, organizational strategies and Decent Work Country Programmes.

Of course realizing decent work is a responsibility that goes beyond the ILO and its constituents of governments, employers and workers.

Policy coherence is necessary. It is the result of an overall national development approach that is capable of overcoming the often segmented nature of decision-making.

Again, I want to highlight the vital experience coming from the financial and planning sectors here with us.

Dear friends, we meet at a moment when Asia is contributing to shaping a new world economy. We look around our host country and throughout the region and it is so clear that Asia is moving in ways that are not only impressive, but unprecedented. You are exercising new forms of leadership in this truly Asian century.

And with all its challenges, Asia is today a continent of hope. There is a can-do spirit. A will to overcome.

Just how the next chapters of the great Asian saga will be written hinges on the challenge you face and that has brought us here today: the integration of sustainable growth and decent work.

And I can assure you that you can depend on the ILO to accompany you, as you put in place policies for a Decent Work Decade to promote the dignity and shape the destiny of the people of Asia.

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