

**Address by Mr. Daniel Funes de Rioja,
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If there is something clear nowadays, it is that we are facing a crisis: Global recession is a fact. We can ask ourselves whether it is the first we encounter in the globalisation process (as the Director-General suggested), or the second, as mentioned by my colleague Tom Niles.

In any case, there is a difference, and that difference is that we have the choice to face this crisis with or without global answers.

It isn't simply a question of providing for strategies or measures. It is rather a question of finding a consensus on the fact that we are losing production, sales, enterprises and JOBS! We should be able to identify which are the problems, and at the same time find - with technical support and on the basis of empirical evidence - solutions to overcome the crisis and enable more countries and more people to benefit from globalisation.

I want to speak frankly. If developed countries apply protectionist measures based on their perceived political, economic, or social needs, to avoid or reduce their unemployment rate or to balance their national budgets; How can developing countries believe in globalisation or free trade?

To ensure the appropriate functioning of the global system, common answers must be developed in the following ways:

1. Confirming democracy as the appropriate political system and freedom as its main value, fighting together against any kind of terrorism.
2. Continue with the process of trade liberalization (especially on Doha) to guarantee access to markets, by eliminating any kinds of barriers.
3. Promoting sustainable development in coordination with all the Bretton Woods Institutions, based on investment policies, access to technologies, market economy, free trade, and especially enterprise development and job creation. Fiscal policies and national regulations must be certain, transparent, fair and stimulate investment, especially of small and medium enterprises and in all intensive manpower sectors.
4. Emphasising that job creation lies at the heart of social development and taking into account that employment sustainability is the result of adequate policies promoting business creation in a framework of enterprise friendly integrated and social policy environment.
5. Improving the social safety net without damaging competitiveness essential to create and sustain jobs.
6. Ensuring that education and training – even during the crisis – is part of a policy to overcome the difficult situation, also by reducing the gap between the knowledge economy and developing countries, considering that improved job quality is linked with economic growth, technology and productivity.
7. Adapting labour regulations to the future needs, because it is clear that nowadays legislation in many countries can neither be useful to preserve employment during the current recession, nor will it facilitate the immediate creation of new jobs in the formal economy after the crisis.
8. Confirm the importance of tripartism to reach these objectives, making it real and effective.

Finally, let me say that globalisation has set a new framework for this debate, and in order to be proactive, we need to offer our contribution to respond to the crisis. Such response should include economic growth, sustainable development and job creation.

The ILO has provided a forum for a very important and necessary discussion.

I would like to congratulate the Office, the Director-General, Juan Somavia and Mr. Göran Hultin for this initiative, which comes at the right moment and provides for a “just in time reaction”.

The ILO, due to its tripartite nature, is the right organisation to lead this debate. The future of employment depends on the way that nations and multilateral agencies can come up with creative global answers to those global problems.