

# INTERNATIONAL LABOUR ORGANIZATION

Statement

by

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at the

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Chair,  
Ministers of Labour and Employment of the G8 countries,

Thank you for the opportunity to participate in your meeting. At the outset, allow me to apologize for the absence of our Director-General, Mr. Somavia, who cannot be here today because he has to be present at the current session of the ILO's Governing Body – a particularly important session that will decide, among other things, on the programme and budget of the ILO for the biennium 2006-2007. He asked me to convey his warmest regards to you all and to introduce the paper prepared by the Office.

Our agenda item this afternoon focuses on the implications that demographic change entails for employment in developing countries, and in particular for the employment of young people in Africa and the Middle East. The figures and data that Minister Pond has just shared with us show that these are the “youngest” regions in the world, and this trend is likely to continue at least in the near future. These are also the regions where young people face the greatest difficulties in finding and keeping a job. Even when youth do find a job, they are often employed in poor working conditions, under intermittent and precarious work arrangements, and mostly in the informal economy.

Can we reverse this trend? At the ILO we firmly believe that access to productive employment that generates an adequate income in conditions of freedom, equity, security and human dignity is central to sustainable development and poverty reduction.

In developing countries a major challenge is, therefore, to raise the rate of employment for all age groups, and in particular for youth who are disproportionately affected by unemployment. But this alone is not enough. The quality of employment also matters. This is the key message of the background paper that we have put forward to you. I will not go into the details of this paper. Instead, I would like to focus on two major questions that arise from the paper and that, I believe, are crucial for the purpose of our discussion this afternoon.

First, **WHY** a debate on youth employment in developing countries is relevant for the G8 Labour and Employment Ministers around this table. Second, **HOW** your countries can contribute to the efforts of the ILO and the international community to meeting the worldwide youth employment challenge.

Turning to the first question, allow me to highlight three main points.

**First**, young people are our future; but they also are our present. Throughout this morning, you have debated the employment problems of an aging society in your countries. You have exchanged ideas and experience in particular as regards the promotion of employment for older workers.

In the years to come, the interdependence between younger and older people will grow, including in developing economies, and so will the need for intergenerational solidarity. The ability of governments to meet the needs of an aging society will, to a large extent, depend on the contribution of all people to progress and development. In this context, the productive potential of youth is an asset that we cannot afford to squander.

**Second**, as a result of globalization the interdependence between developed economies and developing economies is also increasing. Growing levels of poverty, the rise in conflicts and the dramatic expansion of HIV/AIDS in many developing countries – and in Africa and in the Middle East in particular – are threatening the stability and future prosperity of countries themselves, and are posing new challenges to the rest of the world.

In most developing countries, increasing decent work opportunities for young people is more relevant than ever.

Economies can be strengthened when young people have decent jobs. They have more to spend as consumers, more to invest as savers and more to contribute as taxpayers. The energy, innovation and creativity that young people can bring to the world of work benefit companies and countries. In turn, a productive and motivated youth workforce can open up new market opportunities and attract domestic and foreign investments.

Societies can also be made stronger when young persons get the chance of a decent job. The sooner they get their economic independence, the more likely are youth to take on their social and political responsibilities. Access to productive employment can also reduce the risk of young people being dragged into risky behaviour. Indeed, idleness and high levels of unemployment among youth can be a source of drug abuse and crime. In many African countries, the absence of decent work opportunities is both a cause and a result of young people's involvement in armed conflicts.

**Third**, Ministers around this table are well placed to gauge the magnitude of the challenge at stake and help us identify the best ways you have found for meeting this challenge. There is indeed a lot of experience and expertise on youth employment in this room. This is not a new issue for your countries. On the contrary, over the last

three decades your countries have been at the forefront of the struggle to address the problems of youth employment. A lot has been learned from the approaches that you have implemented, and what has been learned is worth sharing widely.

I think that one of the main lessons ensuing from the experience of your countries is that productive employment for young people cannot be achieved and sustained through isolated and fragmented measures. Rather, it requires long-term, coherent and concerted action over a combination of economic and social policies. At the ILO we believe that this is “the way forward”: an integrated and coherent approach, combining supportive macroeconomic policy and targeted measures aimed at addressing both demand and supply, as well as quantity and quality of youth employment.

This leads naturally to my second question. ***HOW can your countries contribute to the efforts of the ILO and the international community to meeting the worldwide youth employment challenge?***

The time is ripe, I believe, for renewed efforts in order to find ways of working together in a concerted and effective way, as called for by the World Commission on the Social Dimension of Globalization.

Decent and productive employment for youth is a commitment of the Millennium Declaration – a commitment that the international community has placed within the Millennium Development Goal 8 on global partnership for development. Support to meet this commitment has led to the creation of the Youth Employment Network (known as the YEN), which is a global partnership between the United Nations, the World Bank and the ILO.

Since 2002, the ILO has taken the lead in organizing the work of the YEN and hosts its permanent secretariat. To date, ten lead countries have stepped forward in preparing National Action Plans on youth employment that revolve around four global priorities, namely employment creation, employability, entrepreneurship and equal opportunities. Six out of these ten countries are from Africa and the Middle East.

For the ILO, the YEN provides a major opportunity to build international consensus on youth employment and to influence the international agenda with a comprehensive strategy on employment organized around the goal of decent work for all. It is here where, I think, Ministers like yourselves and countries like yours have a major role to play.

By way of concluding, allow me to offer my personal reflections on some areas for possible action in the short to medium term.

**First**, G8 Ministers have an important contribution to make to the general discussion on youth employment that will take place at the International Labour Conference next June. Your achievements in terms of building broad-based partnerships and developing integrated youth employment policies and programmes in line with the goal of decent work are key inputs that you can bring to the discussion.

**Second**, as I have mentioned earlier, G8 countries are in a position to make a difference internationally by sharing with developing countries the know-how and experience they have gained in tackling the challenge of increasing decent work opportunities for young people. There is a lot that all parties involved in this dialogue can learn from each other, and the ILO is certainly willing to facilitate such an exchange of ideas and knowledge.

**Last but not least**, your countries and other developed economies alike can play a pivotal role in mobilizing assistance and action to advance work on youth employment nationally and internationally, particularly in the context of the YEN.

It goes without saying that the ILO is extraordinarily encouraged by the initiative of the G8 Labour and Employment Ministers to table the challenge of youth employment in developing countries on the agenda of your Conference this afternoon. Meeting this challenge brings with it the need for building synergies in order to maximize impact. This being so, we are very much looking forward to the results of your deliberations.