

## Ninth sitting

Wednesday, 13 June 2001, 3 p.m.

Presidents: Ms. Bannerman, Ms. A. Sto. Tomas

### REPORTS OF THE CHAIRPERSON OF THE GOVERNING BODY AND OF THE DIRECTOR-GENERAL: DISCUSSION (*cont.*)

The PRESIDENT (Ms. BANNERMAN) — We shall resume the discussion on the Reports of the Chairperson of the Governing Body and of the Director-General.

Mr. NOAKES (*Employers' delegate, Australia*) — Please allow me to congratulate the President on her election to preside over the important work of this Conference.

I regret that it is necessary for me to commence this statement by saying that the lateness of receipt of the Director-General's Report is totally unacceptable. The constituents of this Organization are entitled to have sufficient time to digest and analyse such reports and to determine whether the many sources and references quoted are indeed a fair and balanced selection.

In the limited time available I want to deal briefly with three issues.

The first issue is that of decent work itself. This is an idealistic and seductive concept, with which no one would be prepared to disagree. However, lack of disagreement should not prevent us from understanding its limitations.

In this respect there is a basic and apparently insurmountable problem of definition. This leads to the meaning of the concept being dependent on the context in which and the purposes for which it is used. While it should be clear that the only acceptable definition should rest upon the Declaration of Fundamental Principles and Rights at Work, the Report repeatedly seeks to go further and to expand the meaning of the concept so that almost anything can be encompassed within it.

I find this approach particularly unhelpful. If the activities of this Organization are to be centred on the concept of decent work, then at least we should all know what we are talking about. The consequences of the present open-ended approach can be seen in technical committees of this Conference.

Secondly, the Report in its treatment of the issue of globalization seeks to divide the participants in the debate into globophiles and globophobes. This is an oversimplification. There are many who understand that while the phenomenon of globalization is unavoidable, there are legitimate issues on both sides of the debate which require discussion and consideration.

Our Organization has an important role to play in facilitating this dialogue, in particular through the Governing Body Working Party. Employers stand ready to assist in this process. The dialogue should not

be hindered by taking up extreme positions, but should rather be fostered by a search for common ground.

In this respect, the critics of globalization, or the anti-globalization group, need to understand that inequalities have unfortunately always existed in this world. It makes as little sense to oppose globalization for creating inequity or not correcting it as it would to oppose industrialization for the same reasons.

There needs to be a better appreciation of the factors which have led some countries to benefit from globalization to a greater extent than others and, in particular, an understanding of the important role played by national policies, institutions and infrastructures. For its thorough analysis of these factors, the Office publication *Is globalization the reason for national socio-economic problems?* is particularly useful.

In a recent lecture, Amartya Sen has stated: "The economic predicament of the poor cannot be reversed by withholding from them the great advantages of contemporary technology, the well-established efficiency of international trade and exchange, and the social and economic merits of living in open rather than closed societies. Rather the main issue is to how to make good use of the remarkable benefits of economic intercourse and technological progress in a way that pays adequate attention to the interests of the deprived and the underdog."

I am happy to endorse this statement.

Finally, I want to say something about the subject of standards, and immediately to acknowledge the remarkable progress which has been made within this Organization in reorienting attitudes towards the development and implementation of standards.

In particular, I want to recognize the important and fruitful work carried out by the Governing Body Working Party on Policy regarding the Revision of Standards. Nevertheless, much more needs to be done, and the reform process is by no means complete. For example, the process does not end with the grouping of standards into families. It must continue to search for a fully integrated approach in which every aspect of standard setting is blended together.

Employers welcome the progress made so far, and will continue to participate constructively in the ongoing dialogue. In this dialogue, we shall continue to put forward our position that standard setting must be relevant and responsive to actual needs, and that the resulting standards must not be overly detailed or overly prescriptive.

Mr. TUNHAMMAR (*Employers' adviser and substitute delegate, Sweden*) — I am very happy to be here

and to have this opportunity to speak on behalf of a new organization founded only a few months ago.

For years Swedish business was represented at the ILO by the Swedish Employers' Confederation, the SAF. The SAF is now gone, having merged with the Federation of Swedish Industries into a new organization, the Confederation of Swedish Enterprise.

In this new organization, we primarily focus on the following four areas: knowledge, entrepreneurship, diversity and, last but not least, the borderless economy.

We are convinced that an enterprising approach in general is a must for promoting growth and welfare in all areas of activity.

It is against this background that I have read the Director-General's interesting Report, *Reducing the decent work deficit: A global challenge*, with great interest.

In more recent years, there have been clear signs that the ILO understands better than before the need for successful enterprises.

Let me just make two observations. Firstly, free trade is an absolute prerequisite for economic development. The ILO must encourage the opening up of frontiers. Barriers to trade hurt not only business but also overall economic and social progress.

A basic system of protection for workers is necessary in order to have those involved accept change. The social dimension aspect of globalization is for the ILO to handle. I see the UN Global Compact initiative as an important contribution to this.

I also strongly support the ILO Declaration on Fundamental Principles and Rights at Work of 1998 which deals with core labour standards. All ILO member countries should be supported in their efforts to implement these standards.

Secondly, ILO standards must function in the new dynamic economy. Major changes are taking place in working life, not least as the result of new communication technologies.

The ILO must be ready to act in a world where traditional boundaries between nations and between labour and capital are no longer self-evident.

Market forces are generally superior to regulation today. With transparency, customers, employees and owners simply turn their back on dubious enterprises.

New instruments for standard setting should be implemented. Maybe the ILO could learn from recent improvements in the way the European Union works. Under the so-called Lisbon Process, benchmarking and best practice have been judged more successful than rigid directives.

During the last few years the ILO has shown that it listens to new signals and is capable of renewal. Abolishing 39 outdated programmes and focusing on four strategic objectives was a very good start.

I do look forward with great expectation to further improvement in the ILO's basic task: to support sound implementation of its core labour standards.

Mr. DIMOVSKI (*Minister of Labour, Family and Social Affairs, Slovenia*) — Allow me to join the previous speakers in congratulating the President on her election. I would also like to compliment the Director General for his excellent Report on the global challenge to reduce the decent work deficit.

The principle of decent work has become a widely used term, which is valid proof of its importance and the importance of the idea behind it. This idea has

underpinned the history of the ILO agenda and it has now been incorporated into four strategic objectives. These objectives have an impact on our quality of daily life and human dignity. Nevertheless, even after 80 years, they sometimes reflect not the reality but a distant future.

Unfortunately, the global reality is a decent work deficit matching the rights gap, employment gap, social protection gap and social dialogue gap. Since all four are interrelated, they must be addressed not separately but altogether.

A coherent approach, external cooperation and partnership with the constituents are some ways to meet the agenda of the four strategic objectives and apply the main families of Conventions to reality.

I am happy to inform you that Slovenia has recently ratified the Worst Forms of Child Labour Convention, 1999 (No. 182), and has now joined those countries that have ratified all eight core Conventions.

Ratification and application of the fundamental principles and standards at work is not possible without active participation by all social partners.

Today's reality includes globalization and its effects. In balancing all the positive and negative aspects, we must not forget to preserve the quality of the working environment and consequently the quality of life.

I believe that in coping with the negative consequences of globalization, the ILO must actively promote the principle of decent work, and thus promote the possibility of beneficial changes to the global economy. The decent work idea should be integrated in this reality. The ILO should promote social objectives alongside the economic objectives of decent work.

I believe that the present and the future role of the ILO is to fight the negative effects of globalization. This is a challenge and a source of newly gained power. In fighting this challenge, the ILO should strengthen cooperation with other international organizations. The value of decent work must be reflected in the agendas of other international and national actors and the four strategic objectives must be integrated into national and international policies.

Decent work is a universal goal, but the means of achieving it differ. It should be promoted independently of the level of economic development and other national specifics. Nevertheless, there are still certain economic situations that cannot be overcome easily or in the short term.

What government and social partners can do is alleviate the negative consequences, try to achieve the degree of decent work that is possible in the given circumstances and possibilities and try to set higher goals in order to move forward.

Most important, we must not forget that a balance of interests, resulting from existing social dialogue and the flexibility of partners, is a precondition for social peace and greater economic development. There is no doubt that in order to achieve the social objectives of decent work, we need economic resources and a sound economic basis. However, economic objectives and better economic productivity can be influenced by the existence of social dialogue, developed social protection policies and gender equality.

Another reality is the presence of informal work. I support the idea of the ILO concentrating its energy on this problem in the future. Achieving universality

of the principle of decent work is a very complex goal, while a large majority of workers still work in the informal economy, where there are real problems such as the gap in social protection, the rights gap, the representation gap and the problem of gender inequality.

The Director General has pointed out in his Report that people in informal work represent the largest concentration of needs without voice; indeed, they are the silent majority of the world economy. I would also like to stress here the importance of this year's discussion on the social security issue, challenges and prospects. The conclusions of the work of the Conference should include guidelines on how to achieve social security in the informal economy. Moreover, numerous factors, such as economic and demographic, call for new regulation of social security systems and pose a key challenge for this year's discussion. Slovenia is aware of the problem and is already introducing a new pension and invalidity system, as well as gradually modifying other social security policies.

Moreover, aware of the importance of cooperation with the ILO, we are in the process of signing an agreement on cooperation with the ILO. At this very time, a multilateral programme on technical assistance in the field of social security, conducted by the Central and Eastern European team in Budapest is producing two studies that will be useful for Slovenia, the ILO and, I hope, also for other accession countries. One of the goals of this programme is to identify possible gaps in the social protection system. The programme is a good example of sharing knowledge, experience and new ideas, comparing the national situation with best practice and, most important, trying to focus on the different needs of countries. I believe that the multidisciplinary teams and their work represent an essential linkage between the relevant country and headquarters and a good channel for successful cooperation with the ILO as such.

Mr. VERSTRAETEN (*Representative, International Social Security Association*) — It is a great personal honour for me to extend the greetings of the International Social Security Association to the 89th Session of the International Labour Conference.

As president of the International Social Security Association, known by many of you as the ISSA, it is my pleasure to bring you the greetings and best wishes for a successful Conference from over 350 social security organizations in nearly 150 countries worldwide which comprise the membership of our Association.

Since it was created nearly 75 years ago, the ISSA has enjoyed a close and special relationship with the International Labour Office. The ILO was in fact something of a godfather to the ISSA, since in 1927 the ILO was the principal sponsor at the founding of the International Social Security Association. From the very inception of the ISSA, the ILO has provided invaluable support and encouragement in carrying out our mission, which is to bring together the representatives of the social security institutions of the world to exchange ideas and experiences on all aspects of social security policy and administration. The aim of the ISSA is thus to improve the social security protection available to workers and their families everywhere. It was therefore only logical that nearly 75 years ago, the ILO placed in the ISSA a special trust, namely to encourage national governments to

recognize and to ratify the social security standards adopted over the years by the International Labour Conferences.

We are therefore particularly pleased that the 89th Session of the Conference will take up the question of social security protection as one of its principal agenda items. It is only logical that many member States have included social security experts in their delegations and that many of these same experts are active participants in the activities of the International Social Security Association. Similarly, many of the delegates of the social partners, representing the workers and the employers, are also closely involved in the work of the ISSA, since they often serve on the boards and governing bodies of the national social security institutions which constitute our worldwide membership.

The International Social Security Association therefore congratulates this session of the Conference and the International Labour Office for their foresight in taking up the question of social security protection at the beginning of this twenty-first century. It is a significant step on behalf of the ILO since there are many different views currently being expressed around the world about the future of social security protection. Such differences of opinion are not new to us in the ISSA since social security has, since its inception in Europe well over 100 years ago, continued to evoke both criticism and controversy. Some assert that we have once again reached an important crossroads in the history of social security as many member States in both the industrialized and developing world cope with the combined impact of ageing populations and globalization.

The role of the ISSA is not to provide directives or prescriptions to countries in their search for appropriate solutions to social security protection. Rather our Association strives to enlighten national debates by providing up-to-date information on practical experiences. We therefore hope to assist the ILO in its discussion of this important agenda by providing, whenever necessary and appropriate, information.

The ISSA has launched a special public information campaign known as the ISSA Initiative, which aims at shedding new light on the practical and effective steps taken by countries around the world to strengthen social security protection for all their citizens. These steps include such innovations as extending protection to new categories of the population and by redefining the responsibilities of both the public and the private sector in providing social security protection. The first results will be given in the General Assembly of our Association which will take place in September at the invitation of the Swedish Government and the Swedish social security institutions.

We are confident that your deliberations here will mark a historic turning point in the ILO's defence and promotion of social security protection for populations in all parts of the world.

*Original French: Mr. DESTREE (Workers' adviser delegate, Belgium) — It is fundamental for us to perceive that the basic concept, namely that of "decent work", is one of "work" and not "employment". Employment is a key component of decent work, but so is freedom of association, social protection and social dialogue. This was emphasized by Mr. Sweeney this morning. Now, at a time of globalization and establishment of large regional groupings, the logic of*

profit is reappearing as the principal value, and calls into question the concept of decent work.

There are generalities, but there are also concrete examples and current events. In Europe, after the case of Renault-Vilvorde, and many others like it, we are experiencing that of Marks and Spencer. The group has experienced difficulties, but in particular they consider their profits to be insufficient and therefore the management would like to pay out over \$20 billion to shareholders next year. The managing director of the group is sticking to this objective, spurred on by a one-off bonus of about \$1 million. In order to do this, they are suppressing thousands of jobs without consulting with trade unions, and without even informing the governments of the continent, in particular the French and Belgian Governments. Who could believe that under such circumstances a code of conduct would have made a difference?

The role of international labour standards and new instruments quoted in the Report are still fundamental. In Europe, at the European Union summit in Brussels, we will endeavour to improve the directives on information and consultation with workers, before any final decisions are taken. An idea: a European commissioner on restructuring, but also the obligatory practice of outplacement when profit-making groups are restructured.

As regards alliances, the Director-General reaffirms his attachment to the ILO as a tripartite institute. This is both encouraging and normal, as tripartism is part and parcel of the ILO's identity. However from a strategic point of view, the question is not whether or not we should enter into dialogue with the outside world. The truth is that we cannot just give up everything the ILO stands for and favour associations whose terms of reference, composition and representative nature are not always clear. For us, working within the framework of the programme on decent work is a priority for employers' and workers' organizations. If this is not the case certain Conventions for example the Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87), and the Right to Organise and Collective Bargaining Convention, 1949 (No. 98), will remain virtual Conventions on paper only.

Tripartism must therefore be the very fabric of the ILO. The Report of the Committee on Technical Cooperation stresses the position that should be given back to employer and worker constituents of the ILO. This is the case with regard to training for employment, where there is an absence of trade unions among the beneficiaries. Mr. Trotman insists that the NGOs cannot be given preference over the social partners. The same might be said with regard to the IPEC programme. Other examples could be cited, particularly the STEP programme, which is also suffering from a deficit of trade union participation.

What we would like is a dynamic form of tripartism which is the kingpin of policies aimed at ensuring the success of decent work throughout the world.

Before we conclude alliances, we must make sure that our house is in good order. Then, and only then, can we reach out and, together, try to establish the foundations of decent work.

Mr. RONNEST (*Employers' delegate, Denmark*) — The discussion initiated by the Director-General in his Report to this 89th Session of the International Labour Conference on *Reducing the decent work defi-*

*cit: A global challenge* is not only important, but also absolutely necessary if the decent work strategy is to succeed and if the ILO is to realize its goals. I welcome both the Report and the discussion.

The Director-General states that we must aim to put in place an integrated approach to decent work at the national level. This is certainly crucial if decent work is to become more than just words spoken and written in Geneva.

For that reason it is a pity that delegations received the Report just when we were leaving for Geneva, with neither time nor opportunity to discuss it at national level. This discussion is necessary if the integrated approach at national level is to be followed.

The Report is an important contribution to the debate but it is not, and it should not be, seen as the final word on what decent work is meant to be.

The debate in plenary today should establish the framework for further discussions in the Governing Body and in its committees. The principles of the ILO Declaration are the minimum floor for decent work but the concrete expression of these principles can only be given at national level. The decent work pilot programmes which are now being carried out in a number of countries might point to ways of progressing.

Employers and unions in Denmark are at present cooperating with the Danish Government and the ILO team in preparing a Danish decent work review. I hope that the review will stimulate debate both within and outside Denmark on the problems facing each country and I hope that eventually it will help to reduce what the Director-General calls the decent work deficit. The problems differ from country to country, but the need for change is common to all of us. Change implies that well-established traditions are to be relinquished, and this is often painful. And I sense uneasiness in this Organization when it comes to reform of the way we in which have been dealing with the employment gap. We have to accept change in the future if we are to succeed.

I agree fully with the Director-General's statement that there can be no overstating the priority of job creation. Access to work is the surest way out of poverty and there are no workers' rights without work. Without reducing the employment gap little can be done to fill the social protection gap, or to improve social dialogue.

The Director-General's Report, however, does not put enough emphasis on how the ILO intends to promote and research how jobs are actually created. This should be discussed further by the Governing Body's Committee on Employment and, hopefully, decent work reviews from, among other countries, my own country can contribute to such a discussion and point to the necessary reforms.

I would like to conclude my remarks today by making a sentence from the Director-General's Report my own words: "What we aim at will not happen if we just continue with 'business as usual'. The opportunity is there. Seizing it depends on our own capacities for creativity and imagination."

Mr. MDLADLANA (*Minister of Labour, South Africa*) — My delegation welcomes this opportunity and joins other delegates in congratulating the President on her election for this 89th Session of the Conference as well as the Director-General, for his splendid work and excellent Report.

Within the current process of globalization there are opportunities that need to be creatively utilized. It is the task of revolutionary democrats and humanists everywhere to recognize the dangers but more critically to identify opportunities in the search for a just, humane and equitable world order. Globalization has not resolved the disparities even within the most advanced countries. The gap between the rich and the poor continues to widen, as reflected in the ever increasing unemployment and poverty.

It is a reality to which, as governments, we cannot afford to close our eyes. At the same time global threats such as the AIDS pandemic and issues of global warming require that as countries we act together to find common solutions. Notwithstanding all the evils that accompany it, the new technological revolution also provides opportunities for developing countries to creatively handle matters of development.

The South African Government seeks to expand and deepen these opportunities within the context of promoting political stability, economic prosperity, social development and human rights in the fight for democracy and peace. We should all recognize that in this global village, no country can sustain itself as an island of wealth and opulence surrounded by a sea of poverty, hunger and disease.

Our starting point, therefore, is that South Africa is an African country. This approach is underpinned by our commitment to an active promotion of the African renaissance whose spirit is succinctly captured in the Millennium Africa Recovery Programme, championed by my President, His Excellency, Thabo Mbeki, and his highly esteemed counterparts the Presidents of Algeria and Nigeria.

The African renaissance marks the rebirth of a continent that has for far too long been the object of exploitation and plunder. It recognizes in the first instance the difficulties brought on the continent by years of colonialism and unfair trade relations, the debt crisis, underdevelopment, social dislocation and untenable political relations underpinned by forms of government that imperialists promoted for their own selfish interests.

Our efforts on the continent form part of the drive by the countries of the south to improve relations amongst themselves in the process of shaping a new world order.

Among these countries are the least developed which require special assistance from across the globe but among them, too, are those countries which have a vast pool of investment resources, advanced financial systems and a wealth of experience in tackling the task of economic growth and development issues.

South Africa supports the Director-General's conclusion that the achievement of fundamental rights is not only a goal in itself, but also a critical determinant of the capabilities of people to realize their aspirations, that is, a way of expressing the goals of development in human terms.

In conclusion, on behalf of the South African Government, I appeal to African and other world leaders to join hands to promote the ideal of decent work to break the vicious cycle of poverty, unemployment, disease and create an environment that is conducive to the promotion of economic prosperity and social development for all.

Mr. MOWLANA (*Minister of Labour, Sri Lanka*)  
—May I, at the outset, extend to the President and the

Officers of the 89th Session of the International Labour Conference my sincere congratulations. I am honoured to convey the greetings of the people of Sri Lanka and my President, Madam Chandrika Bandaranaike Kumaratunga, to all distinguished delegates present at this Conference.

The Report of the Director-General on *Reducing the decent work deficit: A global challenge* to this session of the Conference reflects an impressive analytical approach to achieving decent work as a universal goal. Sri Lanka, having been a constituent of the ILO for 53 years and having ratified 39 ILO Conventions is committed to implementing the practices of decent work to achieve the goals of employment and social dialogue. Nevertheless, being a developing country, we are saddled with severe constraints and challenges in affordability, coherence and feasibility in meeting the deficiencies of decent work.

Building a nation with decent work while facilitating dividends to the economy and society is a tremendous task. Decent work should not be a sectoral achievement. Remedying deficits should be achieved through an efficient integrated policy for facilitating the growth of decent work. The problems of insecurity, inequality, poverty, unemployment and low income need to be addressed in the context of their affordability. In this regard, social dialogue to strengthen and dignify the workforce and core labour standards will have to be achieved through a well-planned policy framework.

As a result of globalization, the factors of production no longer respect territorial boundaries. Developing countries are expected to compete with developed countries for markets. The adverse impact of these trends leads to the downsizing of local industries. We in Sri Lanka have observed the collapse of several industries resulting in the sudden onset of unemployment. This process unfortunately adds more deficits to decent work.

The upsurge in the use of information and communication technology has led to new ambitions in the hearts and minds of people. However, frustration has also set in owing to the marginalization of large sections in our countries due to lack of access to these new technologies. Moreover, the effects of unfair and unbridled commercial competition with no regard for humanitarian or social norms negate the achievement of decent work. Such drawbacks in the context of Sri Lanka could be remedied by way of programmes on training, retraining for alternative employment, safety net or unemployment insurance in the event of termination, adequate pensions or, even more importantly, social security schemes for employees. However, we are seriously constrained in this regard by lack of funds, on the part of both the Government and the private sector.

I wish to emphasize the necessity for certain protection and assistance required by the developing countries to enable adherence to required labour standards. Deficits encountered due to territorial factors could be balanced with efforts at mutual understanding and adherence to basic humanitarian principles.

As a net labour-exporting country, Sri Lanka also looks forward to cordial relationships through bilateral agreements and multilateral arrangements with labour-receiving countries. This, in our view, will alleviate many of the difficulties faced by the migrant labour population worldwide.

Sri Lanka considers the private sector as the engine of growth. However, the economy needs to expand rapidly for the creation of a private sector that could accommodate the present and the future labour force. The policy of the Government, hence, is to accommodate investors that will create an environment to provide decent work for our labour. In this regard, I commend the ILO for inaugurating the Start and Improve Your Business (SIYB) in collaboration with the Sri Lankan Business Development Centre and Business Consultancy Services.

As highlighted by the Director-General, I firmly believe that child labour is a denial of the rights of humankind.

In conclusion, I thank the Director-General of the ILO, his staff, the Regional Office for Asia and the Pacific, IPEC, the East Asia Multidisciplinary Advisory Team, EASMAT and the New Delhi and Colombo Area Offices for all their assistance to Sri Lanka in improving the cordial ties between the ILO and its constituents.

Mr. ITO (*Workers' adviser delegate, Japan*) — I thank you very much for giving me an opportunity to participate in the discussion. On behalf of the Japanese Trade Union Confederation, I would now like to express my view.

At present, in the United Nations family, the ILO is the focus of much attention from around the world because it is the ILO that elaborates international labour standards, and promotes appropriate social security systems all over the world. These are the essential foundations of a stable society and a vital necessity in the present world of severe competition and instability.

I hear critics of the ILO say, for example, that the ILO has no power to enforce standards and ensure social progress. It is true that the ILO has no monetary power like the International Monetary Fund (IMF) or the World Bank, nor does it have military power like the Security Council of the United Nations. Nor does the ILO have a compulsory arbitration system as does the World Trade Organization (WTO). But we must be aware that the task of the ILO is very complex. It is far more difficult than that of WTO. To these critics I would like to point out that the ILO has very strong weapons which other United Nations institutions do not have.

The first weapon is an established consensus in the world that the ILO is the only institution responsible for promoting international labour standards and social progress. In this respect, I must say very regretfully that the IMF and the World Bank have been intervening in the social policy of countries undergoing severe economic difficulties. The ILO and its member States should stop the intervention of these financial institutions in social fields, and the ILO should dominate as a unique institution providing direct advice and support concerning social matters to countries facing economic difficulties. This will enhance the prestige and power of the ILO.

The second weapon is the unique tripartite system of the ILO. International standards are elaborated through detailed and democratic discussion among the three parties, that is, governments, employers and workers. International standards drawn up through tripartite consensus, under a fair procedure and with democratic discussion, should have a strong influence on member States and their peoples. I believe that

one of the reasons why the ILO might have survived the period leading up to the Second World War is its tripartism, its fair procedures and fully democratic discussions, which were very highly esteemed by the world.

In recent days, I regret to point out that there is a tendency among some governments and employers to doubt the usefulness of the standard-setting activities of the ILO. Such an attitude would be detrimental, in view of the increasing expectations placed on the ILO all over the world. It would also undermine the very foundation of the ILO, i.e., its tripartism. From this platform, I would like to call the attention of these governments and employers to the vital importance of their active participation for standard-setting.

The third weapon of the ILO is technical cooperation. More efficient, more effective technical cooperation is needed. Technical cooperation is not a reward to countries which act complacently with the ILO. Technical cooperation should primarily assist those countries for which really wish to apply ILO standards, in other words, those countries for which the Committee of Experts recommends important changes.

In order to fully exploit these weapons and to fully respond to the expectations of the world, the ILO should have a stable financial base. The Office cannot carry out its responsibilities if it is always worried about financial resources and if it is constantly facing demands that it save resources. The ILO is not here to produce profit. The Conference agreed to a zero real growth budget this year. Although I support this agreement, I would like to propose an increase in the budget in real terms for the next budget year, so that the ILO can fully carry out its expanding mandate at a time when its role is becoming very important in the world. The resources of the ILO come from the taxpayers of the world. Needless to say, the resources should be used most effectively for the elaboration of necessary standards, for the promotion of these standards and for effective technical cooperation. I hope that all the ILO staff will work together to achieve those aims.

*Original Spanish: Mr. APARICIO PÉREZ (Minister for Labour and Social Affairs, Spain)* — I would like to express our support for the Global Report under the Follow-up to the ILO Declaration on Fundamental Principles and Rights at Work entitled *Stopping forced labour*. The report will be discussed in a special sitting of the Conference with a view to eliminating all forms of forced and compulsory labour, slavery and trafficking in persons, especially women and children. I am certain that these discussions will be successful.

I would also like to highlight the importance of the issue brought up in the Director-General's Report, *Reducing the decent work deficit: A global challenge*, where he highlights his deep concern for a lack of dignified or decent work in the context of a globalized economy, which brings with it inequalities and social exclusion. This deficit is reflected in the failure to meet the four strategic objectives of the ILO and it leads to lack of jobs, inadequate social protection, denial of the rights of workers and deficiencies in social dialogue.

This year the International Labour Conference has decided to place social security on the agenda. Social Security is facing new challenges brought about by

globalization. One of these great challenges is the future sustainability of social security systems, given the ageing of the population. Nevertheless, a society that is slowly ageing does not necessarily have to be a problem, as long as it can provide work for the active population and increase it, raising the rate of participation of the women, extending the active working lives of workers, or through worker mobility between countries. However, employment is key for the future financing of social protection in the world.

Social protection is currently an issue in Spain. Only two months ago an agreement was signed on the improvement and development of the social security system, with the participation of social partners. This agreement, the result of social dialogue, arose from the necessity to deepen the reform process undertaken in 1997 and had as its objective the streamlining of the reform process to meet changing social needs, as well as guaranteeing its sustainability in future.

In order to face these challenges the reform introduced a series of measures, such as flexible retirement, strengthening contributions to pension funds in order to guarantee sustainability of the system, or improving benefits for the most vulnerable (benefits for widows and orphans and minimum incomes). All of this with the firm conviction that solidarity must be one of the basic principles of a public pension system.

Some weeks earlier we approved a reform of the labour market in order to continue with creating jobs and improving their quality. The main beneficiaries of this reform will be women and young people. We also broadened benefits for traineeship, for immigrant workers and long-term unemployed, as well as for the socially excluded unemployed.

As the Director-General has said in his Report, social integration comes through employment, and so Spain has just presented to the European Union a national plan for social inclusion, following the guidelines set out in the European social agenda.

Nevertheless, we must not forget that the phenomena of poverty and exclusion are felt most intensely by women, who suffer double discrimination, one on the basis of gender, and the other on the basis of their personal, social and cultural circumstances.

Along these lines Spain must ensure that equality does not remain merely a concept in standard setting, but that it becomes real equality in all spheres of life, including at work, and for this our Government has been developing plans for equality between men and women, and has introduced gender issues in the national employment plans, as well as in social inclusion. We have just approved the second integrated action plan on domestic violence in order to fight this particular social problem, which requires an education based on values such as dialogue, respect and tolerance.

In conclusion, I would like to restate my support to the ILO for its strategies on technical cooperation, and the attitude of standard assessment and institution-building, exercised through the multidisciplinary teams. Spain, over and above contributing to ILO financing through regular contributions to the budget, adds to those with extra-budgetary support through the many technical cooperation programmes in which Spanish experts work not only at headquarters, but also in the field and at the Turin Centre, and we encourage them to continue their untiring efforts.

*Original Spanish: Mr. VARGAS SAILLANT (Workers' delegate, Dominican Republic) — On be-*

half of Dominican workers, both male and female, I would like to congratulate the President on her election to lead the work of the 89th Session of the International Labour Conference.

I would also like to thank the Director-General of the ILO, Mr. Juan Somavia, for his Report entitled *Reducing the decent work deficit: A global challenge*.

The Report submitted by the Director-General of the ILO promotes decent work in the various regions and nations of the world.

In our struggle for decent work we need to ensure that we protect the right to freedom of association and collective bargaining and other fundamental principles and rights at work.

Women and young people in Latin America are receiving lower wages for the same kind of work as men simply because of gender discrimination or because of their age or where they live.

The gap between the rich and the poor and conflicts over the distribution of natural resources and wealth have increased, and the struggle for survival has become still worse. Chronic underemployment and unemployment are growing and new forms of exploitation are appearing. Millions of people worldwide, including in the industrialized countries, are excluded from the fair distribution of wealth. Many do not even enjoy basic minimum human rights such as the right to health, work, education and freedom.

Over the last ten years the working classes have seen their standard of living deteriorate. Social security systems have been dismantled, labour laws for which we had fought hard have been revoked and the fundamental Conventions of the ILO have been violated. All this is being done under the pretext of globalization, structural adjustment and modernization, the main thrust of which consists in increased inequalities and the unfair distribution of the goods and services that society collectively produces.

According to the most recent report from the central bank of our country, in the year 2000, the economy in the Dominican Republic grew 7.8 per cent, which was the highest rate in all of Latin America. However, this growth has not led to an improvement in the living conditions of our people. On the contrary, according to public opinion polls, people actually feel that their economic and social situation is worsening. More than 100,000 workers lost their jobs in 1999 and 2000 at the state sugar board (CEA), the state enterprises corporation (CORDE), the Dominican electricity corporation (CDE), and at state airports and hotels, as a result of the application of Act No. 141-97 — which is unconstitutional — on the capitalization and/or privatization of public companies. More than a year after that law entered into force, these workers are still owed some 100 million Dominican pesos in unpaid wages.

In the export processing zones which employ more than 200,000 workers and in other economic areas of our country, we still see violations of freedom of association. In the state enterprises, for instance, at the hydraulic development institute (INDRI), a number of union leaders have been dismissed.

We would very much like to thank the ILO, and at the same time inform the Organization that after ten long years of struggle, the dispute which had led to the submission of Freedom of Association case No. 1549 has been settled favourably, and the leaders of the Dominican Electricity Corporation Workers' Trade

Union (SITRACOD) who had been dismissed were reinstated in their posts on 17 August 2000.

In terms of social dialogue, substantial progress has been made. On 10 November 2000 the Dominican Government and the National Council for Trade Union Unity (CNUS) signed an agreement on social progress in which the Government undertook to comply with the law on the civil service and administrative careers, and to respect the right to freedom of association of workers in the public sector.

Similarly, the National Council of Private Enterprise (CONEP), and the CNUS have agreed on a common agenda as part of a policy of social dialogue and consultation, with the aim of strategically strengthening both our economy and society, as well as consolidating the labour market.

This agenda now covers such fields as wage policies, social security, freedom of association and technical vocational training.

*Original French: Mr. ÖRY (Government delegate, Hungary)* — First of all, I would like to congratulate the President on her election. Looking at the Director-General's Report, I would like to start by recalling the most important developments since 1997. "Strategic approach in defining the objectives, structured financial planning and establishing adequate organisational and management structures in the office" — these were the most important objectives of the strategy of the Director-General regarding a new ILO ready to face the challenges of the twenty-first century. This image, I think, is now a reality. It is a more transparent and efficient organization, and it is prepared to take on the role defined in the Preamble to the Constitution and the Declaration of Philadelphia.

The conditions may change but the role of the ILO is more important than ever. Social justice, equal opportunities, freedom of association, the right to adequate working conditions are all everlasting and universal values. The importance of these aims means that we should constantly struggle to achieve them. In order to do that, we need to have a supple, flexible agenda. The ILO has that agenda. In my view the decent work agenda is a strategic but ambitious agenda. It is something which can provide us with guidance in our common action, against the background of a changing economy. I think our experience bears that out. In Hungary, we feel that we need to pay attention to the ILO. It is worth cooperating and supporting the ILO as far as we can. Undoubtedly the ILO enjoys great prestige in Hungary. What is the reason behind this? Apart from our traditional commitment to the ILO, I feel that it has to do with the Hungarian Government's values. We are striving to create a society based on values instead of demagogic and technocratic rhetoric addressing popular feelings. We are establishing a society based on lasting values, the pillars of which are work, learning and safety. The endeavour to implement these basic values, expressed with these three words, is very similar to the aims of the ILO. The Director-General says in his Report "*Work is a defining feature of human existence and it is crucial to the welfare of families, and to the stability of societies*". We agree entirely with this statement.

Our Government pays particular attention to employment policy. Our long-term objective is to reach full employment, but we can also be fairly proud of the results we have attained until now. We have been able to keep the unemployment level under the EU

average. The average unemployment rate in 2000 was 6.4 or rather 5.2 per cent in 2000. Apart from trying to keep work for everyone, we are striving for decent wages. Real wages have continued to grow since 1998. We increased the level of the minimum wage by 57 per cent from 1 January 2001 and we wish to introduce another 25 per cent increase in 2002. We are still negotiating this with the social partners.

This takes us to the question of social dialogue. As part of the social dialogue operating in the various forums, our Government is trying to continue dialogue on a professional basis. We do not always meet our expectations or the expectations of other organizations. There may be debates in this area, but I can assure you that the Government respects ILO standards and indeed the EU standards in this regard. Furthermore, we are always ready to renegotiate any controversial questions.

Perhaps I can now give a more detailed description of the national ILO council which we have established under the Tripartite Consultation (International Standards) Convention, 1976 (No.144). The Council's activities are carried out to a very high standard. The content of the work is defined by the Convention (No.144) and the recommendations of the tripartite *Agreement of Understanding* between the ILO and Hungary. The ILO, I believe, has successfully completed its task with the adoption of this Declaration, particularly as regards setting up a reporting system. This is something which I think is extremely important. We have a new management system as well. We have seen the exponential growth and the efficiency of this. The decent work agenda and the proposals presented at the Conference and ensure that the ILO will successfully perform its mandate in the context of the global economy.

I certainly hope that the work of this session of the Conference will be a success.

*Mr. VERMEEND (Minister for Social Affairs and Employment, Netherlands)* — The ILO's role as guardian and promoter of fundamental labour standards is crucial. Its role will only gain in importance in a globalizing world. Director-General, in a speech last Monday, clearly stated his commitment to this role. He stressed the responsibility of governments. Together, in the tripartite cooperation, we have to make sure that the International Labour Organization can and must make a difference.

This International Labour Conference has the task of putting this role into practice. Director-General Somavia's Report offers a wealth of information which we should start using without delay, governments, workers and employers alike, on the national and international level. Ratification, implementation and monitoring are necessary steps towards achieving decent work. The Director-General is right that we will have to work on abolishing the global decent work deficit. But what concrete targets do we set ourselves?

This week, we will discuss the second Global Report. The focus is on forced labour. Forced labour is a severe violation of human rights and cannot be tolerated. We have to ask ourselves: where do we want to stand in the coming years? A maximum number of ratifications should be one of the concrete targets of the next period. Technical assistance and support is required for all countries expressing their intention to abolish forced labour. We also have to come down on

countries which ignore the fundamental labour standards.

The situation in Burma is of great concern to the Netherlands. Until now, there have been no concrete indications that the recommendations of the Commission of Inquiry have been met. The Netherlands has taken further steps and has the intention to discourage transactions related to trade with, and investments in, Burma. We have taken note of the agreement of the Government of Burma to receive a high-level team of the ILO. We take a keen interest in the findings of this mission and we are looking forward to discussing the report in the Governing Body in November.

Children too are the victims of forced labour. As it clearly states in the Global Report, the International Programme on the Elimination of Child Labour is achieving good progress in its fight against child labour. The ILO has a significant role in fighting child labour. The ratification of the Worst Forms of Child Labour Convention, 1999 (No. 182), needs all our attention. But we have to look at the next step: implementation. The Netherlands would like to increase the impetus of the interpretation of Convention No. 182. In cooperation with the International Association of Labour Inspection and the ILO, an international conference on the implementation of this Convention will be organized by the Netherlands in February 2002. The focus will be on "building alliances against hazardous work". Governments, labour inspections, employees, NGOs and private companies should cooperate in order to implement this Convention successfully.

A sound social policy, which includes decent work, is essential for economic progress. The ILO plays a central role in promoting this principle. Therefore the ILO is the right organization for putting the worldwide discussion about social policy and globalization on its agenda. The increasing importance of social policy in the context of a globalized world economy makes the ILO a natural platform for the issues at stake — a discussion which has to take place with the World Bank, IMF, WTO and other international organizations. Director-General Juan Somavia is an excellent networker, and I am confident that he can build bridges between the ILO and other organizations.

Mr. BASNET (*Workers' delegate, Nepal*) — It is a great honour for me to stand here and speak on behalf of Nepalese workers. We are passing through a difficult transition in Nepal. The recent tragic incident in Nepal's Royal Family has deeply shocked us. Our Prime Minister planned to come here as this year's guest of honour and participate in the launch of the time-bound programme on eliminating child labour, but in the circumstances, he was unfortunately unable to do so.

We in Nepal greatly value the role and importance of the ILO and regard it as our partner in development. Globalization has interlocked our destinies, so much so that we either sail or sink together. Despite global hype, we have failed to eliminate the root causes of conflict, poverty and exclusion. Both domestically and globally, poverty and conflict often reinforce each other.

The current globalization came with lots of promises, but widened the disparity between rich and poor. Reducing poverty requires sustained rules at home and a favourable external environment. Rules entail

investment, which the world community should help the poor countries to finance by meeting the agreed aid targets, broadening debt-relief measures, and encouraging foreign investment.

Measures must also be put in place to distribute evenly the benefits of world globalization, bridge the gap of the digital divide and open the markets of rich countries to products and labour from poor countries. Sustainable use of natural resources must be the norm. The global financial architecture and global trading regime must be more responsive to the need of developing countries in order to help address their problems.

In all this, the ILO and workers can, and will, play an important role. This is where the ILO's Declaration on Fundamental Principles and Rights at Work and its Follow-up assume considerable significance in promoting human rights and social justice. This Declaration gives hope to millions of women, children and workers, who suffer untold exploitation, discrimination and inhuman working conditions in many parts of the world.

I believe that these principles and rights are at the core of democracy, equality and sustainable development. We are committed to playing an active part in promoting this Declaration. We stand for the right of all workers to organize themselves and bargain for themselves.

However, it is painful to see that the practice of child labour exists in many countries. Eliminating child labour, I believe, presents a real challenge to developing countries such as Nepal, where social culture and economic factors are not evidently conducive.

In this regard, I welcome the initiative taken by the ILO/IPEC to launch the time-bound project, together with the Government of Nepal, to eliminate child labour.

Nepal has adopted the Worst Forms of Child Labour Convention, 1999 (No. 182), and is in process of ratifying the Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87), Social Policy (Non-Metropolitan Territories) Convention, 1947 (No 82), and the Abolition of Forced Labour Convention, 1957 (No. 105).

Women workers are also facing many kinds of exploitation, oppression and injustice. This is aggravated by the fact that they are not fully aware of their rights and are unable to defend themselves. I strongly feel that concrete action is needed to promote gender equality for integrating them in the national development process.

Nepal has already declared the practice of bonded labour as illegal and immoral. We are committed to rooting out this inhuman practice. Together with the ILO, we have recently launched a rehabilitation plan including a settlement and livelihood programme.

Before I conclude, let me congratulate the Director-General of the ILO for an excellent Report covering decent work and the important four strategic points. Let me also compliment him on establishing the four strategic objectives and strategic budgeting, which will strongly foster the promotion of decent work worldwide.

*Original French: Mr. BILTGEN (Minister of Labour and Employment, Secretary for Communications, Minister of Churches, Minister for Relations with the National Parliament, Luxembourg)* — A few weeks ago I was pleased to see an article in the French

daily newspaper *Le Monde*, entitled “*The New social legitimacy of the International Labour Office*”. The Director-General’s Report is a timely document in a sluggish world economy drawing attention to the work deficit worldwide.

Those in favour of the single approach do believe that globalization is a solution. However, following the financial setbacks of the new economy as it is called, two observations can be made. First, it is the stock markets and financial markets that dictate investment laws and secondly, the new technologies, now shunned by the very people who were so keen on them before, are continuing to revolutionize working conditions in all economic sectors worldwide.

This industrial revolution is likely to widen the gap. Between those who have professional qualifications and those who do not, those who have access to knowledge and those who do not. And it could widen the gap between North and South, between developed and developing nations. Let us therefore take advantage of this uncertain situation to put things right and to change the paradigm. The real value of economic progress cannot be share prices on the stock market.

Let human labour be our main concern. Let us not consider work as just another economic resource. It is not there just to create economic growth. The Director-General is right when he says that work is a major characteristic of human existence.

In launching the concept of decent work, the ILO certainly turned this paradigm around. It gives work a fundamental value. To get decent work we need first of all to create employment, but the employment has to enable workers to achieve promotion. The European Union also recognizes that work is not merely an economic definition. The idea of quality work coined in December in Nice and which the Belgian presidency will implement at the Laeken summit will be both a development and an impoverishment, at a high level, of the idea of decent work.

If globalization is to reduce the work deficit, something has to be done. Liberalization and deregulation will only make the deficit worse. To have better social justice, we must take initiatives. Indeed, we have to underpin economic globalization with social globalization. To do this we need three things: content by way of a worldwide minimum social platform method in the form of tripartism and structure through the international organizations. If we want to underpin the economic globalization with social globalization, we need to create new international regulations. It is a good idea not to have too detailed or fussy regulations.

We need to stick to the essentials: minimum standards; and fundamental rights for workers. However, minimum standards must not become minimalist standards.

There is a temptation to concentrate on consensual standards which are then too limited in scope. I know and understand the fear of some countries, in particular developing countries, when faced with standards which sometimes seem to them protectionist rather than motivated by philanthropic convictions.

However, as the Director-General has said, these basic rights and principles are part and parcel of development proper and I am afraid that countries which will do not adopt this platform will not be able to catch up with the post-industrial trend. They will probably have to face many risks such as brain drain.

To avoid these slippery slopes, we need to consolidate the right to development. We have to promote training, access to health, and food. We must not drain talents away from poor countries who need them for their own development.

If we do not want the standards to remain hollow words, we need the tripartite method. Dialogue with civil society must have repercussions on social dialogue and tripartism. It cannot replace it. The ILO has so far been the only tripartite organization to do that, and this was why it has been successful. We have to ensure that tripartism becomes a reality in all countries, because countries which do not have structured employment associations will have increasing problems, and they will not be able to create the right environment for social progress.

The multilateral system must become once more a holy union to achieve peace and prosperity for the whole of humanity.

Unfortunately, today we get the impression that some organizations forget the relationships between themselves, in particular, the WTO and the ILO. My country was the first to call for the full integration of ILO social standards in world trade with multilateral monitoring systems.

Finally, sustainable development of decent work or even quality employment are what States make them. Decent work and quality employment are part and parcel of sustainable development. The European Commission clearly says in its proposals for the Gothenburg summit that in order to be able to participate actively in the establishment of sustainable development throughout the world, the European Union and the States Members must cooperate actively with the Third World and other international organizations, including the OECD, the WTO, the ILO, the IMF, the World Bank and UNEP. The fight for decent work must be based on an integrated approach including member States, the ILO and the whole multilateral system. For this approach to succeed it needs to be structured and even institutionalized.

This is the path to take. We hope that through this dialogue all international organizations will understand that in respect of sustainable development, economic and social development will be like Siamese twins who cannot be separated.

In spite of its 82 years, the ILO is still looking for new aspiration at the dawn of this new century. Let us all reaffirm the essential role of the ILO in providing social regulation of a world economy.

*Original Portuguese: Mr. FERNANDES PEDRO-SO (Minister of Labour and Solidarity, Portugal) —* First of all, on behalf of the Portuguese Government, I would like to congratulate the President and Vice-Presidents on their election to the responsible positions in charge of running the proceedings of the 89th Session of the International Labour Conference.

The report submitted by Ambassador Amorim in his capacity as Chairperson of the Governing Body, and the Report by the Director-General, Ambassador Juan Somavia, set out very clearly the main activities, concerns and challenges that the Governing Body and the ILO as a whole have faced over the last year, activities that they will continue to pursue with a view to achieving the universal aim of providing all men and women with the opportunity to enjoy decent work.

The Director-General quite rightly says that decent work is a universal aspiration, which represents people's "hopes to obtain productive work in conditions of freedom, equity, security and human dignity. It is both a personal goal for individuals and a development goal for countries."

We know that decent work is a concept that brings together the four strategic objectives of the ILO in the areas of employment, fundamental rights at work, social protection and social dialogue. Fundamental rights at work, enshrined in the Declaration on Fundamental Principles and Rights at Work and its Follow-up, are the rights of all people, irrespective of political and economic systems or varying levels of development between countries.

Employment, social protection and social dialogue are also universal rights. They constitute, as the Director-General says, fundamental elements for building development strategies.

Nevertheless, we know just how distant the aim of decent work must seem compared to the everyday lives of many people throughout the world. We are aware of the suffering of people who are jobless, have no social protection, no access to schools or to basic health care, or whose basic rights and freedoms are denied, who are exploited by forced labour, or even, in the most deplorable cases, whose freedom is restricted or who suffer physical abuse.

International standardization is a vital element in achieving the universal aspiration of decent work. The ILO carries out the essential task of an integrated analysis of the impact and coherence of its existing standards, and the relevance of establishing new standards as well as the role of its standards monitoring system.

We actively support these initiatives, and, like many other governments and workers' and employers' organizations, share the objective of reinforcing the relevance and coherence of international labour standards, without — and this is a key point — undermining workers' protection.

We feel that economic development is not only compatible with basic social rights, which are summarized in the idea of decent work, but that it is a fundamental condition for development in the wider sense, despite the fact that rights such as pay and social welfare may vary from country to country. What this means is that people have a right to benefit from economic development and, as the Declaration on Fundamental Principles and Rights at Work says, labour standards cannot be used for protectionist ends.

The recognition of fundamental rights and the promotion of decent work need to be an integral part of development. Development policies and strategies, at the national, regional and international levels, must tie in social concerns with economic objectives. Development and social rights are linked in two ways: on one hand, development creates a favourable framework for the realization of social rights, and on the other, social rights are themselves promoters of development.

We know that the increase in world trade of goods and services and the circulation of capital are generating increasing opportunities for countries and regions in the global economy, and therefore increasing possibilities for growth and development.

But we also know that significant numbers of people in the world fear what the effects of global-

ization will be. Many workers in the more developed regions also fear that there will be relocation of their companies to countries with cheaper labour. At the same time, economic growth in the less developed regions has not always led to social development for their people.

The economy has to serve people. Globalization, therefore, is only going to be legitimate, ethically and socially, if it is able to incorporate social and economic aims, in order to promote decent work as the cornerstone of a cohesive and competitive social paradigm.

Economic growth in the less developed regions must lead to social development. The ILO's activities have a key role to play, in defining rights, which embody the concept of decent work, in providing the necessary technical cooperation to promote the application of international standards and in operating its standards monitoring system, because regulation is an important aspect of promoting the effective implementation of rights.

I would like to reiterate Portugal's commitment to technical cooperation, both bilaterally and in partnership with the ILO, geared essentially towards the Portuguese-speaking African countries and East Timor, as well as the support my country has given to the ILO's programme for the eradication of HIV/AIDS in the workplace.

The development of decent work in the less developed regions will act as a more consistent, and legitimate, guarantee of the stability of social rights of workers in the more developed parts of the world who fear the impact of international competition. With a view to building a strategic alliance between macro-economic policies and social development, we support the Director-General's initiatives, and particularly welcome his proposals to strengthen the activities of the Working Group on the Social Dimension of Globalization. The ILO is thus placed at the centre of inter-institutional debate on economic and social policies in the context of globalization and decent work.

We are convinced that globalization should neither engender an overly fearful response, nor an overly enthusiastic one. What we need is to construct a new form of social regulation at the global level.

*Original Turkish:* Mr. OKUYAN (*Minister of Labour and Social Security, Turkey*) — At the outset I would like to congratulate the President and Vice-Presidents on their election to their respective posts. I also congratulate the Director-General on his comprehensive Report covering the steps taken recently in the framework of the modernization and renewal process, which focus on decent work and the challenges in this regard for the ILO, governments and workers' and employers' organizations.

The Report emphasizes the importance of addressing the four strategic objectives of the decent work agenda, namely fundamental principles and rights at work, employment, social protection and social dialogue, simultaneously in order to be able to move beyond unresolved debates among the ILO constituents and maintain cohesion.

I support this new approach, adopted by the ILO to its internal work as well as to its contacts with the international organizations focused on economic growth, such as the IMF and the World Bank, with a view to developing common policies that will put equal emphasis on economic and social issues.

In the organization of the ILO's future work, I believe migrant workers should also be considered among the vulnerable groups within the global economy and placed high on the priority list.

In the last chapter of the Report, the Director-General calls on the ILO constituents to express their full commitment to the decent work agenda. In this context, I would like to mention the efforts made by our Government in respect of each of the four strategic objectives of the agenda and the results achieved over the last few years.

The most recent development as regards fundamental rights is that, following the approval of the ratification of the Worst Forms of Child Labour Convention, 1999 (No. 182), by our Parliament in January this year, we will, once the registration process has been completed, be among those countries which have ratified all the core Conventions. In connection with those core Conventions that pertain to freedom of association and the right to organize, I cannot claim that we have managed to eliminate all of the problems confronted in practice. Nevertheless, a Bill aiming at establishing a legal framework for the right to organize and collective consultation of public servants is on the plenary agenda of our Parliament and efforts are still continuing to obtain compromise among the social partners on another Bill that has been drafted to remove the discrepancies between our legislation and the Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87), and Right to Organise and Collective Bargaining Convention, 1949 (No. 98).

In relation to full compliance with the standards on child labour, Turkey in recent years has been fighting a great battle. The ILO's contribution to this fight in the form of the IPEC programme has added new momentum to our struggle. Taking this opportunity, I would like to extend my gratitude to the Director-General, to the ILO staff who have contributed to the programme, to the ILO Office in Ankara and to those countries that have supported the programme through their financial contributions.

I would also like to express my hope that the ILO will continue to support programmes for the elimination of child labour in Turkey, which, with the valuable contributions of Turkish workers' and employers' organizations, have made considerable progress, reducing child labour in our country by half within the last five years.

In respect of employment objectives, the most important step taken in recent years is the reorganization of our employment agency as a powerful institution called ISKUR. This institution, functioning on a tripartite basis, is entrusted with the tasks of creating and implementing nationwide active labour market policies and promoting means and mechanisms of manpower training.

With regard to social protection, the following developments have taken place that could be defined as reforms. An unemployment insurance scheme was introduced by an Act adopted in 1999. The same Act brought about measures to eliminate financial problems in the social security institutions. Those institutions were restructured and reorganized so as to fulfil their functions effectively.

Another development that can be cited in this context is a bill providing protection to workers against unfair dismissal, drafted in consultation with the social partners and with due regard to the Termination

of Employment Convention, 1982 (No. 158), and submitted to the Office of the Prime Minister.

The issue of social dialogue has been addressed by an Act adopted and brought into force in April this year with a view to ensuring conformity with the Tripartite Consultation (International Labour Standards) Convention, 1976 (No. 144). An Economic and Social Council has been established as a new national mechanism with a consolidated legal base. Most significantly, the text of this bill was drafted by the social partners.

One reason why I have been pointing to the efforts exerted in my country with respect to the four strategic objectives of the Decent Work Agenda is to indicate that we take due note of the Director-General's call to governments. The other reason is to emphasize once again the importance we attach to our relations with the ILO.

The steps we are taking in the process of accession to the EU in order to realize our short-term priorities and medium-term objectives, and the ILO Information and Training Centre to be opened shortly in Ankara, will certainly contribute to a further strengthening of our relations with the ILO.

*Original French:* Ms. KAYITESI ZAINABO (*Minister of Public Service and Labour, Rwanda*) — on behalf of the Rwanda delegation, and also on my own behalf, permit me to associate myself with the preceding speakers who addressed their congratulations to the President of the Conference on her election to this high assembly.

I applaud the quality of the Report of the Director-General and the legitimate concerns that it raises. Reducing the decent work deficit should be a challenge to all countries, and particularly developing countries. It is economic growth that will provide the key to this challenge.

We support the ILO's efforts to attain strategic objectives such as social protection and promotion of labour rights, employment and social dialogue, without which it will not be possible to improve the quality of life of the public in general and of the workers in particular.

The Government of the Rwandese Republic remains committed to the objectives of the International Labour Organization and its normative activities and aspires to ensuring that decent work is available to all workers throughout the country.

Thus, particular emphasis has been placed on job creation in spite of the unfavourable economic situation which our country is experiencing, following the armed conflict.

Decent work also means sustainable employment. Our country is focusing on suitable development programmes such as the national poverty reduction programme. The programme involves the reconstruction of capital in rural areas, the development of human resources, assistance to small and medium-sized enterprises, assistance in the field of housing and the promotion of social services.

The promotion of cooperatives has been identified as a priority strategy for generating employment at a time of severe unemployment problems. We encourage workers who are disadvantaged by privatization or downsizing in the public sector and workers in the informal sector to join cooperatives in order to help them obtain training and access to microcredit.

We have taken appropriate measures to promote the principles of the ILO, bearing in mind the socio-economic conditions in our country. In this connection, we consider that working conditions can only be improved if the legislation is modernized and updated to reflect the realities of today. Rwanda has therefore revised the Labour Code and social security legislation.

We are fully aware that the promotion of fundamental principles and rights at work, the success of employment generation policies and programmes and the improvement of social protection are closely linked to the existence of high-quality social dialogue within society.

In response to the campaign for ratification of the fundamental Conventions, my country has already ratified 27 Conventions, including the seven core Conventions and the Worst Forms of Child Labour Convention, 1999 (No. 182). Programmes have already been developed to prevent the exploitation of children in hard labour.

In concluding, I would like to reaffirm that our country will spare no effort to assist in the implementation of the programme proposed by the Director-General.

Mr. CHO (*Workers' adviser and substitute delegate, Republic of Korea*) — I congratulate Juan Somavia, Director-General of the ILO, on his remarkable achievements since his election. His achievements in the name of decent work include redesigning the framework and philosophy of work within the context of a changing global economy. Through the adoption of core Conventions, he has made it a cornerstone to protect fundamental labour rights. His focus on decent work has given hope and opportunities to working people in need. Therefore, on behalf of all the working people of the Republic of Korea, I give my full endorsement to the decent work programme, assuring you of our further collaboration with the ILO.

In this regard I would like to draw your attention also to working conditions in the Republic of Korea as an individual case. Since the 1997 economic crisis of the Republic of Korea, restructuring has been driven mainly by privatization, overseas selling, mergers and acquisitions, and lay-offs. Despite some positive effects in some areas, the economic foundation for long-term sustainable development seems to have been extremely damaged by the unilateral policies of the Government neglecting the principle of a social partnership. In this sense, the privatization policy must be entirely reviewed by the tripartite commission in order to reflect the vision of economic development.

Without sincere consultations with workers' representatives before the implementation of restructuring, the Government's reform has met with strong protests from labour, such as a 12-day-long hunger-strike by the president of the FKTU and hundreds of strikes which have resulted in hundreds of workers being imprisoned over the last three years. I urge the Government of the Republic of Korea to release immediately 46 imprisoned workers including financial union leaders, as well as to honour its recent compromise to consult with trade unions in advance of restructuring.

It is urgent to take legal measures to assist casual workers, who exceed 53 per cent of the total workforce in the Republic of Korea. They are barely pro-

ected by social safety nets. Discrimination regarding the equal value of work performed by regular and casual workers should be eliminated by expanding the coverage of social safety nets, and they should be allowed to organize their own trade unions.

Twenty per cent of civil servants have lost their jobs over the last four years and their rights in respect of freedom of association have been greatly restricted. Civil servants should be allowed to join trade unions for the full implementation of their rights.

On the occasion of the anniversary of May Day this year, around 1,000 unionists from North and South Korea held a joint celebration in the North and reiterated their leading role in the peaceful unification of Korea. I would like to express my appreciation to the Director-General of the ILO for extending an invitation to this session of the Conference to the Democratic Republic of North Korea. Again I welcome the profound concern and support of member States of the ILO with regard to the future union activities of North and South Korea.

Finally, we are disappointed not to see any mention of the Japanese case, with respect to the Forced Labour Convention, 1930 (No. 29), on the list of the individual cases for tripartite discussion at the Committee on the Application of Standards. In view of the urgent time factor — the victims of Japanese military sex slavery are passing away year by year — I call on the Committee of Experts to include its observations on this in its report for the year 2002.

Mr. ROLEK (*Employers' delegate, Hungary*) — It is a great honour for me to be present at the 89th Session of the International Labour Conference, and to report on behalf of the Hungarian employers on the present economic situation in Hungary and on employment, tripartism and social dialogue in our country.

The development of the Hungarian economy is a good example of how long-term macroeconomic stability is dependent on an efficient and competitive microeconomic base. The gross domestic product (GDP) in Hungary increased by approximately 5 per cent in 2000 and is likely to keep up this pace in 2001. At the same time, the percentage of those employed increased and the rate of unemployment dropped significantly.

This also reflects the fact that thorough economic transformation and preparation for accession to the European Union involve much more than just economic tasks. The framework for successful implementation results from harmonized cooperation between political leaders, legislators, institutions and last but not least society, including employers' and workers' organizations.

While the success of an economy is often measured by growth, rates of output or income, social progress is also measured in terms of social protection. Therefore there is a need for policies and institutions to maintain the balance between economic growth and social progress.

The ILO's decent work agenda correlates closely with this. It encompasses both economic and social objectives: on the one hand, rights, social dialogue and social protection and balances, and on the other, employment and enterprise.

Recently Hungary has taken significant steps to provide people with decent work, and the rapidly growing Hungarian economy will be strengthening this trend in the future as well.

Growth in employment indicates the strengthening of social protection and social dialogue. Social dialogue is key to ensuring consensus and respect for commitments to common objectives while providing the means of accommodating competing goals and managing conflicts. Social dialogue in Hungary has strong roots and it has contributed to stable socio-economic growth and a smooth transition to a market economy.

The modification of the Labour Code in Hungary, which was adopted this year, is a good example of how social protection may be paired and balanced with competitiveness. The changes that derive from European Union directives were made in favour of the employees, but they also enable Hungarian employers to perform efficiently.

Unfortunately, I have to report that in other areas of tripartite reconciliation, consultation and negotiations have become less frequent and have been limited to consultations. Recently, some positive changes have been suggested by the Government. That may give a new impetus to tripartite institutions.

Thanks to the initiatives of the ILO, the world of labour is able to stimulate the rapid growth of the economy and thereby to bridge the gap between Hungary and the western European countries. It is constantly in the interest of Hungarian employers to do so, and this is related to the country's aspiration to gain full membership in the European Union in the near future. We still have numerous tasks to carry out in the field of labour affairs, and the Hungarian employers wish to play a very active role in this process. I am convinced that harmonization with the legislation of the European Union will strengthen still further the implementation of ILO Conventions and Recommendations and will incorporate a decent work strategy as well.

I should like to emphasize and express our thanks for the work and support of the ILO Regional Office in Budapest in assisting the social partners efficiently through its activities, especially those devoted to the new projects we decided to launch very recently. The Hungarian social partners benefited immensely from the personal advice of the staff and from the meetings and seminars organized by the ILO.

*(Ms. A. Sto. Tomas takes the Chair.)*

*Original Spanish:* Mr. HERRERA ROA (*Employers' delegate, Dominican Republic*) — It is a great honour for me to speak on behalf of the employers of the Dominican Republic and to extend our congratulations to the President on her election to this august assembly, while also thanking the Director-General for presenting his Report on reducing the decent work deficit, a global challenge.

We welcome the concepts outlined in the presentation of his Report and take keen interest in these, for we feel that decent work is central to well-being and respect for human dignity. We are sure that we can establish policies for the creation of decent work. While public policies guaranteeing political, social and economic stability are a prerequisite, it is no use creating jobs if the purchasing power of the working class and the general public is devalued.

We believe that the ILO should accompany decent work programmes with more in-depth studies that analyse the different forms of action which our countries could take in the quest for decent work within the framework of economic development.

It is important to note that for every ten jobs created in our region, according to ILO reports, eight are in the informal sector. This calls for close scrutiny of the harsh reality with which we are faced. In the case of the Dominican Republic, it is made even worse by illegal immigration, which impacts severely on certain sectors of the labour market.

As employers, we are of the view that reducing the decent work deficit necessarily requires public policy to stimulate enterprise and investment in the creation of decent work.

In the same spirit, the Dominican Republic has repeatedly demonstrated its marked desire not only to improve working conditions but also to make sure that those jobs correspond to the new strategic vision of the ILO. This is why we called for a reform of labour legislation. The process has already begun and some elements have been completed.

Through tripartism we have agreed on a law establishing a social security system in the Dominican Republic. The draft was recently approved by Congress and signed into law by the Government. We are now drawing up the operational rules of the social security system which, along with the work of the labour committee to implement the Convention and the creation of an Economic and Social Council, promoted by the Government, workers and employers together, is part of a global policy for capacity building and fostering decent work in the Dominican Republic.

Employers have been working toward establishing a national certification system for vocational skills which we, together with the workers, will apply as a further element in our quest for decent work.

As regards the implementation of ILO standards, employers in the Dominican Republic believe that this is the most simple and appropriate way to address the central objective of reducing the decent work deficit. And so we agree with the Director-General of the ILO that our organization must have a family of standards in line with the four strategic objectives which, as the International Employers' Organization reminds us, are at the heart of entrepreneurial dynamics.

Mr. KHAN (*Federal Minister for Labour, Manpower and Overseas Pakistanis, Pakistan*) — At the very outset I would like to begin by congratulating the President on her election at the 89th Session of the International Labour Conference. We assure her of our full cooperation in our common endeavour to make this session successful.

Pakistan is fully committed to upholding the fundamental freedoms and rights at work as contained in the various ILO Conventions to which Pakistan is a party. As a developing country, we have consistently sought to further improve the implementation of international labour standards. Though much needs to be done, we have made some progress. Despite several structural and economic constraints, Pakistan has resolutely moved forward towards improving social standards. Through a collective effort of the government and our social partners, workers' and employers' organizations, we in Pakistan are in the process of laying down a comprehensive framework to introduce a modern regime of labour laws and labour welfare institutions, in collaboration with employers and workers.

The proposed labour reforms to be placed before the national tripartite labour conference in July of this

year include the extension of labour laws and social security protection to the informal sector and agricultural workers. Earlier this year, the Government announced a labour welfare package. Besides restoring Labour Day, 1 May, as a public holiday, the labour welfare package increases the cover of old-age pensions and social security from 3.8 million to 6 million workers and their dependants. In addition, we have embarked upon implementing an action plan for the elimination and rehabilitation of bonded labour for which, besides the institutional and legal framework being put in place, financial resources have also been made available. We have also embarked upon an integrated poverty-reduction and employment-generation strategy, with the assistance of multilateral and bilateral agencies, including the ILO.

These steps will also be complemented by measures taken to devolve political and economic power at the grass-roots level through the introduction of a new structure of local government, wherein one-third of the seats have been reserved for peasants and workers alone.

The world in which we live today is characterized by contradictions. On the one hand, major — and often revolutionary — advances are being made in the field of information technology, opening new vistas of progress and prosperity. On the other hand, insecurity, socio-economic vulnerability and poverty are increasing globally.

The benefits of globalization are obvious, bringing some people higher standards of living and new opportunities to prosper. Yet the rebellion against globalization, as witnessed in Seattle, Davos, Geneva and Quebec, must be understood. This backlash is a protest against the uneven distribution of the benefits of globalization. This process has marginalized millions of people, especially among the poorest countries. It has widened the gap in economic, social and living conditions between the rich and the poor. The question we all face today is how to ensure that globalization results in equitable and sustainable development, where the benefits of progress and wealth creation are shared equitably and universally, and where vulnerabilities are overcome by transferring income from the rich to the poor, globally and nationally.

The Director-General has sought to address this issue in his Report *Reducing the decent work deficit: A global challenge*. We thank him for his thought-provoking Report, which seeks to build a case for an integrated approach to equitable and just development.

The primary task before us is to convert the decent work paradigm into a coherent policy and an institutional and legal framework at the national level, examine in more detail the costs and benefits, and see how progress in decent work has an impact on the progress in other spheres. A possible way to address these issues would be to substantiate the approach outlined in the Report with practical programmes at the national level, involving all stakeholders. Only after implementing the decent work framework at the national level, can the ILO be in a position to develop an effective framework for an integrated approach at the international level. A solid empirical foundation of decent work, based on the experience gained at the national level with regard to specific circumstances and possibilities, is necessary. A viable edifice can not be built on the experience of industrialized and developed countries alone.

It is in this context that we need to examine the impact of globalization on decent work in developing countries. It is important to determine whether direct foreign investment and the liberalization of trade have led to a reduction in growth, or whether unemployment in developing countries is a result of rapid trade liberalization, accompanied by the introduction of highly-automated production processes by multinational companies and the labour surplus in developing economies. Moreover, it is equally important that, in addressing the decent work deficit, we do not lose sight of the existing work deficit in almost three-quarters of the world's population. While decent work is a goal, work has to be carried out before it can be converted into decent work. In addition, the decent work deficit is inextricably linked to the democratic deficit which exists in the present international economic and financial institutional framework. As stated by the Director-General, the present form of globalization is quickly losing support. The existing shape of globalization is a result of the explicit policy decisions of major international institutions and developed countries. The persistence of unequal globalization will further marginalize the majority of developing countries and their peoples. The core challenge, let me conclude then, is to make globalization fully inclusive and equitable. This requires policies and measures at the global level, which correspond to the needs of developing countries and are formulated and implemented with their effective participation.

These include the access of developing countries' products to world markets, debt reduction and the transfer of concessional, official development assistance from the developed to the developing countries.

As stated in the United Nations Secretary-General's Millennium Report, "if we are to capture the promises of globalization while managing its adverse effects, we must learn to govern better [...] At the national level we must govern better, and at the international level we must learn to govern better together".

Mr. GIANNITSIS (*Minister of Labour and Social Security, Greece*) — I am very glad to participate in the 89th Session of the International Labour Conference and to contribute to the design of policies on a very important problem in our societies.

The question of decent work, as defined in the Director-General's Report, is indicative of the complex and controversial realities our societies are faced with. Equally, however, the need to give priority today to the question of decent work is indicative of a major deficit in our policies. There is no doubt that economic globalization has enabled faster growth of average incomes and has also increased the capacity for innovation and wealth creation. However, those gains have been accompanied by pain, growing exclusion and economic insecurity, which are indicative of the persistent inequalities among nations and broader geographic regions.

At the dawn of the twenty-first century, world productivity and production are significantly higher than in the past. At the same time, more and more people live in extreme conditions of poverty, disability and lack of dignity. More and more people in countries at very different levels of development feel the lack of trust, as well as the lack of decency, in their daily work and life. The worst is that, for many of them, this ap-

pears as a life perspective, which determines the fate of their whole family.

The question remains, “what can we do?” and of course, “what will we do?” For the Greek Government, the goal of decent work occupies a central place in its economic and social policies. We consider that decent work has at least six essential elements — access to work; fair remuneration; improving quality in work; trust; protection of workers’ rights; strong social security systems.

On this basis, our policies are structured around four basic premises.

First, economic development, growth and social policy are mutually reinforcing, which is tantamount to saying that social policy is a productive factor to higher growth rates. The question often concerns the right mix of these policies.

Second, new patterns of growth and development are often dissociated from additional employment. Consequently, employment has to take a central place on our policy agenda.

Third, the strengthening of the economy, the capability to adjust appropriately the institutional framework and to define an efficient balance between the State and the market, to reinforce democracy and to act in the aim of creating conditions of decent work are crucial and mutually interdependent conditions of success.

And fourth, at the level of the European Union and of international institutions, Greece welcomes initiatives which contribute to the reduction of the decent work deficit.

The question remains: How far can our policies promote the objectives of decent work? To what extent can we implement policies aiming at the realization of those objectives?

It is well established that the quality of jobs and the level of social protection are largely correlated with the level of economic growth. The Report of the Director-General brings fresh evidence to support this view. Nevertheless, it is also recognized that economic dualism, marked by the existence of over-sized informal sectors, seriously impedes the development of social and labour market policies and precludes diffusion of their benefits, especially towards those most in need. Equally, it should be appreciated that inaction, which is often associated with alleged comparative advantages, may result in millions of people living in perpetual poverty.

Therefore it is imperative and economically prudent that implementation of minimum labour standards, in accordance with the ILO definitions, should be endorsed as a global objective. However, one should be very cautious in relying on standards in this very sensitive area of social relations. An incentive-based system could complement such an approach, whereby implementation of minimum labour standards is built into preferential trade agreements, international aid programmes, development projects and debt-relief initiatives.

Finally, as is rightly pointed out in the Report of the Director-General, the debate on globalization is often polarized between two extreme, yet oversimplified, concepts, namely the “globophilia” and the “globophobia” views. Once we leave those oversimplifications behind, I believe that a common ground may be found, comprising recognition of the economic and social benefits of globalization as well as awareness of its shortcomings. Against this reality, it

is our duty to provide socially relevant answers to the challenge of the decent work deficit and, in general, of the social deficit characterizing the development process of our times.

In concluding, I would like to congratulate the Director-General and his team for his Report and to underline the willingness of my country to support the efforts to close the existing deficit of decent work. Greece is a country that has always respected the fundamental principles formulated by the ILO. As a founding member State of the ILO, Greece has also ratified the majority of international labour Conventions. Recently, Greece ratified the Worst Forms of Child Labour Convention, 1999 (No. 182). We firmly believe that global questions can be effectively faced only by collective and concerted initiatives.

*Original Portuguese: Mr. SEVENE (Minister of Labour, Mozambique)* — First of all, I would like to extend our sincere congratulations to the President and Officers of the Conference on their election. It is a demonstration of the confidence we have in their ability to conduct the business of this august assembly.

It is an honour to take part in another session of the Conference and we particularly welcome the indication that the 89th Session will focus on defining actions aimed at reducing poor working conditions and promoting decent employment, as a global challenge to all of us.

I would like to congratulate the Director-General, Juan Somavia, on his steadfast struggle for decent employment in the world, and on his wise scrutiny and assessment of efforts being made worldwide to uphold labour as a universal value, irrespective of individual countries’ cultures and levels of development.

Within the context of sub-Saharan Africa, Mozambique is a country characterized by remarkable success in its efforts towards peace, achieved through dialogue and national reconciliation, paving the way for the organization of two democratic and transparent elections, and for a return to normal life for our citizens.

With regard to the economic reform in our country, the Government’s efforts have been hampered by natural disasters, such as floods and cyclones, which have seriously hindered the development effort and caused major setbacks to industry, agriculture and trade, with serious implications for human resources.

The Government has defined poverty reduction as the primary objective for the period 2000-2004. This five-year plan contains four major objectives for government policy: the reduction of absolute poverty, with the emphasis on education, health and rural development; the promotion of the private sector as the driving force of economic growth; the reduction of geographic inequalities and the consolidation of peace, national unity, justice and democracy.

About 45 per cent of the Mozambican population is economically active. The country’s improved economic performance has yet to result in a significant increase in job creation. However, our strategy to reduce unemployment gives priority to the promotion of employment, self-employment and vocational training.

Over the previous year, the Ministry of Labour has been carrying out intense intervention activities in the labour market to achieve equity of employment opportunities, active participation in the reduction of

absolute poverty and the eradication of the worst forms of child labour.

From September 2000 to May 2001 we were able to implement a Fast Track Project for the Recovery of Jobs and the Reduction of Economic Vulnerability, with the technical and financial support of the ILO, for which I would like to thank the Director-General for the prompt availability of funds. This project, designed to help people affected by flooding, benefited 1,385 people, 86 per cent of whom were women from the District of Chókwe. The approach of the project was threefold: the rehabilitation of four local markets, assistance to farmers through making cattle available in order to improve farming activities, and training staff from associations in areas deemed important for local development.

The project has been a remarkable success and a pioneer experience in terms of our approach to the employment issue. It had the merit of integrating various sectors and bodies in a complementary approach. This can be regarded as an exemplary application of strategies for sustainable local development, the most appropriate approach to favour the reduction of absolute poverty in rural areas.

We have also introduced and implemented regulations on private employment agencies, in the light of the Employment Policy Convention, 1964 (No. 122), as a way of liberalizing the market for providing labour force to the private sector. This measure reflects our concern to find alternatives for the employment of our citizens, both domestically and abroad, a process we began during the 88th Session of the Conference, by establishing contacts with countries with which we now have privileged relations for sending labour force abroad. I would like to indicate our willingness to cooperate with the various countries here represented, should they be interested in recruiting Mozambican workers.

We would like to find out the views of unions and society as a whole with regard to the legislation in force concerning the recruitment of foreign labour. It needs to be adapted to our current development needs in order to ensure that foreign workers are those with the most suitable job profile.

A Strategic Plan for the Elimination of the Worst Forms of Child Labour has also been developed, and its implementation will contribute immensely to the promotion of a culture of decent employment in the country. We hope it will be an important step towards eradicating advanced forms of perpetuating absolute poverty.

The legislation on social security is also under review, and measures are expected to be adopted to extend the system to other groups not covered in the past, such as rural workers and the self-employed. This measure is a step towards consolidating a social security scheme which has now been in place for 11 years.

We are currently putting the finishing touches to an employment and vocational training strategy for the next four years. This strategy will include integrated intervention measures for employment and vocational training in order to ensure high levels of employability and to meet our development needs according to the demand in the labour market. We attach considerable importance to vocational training geared towards unemployed youth, women and the disabled.

In addition to these activities and in order to protect those who are already employed, our Govern-

ment has been working on strengthening mechanisms for the prevention and resolution of labour conflicts and systems of social and physical protection of workers, thus contributing to the stability of both employers and workers.

The issue of decent work is for our country a difficult task to achieve in the medium term, bearing in mind that formal systems of vocational training are faced with problems common to all least-developed countries, such as a shortage of employment for new graduates or trained citizens, which means that they opt for precarious or low-paid employment.

The poor capacity of the economy to generate employment contributes to levels of unemployment which are now over 55 per cent of the economically active population and to increasing recourse to the informal employment sector in the big cities.

It is our belief, however, that through ILO regulatory measures, and the helpful technical assistance of this Organization, we will find a way to promote decent, safe, secure and sustainable jobs.

*Original French:* Mr. SISSOKO (*Minister of Employment and Vocational Training, Mali*) — Permit me, first and foremost, to offer the President my sincerest congratulations on her brilliant election to the Presidency of the 89th Session of the International Labour Conference.

In my view she is assuming one of the most important presidencies of our Conference.

In the course of the present session, it will be for the constituents of the ILO to envision the foundations of a social framework for globalization in order to reduce the decent work deficit.

The Report of the Director-General of the International Labour Organization, which we have read with rapt attention, constitutes undoubtedly a very good basis for reflection on the matter.

I would like, consequently, also to congratulate the ILO on the quality of the work that has been carried out and also on the original and constructive solutions proposed aiming, in particular, to take into account the situation and the possibilities of each State.

Adapting globalization to the needs of mankind is of the utmost importance. In fact, throughout the world, work is becoming more precarious and unemployment is increasing, causing great concern for governments and for employers' and workers' organizations.

Economic liberalization and the profound changes occurring in its wake have brought disruption to the labour market and to the relationship between the various players involved in production.

In my country, the employment situation is characterized by rapidly increasing urban unemployment, widespread rural underemployment and the growth of informal sector activity that is precarious and badly paid.

If globalization has already brought prosperity to certain countries in the world, one has to be fully aware that it also created and increased inequalities in many countries that are having an impact on the conscience of the international community.

We have to act and act swiftly.

Let us make no mistake: the globalization of trade, will only have a globally positive impact if the workers who contribute to the creation of wealth reap the benefits of it, particularly in the area of rights and social protection.

Mali is among the countries that believe that globalization can go hand in hand with an improvement of working conditions.

We are also convinced that decent work has no price because, apart from gains in productivity mentioned in the Director-General's Report, it also consolidates social peace, without which there cannot be any development.

Also each Member of our Organization must develop policies on a national level, to guarantee economic growth underpinned by an adequate system to protect the right of workers.

We also have to look for new strategies permitting each country to progress more rapidly in the observance of international standards.

However, the so-called "voluntary" initiatives aimed at creating codes of conduct, social labels and other systems of certification have to be considered with great circumspection by the ILO so that inappropriate use of such instruments does not ultimately undermine the international consensus achieved on comparative advantages.

This session of the Conference is a prime occasion for accelerating the debate on globalization and social progress.

The ILO, in particular, is well placed to play this role in the light of its tradition and the experience it has acquired in the field of tripartite consensus. Its position allows it to take into account not only the requirements of the market but also human values.

The guidelines for this globalization with a human face are fortunately contained in the ILO Declaration in Fundamental Principles and Rights at Work.

I would like to avail myself of this opportunity to recall that the policy of the Government of Mali is based constantly on defending and respecting the fundamental rights of workers.

Besides ratifying the core Conventions, my country has also implemented in recent years, policies and action programmes in various areas relating to the promotion of worker's fundamental rights.

In the context of combating poverty, Mali has elaborated an active and concerted policy of employment based on sustainable human development.

A national action programme for employment with a view to reducing poverty has been implemented in order to translate the essential thrust of national employment policy and the national anti-poverty strategy into specific operational programmes.

One of the objectives of this programme is the creation of more and better jobs in order to reduce poverty.

As regards the fight against discrimination, we have requested the ILO's assistance to help us implement the principle of equality of remuneration enshrined in national law.

Within the framework of social dialogue, the Government and social partners have started negotiations with a view to drawing up a solidarity pact for growth and development.

This memorandum of understanding, which will shortly be signed, is a global, concerted response from the public authorities, employers and workers to the economic and social problems existing in our country.

I would like to conclude my statement by inviting the International Labour Organization to increase its assistance to its constituents with a view to developing their capacities for implementing the fundamental

rights of equality, economic efficiency and sustainable development which are the very basis for democracy.

Internal institutional efforts made to promote the elaboration of coherent programmes on decent work must be pursued.

Our Organization must also reinforce its campaigns to raise awareness and establish solid links with other international organizations and civil society, with a view to promoting fundamental rights.

I wish our session of the Conference every success.

*Original Russian: Mr. SHMAKOV (Workers' delegate, Russian Federation)* — I would like to start by congratulating the Director-General of the ILO, Mr. Juan Somavia, who has submitted for discussion to the first session of our Conference in this new millennium an ambitious but very justified concept of how to provide decent work to all citizens of our world. Decent and productive work is in the interests of states, stimulating their development and economic growth, as well as entrepreneurial activities, and in the interests of individuals, who gain social and economic security and confidence in the future.

As rightly stated in the Report of the Director-General, the concept of decent work should include an integrated set of conditions for effective employment, safe and environmentally sustainable working conditions, decent pay and the opportunity to combine work with family life and the raising of children.

Let us look now at how these conditions are met in the Russian Federation and how the social policy of the Russian Government accords with the goal of providing decent work.

It is quite clear today that the reforms conducted in the Russian Federation over the past ten years have followed a deliberate policy of curbing increases in earnings and income, and the State has taken responsibility for citizens' well-being only at the lowest level of material subsistence, without stimulating people's own capacities.

What is the result now? In the Russian Federation today, wages, and the proportion of product price represented by wages, are very low; indeed, the share of wages in GDP is only 10-12 per cent. The upper salary bracket is over 20 times higher than the lower bracket, which represents a record of sorts. More than one-third of workers receive wages which are lower than the minimum subsistence level.

All this demonstrates very eloquently that the social policy conducted by our Government was not systematic, as Russian trade unionists are aware; nor was it in line with the provisions of numerous ILO Conventions; nor did it confirm the constitutional status of Russia as a social State; nor did it help achieve the main goal, namely providing decent work and decent living conditions. These are not mere words. In recent years, Russian workers have suffered because they were not paid on time and not paid in full. The ILO has examined a number of complaints in this regard under the Protection of Wages Convention, 1949 (No. 95). Trade unions worldwide have supported our Russian unions in their fight to obtain full and prompt payment of wages. Unfortunately, this problem has still not been fully resolved.

In addition, the Russian trade unions are convinced that the legislative initiatives and draft acts produced in the social sphere by the Government of the Russian Federation were not based on strategic goals of increasing investment in human resources, but rather

provided ad hoc solutions to individual problems by redistributing resources, often borrowed, and reducing the level and number of the social guarantees enjoyed by workers and the public at large. The burden of social security was transferred from the State to workers without an adequate increase in wages and income.

Moreover, in recent years, the federal authorities have geared the vector of social insurance reform towards distribution principles based on a minimum social security level dependent on the financial capacities of the State. The attempt to strengthen the fiscal mechanism through the introduction of a single social tax only produced the opposite effect. As a result, Russian workers are deprived of unemployment insurance and the State only retains the function of paying benefits to the unemployed while basically refusing to regulate the labour market and pursue an active employment policy and thus creating ideal conditions for the growth of an army of applicants for social security benefits. Over 50 million Russian citizens, a third of the total population, now have recourse to this benefit.

We have a paradoxical situation in which a worker earns wages below the minimum subsistence level and out of those wages pays taxes from which the unemployed receive benefits which are also below the minimum subsistence level. Then both go and queue up for the social security benefits to which they are entitled by law.

In this situation, the conclusions and recommendations included in the Report take on a special significance. Its title, *Reducing the decent work deficit: A global challenge*, is symbolic for all countries, not least, the Russian Federation. I believe that eliminating this deficit is a worthy task for the international family united by the ideas of the International Labour Organization.

Mr. PIERIDES (*Employers' delegate, Cyprus*) — The launching of the decent work agenda two years ago, by the then newly appointed Director-General, Mr. Juan Somavia, has proved a major initiative in steering ILO activities in the right direction, and in setting a new disciplined methodology in pursuing its objectives.

It is now a common view that this innovative approach, together with other parallel decisive actions, has produced positive results for both the ILO itself and its constituents.

The ILO has since demonstrated greater vigour while its profile has been enhanced, not just in the United Nations family but much wider. The constituents have begun to reap more practical and target-oriented assistance via the ILO programmes of activities.

I am, therefore, gratified at having placed my own trust in the Director-General, along with many others, to take all necessary action to enable the ILO to emerge from a period of “times of turbulence” as an efficient and effective Organization, able to carry out its mandate with success. Much more needs to be done, as the Director-General himself admits in his Report this year. We are confident that he will see to it.

It is, therefore, timely and only right that the Director-General place the focus of this year's Report on “the empty part of the glass”, the deficit of the decent work agenda, and to seek to provoke debate on how

to “fill the glass” through “realizable programmes and activities”.

It is unfortunate, however, that the Report was not received earlier in order to permit fuller and deeper study of the wealth of information and ideas it contains.

Within the five-minute time limit one can only touch upon a few of the many points that could be discussed. Full and in-depth discussions will have, consequently, to take place in the Governing Body and its Committees.

Within these narrow limits, let me first state that setting the principles of the ILO Declaration as the bedrock minimum of decent work, and leaving it to national policy and action to build on that minimum, constitutes the most appropriate approach, given the differing level of development, institutional framework, deficits and the needs of each country. The ILO, through its various programmes and initiatives, which are enumerated in part 2 of the Report, can provide valuable assistance to its constituents to help them to develop integrated policies for the reduction of the deficit. ILO support would be meaningless, however, without the political will of governments to act, and to act decisively, to fill the gap. Indeed, the primary responsibility to initiate policy and action lies with them.

Second, “decent work cannot be decreed into existence” and certainly cannot happen at “G7” level overnight, as the Director-General says in his Report. However, according to the experience of my country, Cyprus, decent work is both affordable and feasible and can be the objective of a coherent, comprehensive policy encompassing “rights, social dialogue and social protection on the one hand, and employment and enterprise on the other”. These economic and social goals have been promoted successfully by successive governments in an integrated fashion and through interwoven measures over many years, with consensual support from the social partners.

Third, employment creation is the most fundamental and most critical of the pillars of decent work. It is only appropriate, therefore, to underline that macroeconomic success and enterprise development are the primary determinants of employment growth, especially if the pertinent policies are the result of meaningful social dialogue. In turn, employment contributes decisively to the realization of the other ingredients of decent work with multiple positive effects. For these reasons, the ILO, governments and enterprises should give the highest priority to job creation whilst the workers and their organizations should respond with intensified efforts and appropriate attitudes at the workplace so as to make the economic dividend of decent work a reality.

Finally, coming from a country where tripartism and social dialogue are widely prevalent, I cannot but stress the importance of dialogue, both as a component of the decent work agenda and also as a catalyst for the realization of its other objectives. However, since social dialogue cannot be meaningful without strong organizations of employers and workers, the ILO is called upon to continue and to expand its assistance in building such organizations, as and where it is needed.

In closing, I wish, on behalf of the employers of Cyprus, whom I am honoured to represent at this session of the Conference, to congratulate the President both on her election and on her successful guidance of this session of the Conference.

Mr. AMPIAH (*Employers' delegate, Ghana*) — First, let me congratulate the President on her election to this most important post. I am hopeful that under her leadership we will be able to bring the work of this Conference to a successful conclusion.

It is my pleasure to stand here on behalf of the Ghana Employers' Association to speak on a topic — decent work — which no doubt is one of the most important and pressing issues facing workers, employers and governments today.

In this regard, I would like to extend my sincerest gratitude to the Director-General for showing vision and presenting to this Conference such an invaluable and thought-provoking Report on the subject for our discussion and debate.

The theme of the Report, *Reducing the decent work deficit: A global challenge*, is as pressing and appropriate today as it was yesterday, and obviously it will be still more pertinent tomorrow. It goes without saying that decent work is a catalyst for enterprise competitiveness, sustainability and wealth creation. Further, decent work gives satisfaction to the worker and promotes social recognition among the workforce while reflecting positively on the macroeconomies of our various countries.

The need for decent work behoves all social partners to take up the discussion of this issue with urgency and to give it the importance it deserves. In order to achieve this, we as social partners have to view the present and the future through the same window. While thinking about and debating decent work, we should note that decency is not an exact science. Its measure varies from person to person and depends upon the level where the individual stands on the social ladder. It equally varies from society to society and from country to country.

I support the conclusion of the Director-General's Report that unemployment creates an unhappy family situation that leads to tension, violence and abuse.

The Report further notes that unemployment negatively impinges on children's education, brings children closer to drugs and crime and subsequently leads to child labour, the worst forms of which we are combating today as a social evil. The question we should ask ourselves today is this: faced with all these spillovers from unemployment, where would the unemployed draw the line between unemployment and decent work? In Africa, not excepting Ghana, where we have chronic low-income economies, the unemployed are basically left on their own, with no social security benefits. The Report is explicit on this fact. Faced with such a bleak situation, one would want to ask whether indecent work is worse than the indecency that unemployment leads to. I have had the opportunity of meeting many unemployed people who have opted to take up what is perceived as indecent work as a means of financial and social survival rather than staying idle and being confronted with the indecency and social evils that unemployment creates.

A first and major step forward towards the provision of a decent standard of living for the large numbers of unemployed people in Africa would be to find them some kind of income-generating employment, even if at the outset such unemployment would seem indecent. We must make it a priority to move our people, indeed our brothers and sisters, our dear ones, from the abject indecency of poverty that is forced upon them as a result of lack of income.

The Director-General's Report buttresses this need by stating that "there is no overstating the priority of job creation. Access to work is the surest way out of poverty, and there are no workers' rights without work". It is noteworthy that this section of the Report did not emphasize decent work. Rather, it emphasized job creation. The question is, what are workers' rights if you are unemployed? The key is access to work.

It is in this vein that I call on this Conference not to allow the philosophy of and aspiration for decent work to cloud the need for job creation. Indeed, job creation is the primary step forward for the provision of a decent living for our people. We need to let the two issues of job creation and decent work complement each other. Africa needs to create jobs if its workforce is to survive.

The issues at stake in this debate are very delicate and complex. And as you are aware, the notice for this Report was so short that it could not be discussed in detail. I would therefore recommend that the Director-General's Report, especially on decent work, be referred to the Governing Body for focused action. This would allow for an in-depth analysis and ensure consensus building and general acceptability of its outcome.

*Original Spanish:* Mr. BONMATI (*Workers' delegate, Spain*) — I would like to start by expressing my satisfaction at the Report that has been submitted by the Director-General to the 89th Session of the International Labour Conference and say how opportune I feel it is. The core idea that the four strategic objectives of decent work should be seen as a whole and interconnected is supremely relevant if we are to reduce, as it says in the Report, the decent work deficit.

I would like to refer very briefly to the implementation in my country of some of these decent work objectives. Start with social dialogue, we deplore the backward-looking reform of the labour market that has been imposed recently by our Government. As regards its form, a process of autonomous discussion between unions and business has been abolished, through the imposition of standards which basically reflect the wishes of the employers. As regards its content, it leaves unresolved once more the problem of the abusive use of temporary contracts. In fact, last year 91 of every 100 labour contracts were of a temporary nature. It also introduces a step backwards in the regulation of part-time work, failing to comply with earlier agreements concluded with the unions and, indeed, it constitutes less protection for workers which is contrary to the European Directive in this area.

Another area is collective bargaining. While Spain has ratified the ILO Labour Relations (Public Service) Convention, 1978 (No. 151), and our laws recognize the right to freedom of association for civil servants, in the public administration in Spain we still do not have true and effective collective bargaining. The most deplorable consequence of this practice has been the Government's failure to comply with the more recent agreements signed between the unions and the previous administration, which has actually led to a complaint being lodged with the ILO by the unions. The ILO issued a recommendation to the Spanish Government which, among other things, calls on it to have recourse to true collective bargaining in order to establish the working conditions of its public officials. This infringement was also recognized recently in a high court ruling.

Consensus between the social partners in my country which, has given very positive results in the area of labour relations since the start of the political transition, now runs a real risk of deteriorating considerably. The Government is making no attempt to hide through any type of ministerial declaration, its intention to change this scheme, weakening, among other things, collective bargaining in order to boost, directly or indirectly, customized labour relations.

In the area of social protection, half of all unemployed workers still have no protection, and the recent agreement on pensions, which my union has rejected, overrides earlier commitments relating to the increase of the public funding of social security with other economic policy priorities.

The way in which the agreement was negotiated, and some of its content, seriously jeopardizes the broad social and political consensus that greeted the 1995 Pact of Toledo on the future of social security.

Going back to the core idea of the Report, that the objectives of decent work must be seen as a whole, I would also like to highlight that these aims need to be closely linked to fundamental human rights. I feel duty-bound to raise an issue which is very close to the heart of Spanish unionism, namely the rights of migrant workers. This is an issue which is actually going to be discussed by the Committee on the Application of Standards. My union has lodged a complaint with the Committee on Freedom of Association against our Government for the violation of basic union rights and freedoms with respect to illegal foreign workers in Spain.

Allow me to conclude, by drawing your attention to one of the most painful issues for the global trade union movement. Irrespective of the conclusions of the report presented by the representative of the Director-General, the situation of workers and union members in Colombia, I believe, merits a commission of inquiry to establish on the ground the truth concerning the violations, the murders, the putting into question of freedom of association and the human rights abuses, and its conclusions and recommendations should be scrutinized by the international community.

*Original Spanish: Mr. DAER (Workers' delegate, Argentina)* — I should like to congratulate the President on behalf of my delegation on her election to the 89th Session of the Conference where we have already witnessed the skill of her leadership.

Decent work, once again, is the central theme of the Director-General's Report. Work and equal opportunities, freedom of choice and social equity are the most important goals which society must aim for. This, however, is a reality for the precious few and a Utopia for the large majority of workers.

The twenty-first century has inherited from the twentieth century a neo-liberal model that places economic and financial interests above people. In South American countries, with stagnant growth and the overwhelming demands of foreign creditors, work has become a luxury item to which very few can accede. The globalization of the economy, markets and new technologies has led to a definitive loss of jobs, the disappearance of industries, and serious imbalances between our exports whose entry into developed countries is restricted by rigid protectionist policies and the imports flooding our regional markets.

Economic instability, generated by the burden of debt and treatment by creditor countries and financial institutions, not only has a negative effect on the population and work but also constitutes a serious threat for human rights, democracy and social stability.

Education, health, and social security are no longer priorities for our governments. By concentrating solely on making profits for their shareholders, transnational enterprises have ignored their social function, refusing to implement programmes for investment and development which would guarantee decent work in our countries.

As the Director-General has said, faced with this harsh reality, we must demand policies giving us access to decent work, not just any type of work.

Argentina's General Confederation of Labour (CGT) will not accept that, under the pretext of competition or so-called modernism, employment becomes more precarious, that our meagre salaries are reduced yet again and that the social devaluation which all Argentinian workers suffer gets worse.

Policies fostering investment and growth must include a social dimension and the right of unions to participate in their creation and implementation.

This Conference is the appropriate place to call upon our Government to abandon policies imposed unilaterally and to begin social dialogue, both tripartite and authentic, without pressure or conditions, to build consensus on a legitimate and solid basis, to implement policies which will get Argentina once and for all out of the crisis and deadlock in which we find ourselves.

We are convinced that this is the only way forward, and this today is the focus of our struggle.

*Mr. ZIMBA (Minister of Labour and Social Security, Zambia)* — On behalf of the Zambian delegation, and indeed on my own behalf, allow me to congratulate the President and all the Officers on their unanimous election to steer the deliberations of this Conference.

May I, like those speakers who have spoken before me, also congratulate the Director-General for his Report and discourse on the all-important issue of work.

Whilst acknowledging the four strategic objectives of the ILO, namely standards and fundamental principles and rights at work employment, social protection and social dialogue, we consider that work and employment rank first among equals. Admittedly, in order for that work to be decent, the other components — equity, social protection and dignity — must be in place.

My delegation welcomes the focus of the Director-General's Report on decent work. We consider this subject dear, particularly in our quest to alleviate the poverty that currently bedevils a large part of our population.

It is a truism that access to work is the surest way out of poverty. It is regrettable that the issue of work is not given the central place that it deserves by the Bretton Woods institutions in their poverty-reduction strategies. The significance of work for sustaining life and meeting basic needs cannot be overemphasized. I therefore implore the ILO to use its influence on other international institutions to bring them to regard work as central in the fight against poverty and social exclusion, and to build strategic alliances with other United Nations agencies and the Bretton

Woods institutions, so as to harmonize and integrate strategies for employment growth and poverty reduction.

Employment creation should be elevated to the status of an objective rather than being viewed as the result of economic development.

Over the last few years, our formal employment level in Zambia has fallen, among other things because of the ongoing restructuring programme. On the other hand, the labour force has continued to grow, resulting in many of our people finding solace only in an expanding informal sector. This sector, however, is characterized by poor working conditions, insecurity, occupational hazards, and minimum dignity. This situation has exacerbated the deficit of decent work.

The Government is not oblivious to its responsibility to create an environment in which employment opportunities must grow, and no effort will be spared to create such an environment. However, we need the support of the ILO, and indeed of the other international institutions.

Zambia is grateful for participating in the Jobs for Africa programme. A great amount of work has been accomplished in terms of sensitization. We look forward to continued participation in this programme to complement our own efforts to create an environment for job creation by integrating economic and social policies.

The stimulation of job creation in the small and medium-sized enterprises or through self-employment in cooperatives are avenues that should be seriously explored.

The cooperative window in particular is one area that can, and should, be promoted, because of its comparative advantage in creating self-employment opportunities, improving working and living conditions, and generally contributing to reducing the work deficit.

My delegation is happy that the issue of cooperatives is being discussed at this Conference. I trust the discussion will focus on what the cooperative movement can do in the face of the work deficit.

In Zambia, a new cooperative law was put in place not so long ago. It is designed to give new impetus to the promotion of viable cooperatives.

The decent work agenda is a noble cause, requiring the full support and participation of all of us, as it is a shared expectation of citizens throughout the world to reduce the work deficit and to develop strategies that will give everyone the chance and opportunity to find productive and rewarding work.

The Agenda also requires the collaboration of other international institutions, so as to work in a concert and achieve policy coherence for the general good.

Social protection is a topical issue at this Conference. My delegation looks forward to the outcome of these deliberations. Following a decision taken in 1993 to reform the social security system in Zambia, we have successfully transformed the National Provident Fund into a national pension scheme, improved the level of benefits provided by various social security schemes and improved the efficiency of the benefit deficit delivery system. Although a lot of progress has been achieved in this area of social security reform, a lot more needs to be done in the following areas. Firstly, social security coverage should be extended to the informal sector and others; secondly,

we need to establish a health insurance scheme. These matters are a challenge for the Government and will require a lot of studies and consultations prior to implementation. I trust that we shall benefit greatly from the deliberations of the Conference to find the way forward.

On occupational safety and health, generally and as it relates to the agricultural sector, I wish to say that my delegation is fully behind the resolve to make all work safe for workers. Work-related injuries and diseases impede development. Not only do they inflict harm on the individual, but they seriously affect productivity. We look forward to the conclusion of discussions started last year to adopt a standard on occupational safety and health in the agricultural industry.

In concluding my remarks, let me thank you for giving me the opportunity to address the Conference.

Mr. MAGAYA (*Minister of Labour and Administration Reform, Sudan*) — On behalf of my delegation and myself, allow me to congratulate The President on her election to preside over the 89th Session of the International Labour Conference. I am sure that with her wisdom and experience, we will reach fruitful conclusions.

At the outset, I would like to commend the Director-General for his highly refined and inspiring Report, *Reducing the decent work deficit: A global challenge*. Two years have passed since the Director-General proposed the notion of decent work, on which the strategic objectives of the ILO were designed.

In this connection, the four strategic objectives are still valid. It is an equally relevant and practical policy agenda for all member States, as the Director-General rightly states in his Report.

Taking stock of what has been achieved during the preceding biennium within the context of decent work and the strategic objectives, along with the InFocus programmes, it is evident that clear progress has been made. Nevertheless, much remains to be done, especially for those regions which are badly in need of the services of the ILO, particularly programmes and activities of the African region.

Looking at the work implemented or under way by the ILO in the African region, and taking into consideration the conclusions of the African tripartite Labour and Social Commission that annually convenes, one is tempted to mention some of the salient issues that need special focus from the ILO regarding the African situation.

Important among these are:

First, promotion of employment, training and human resources development; and the extension of the Jobs for Africa project, and the development of both micro-finance and labour-intensive projects. The ILO is urged to take initiatives to find ways and means to expand the scope of social security systems suited to the African situation, along with other initiatives to extend the coverage of the existing systems.

Secondly, the ILO is called upon to exert more effort to combat the negative effects of AIDS and malaria in the workplace in the most affected regions.

Thirdly, there is an urgent need to strengthen the multidisciplinary teams in the African regions which will enable them to render their services in the best possible manner.

Having said that, we would like to shed some light on recent political and social developments relating to the achievement of decent work in Sudan.

First, within an environment of political liberties and the prevalence of a multi-party system, last year Sudan witnessed the general elections for both the presidency and the national assembly. These elections were observed by international and regional agencies. In his statement before the National Council, the President pledged, "To eliminate poverty, improve per capita income, living conditions and social security, combat unemployment and epidemics, so that social justice will be the twin of political and economic freedom, in order to render the social dimension the most important objective of economic development."

Secondly, for tackling the problem of the unemployment of graduates, the Government created a revolving fund to provide them with loans to establish self-employment projects. Likewise, a special fund was established for providing similar funding to workers affected by the implementation of the Government's Privatization Programme.

Thirdly, for the last two months workers' organizations have been engaged in trade union elections covering all trade union levels, from primary basic organizations to federal trade unions. Those elections were conducted under the supervision of independent committees from the judiciary.

Fourthly, a draft strategy for the eradication of poverty is under way in the context of the executive plan for the implementation of the economic programme of the second presidential mandate.

Fifthly, the Council of Ministers passed a resolution for the ratification of the Minimum Age Convention, 1973 (No. 138) and the Worst Forms of Child Labour Convention, 1999 (No. 182).

Sixthly, the 1992 Trade Unions Law was replaced by the Trade Union Act of 2000, securing both the protection of workers and freedom of trade unions, fostering their strength in compliance with the ILO standards in this respect.

Our endeavours to attain our objectives towards social development and decent work are hampered by a protracted civil war in the southern part of the country. These issues appear on the top of the State's agenda in order to guarantee the country's security, unity, territorial integrity, the safety of its citizens and the rebuilding of everything that has been destroyed by the civil war.

We are striving very hard to achieve a political settlement of the conflict within the context of regional or bilateral initiatives, along with national initiatives to resolve the conflict from within. At the same time the Government is launching a development programme to rehabilitate the social infrastructure and satisfy the basic needs of people in secure areas in the southern region.

Here, we call for the international community to support initiatives to achieve peace and stability. We look forward to further efforts and assistance for rehabilitation, reconstruction and social development. The ILO technical cooperation is greatly needed to develop appropriate programmes which serve this purpose.

Finally, I hope that the programmes and budget of the forthcoming biennium will achieve tangible results towards decent work.

I also wish this session of the Conference every success in its deliberations.

Mr. ANALYTIS (*Employers' delegate, Greece*) — I would like first to congratulate the President on her

election to preside over this session of the Conference, and the Director-General for an excellent and inspired Report on an issue that is of interest to all sectors of society throughout the world.

Whatever meaning we attribute to work we all more or less agree that work is a necessary activity. It has always been vital for the survival and progress of society. Nowadays, work is central to people's lives. We earn our living with work, it provides an important context for social interaction and for the social construction of the wider world. It signifies self-respect and even psychological health. The best way, of course, to consider the value of work is by examining the consequences of unemployment for millions and millions of women and men.

Today we are living in a new era: that of globalization and technological change. The process of globalization is creating a world which is fundamentally different from the earlier post-war period. There is a great deal of dispute and criticism about the consequences of globalization as is pointed out in the Report of the Director-General. Nevertheless, no one, whether in favour or against can deny that globalization is a major challenge. If we take the positive side, and that is the side I take now, it is a force whose benefits include rising wages, more and better jobs and wider opportunities to enjoy material goods as well as an improved quality of life.

In order to support this positive side, I would earnestly emphasize the Director-General's suggestion that achieving greater opportunities of decent work for all is an appropriate goal for the global economy and this is a role that the ILO, thanks to its history and its position in the world, may well play.

In this new era, national governments, business, employers' and employees' organizations face two challenges.

The first concerns the reduction of unemployment, which in many respects depends on the ability of the economy to create new jobs. We need an economic environment which fosters investment. It is only by economic development and the strengthening of competitiveness that new jobs can be created and sustained.

The second challenge concerns our ability to ensure decent work.

As the Director-General in his thorough Report suggests, decent work is about having a job with future prospects, about safe working conditions, about balancing work and family life, about being employable, about having self-respect and about many other things. But above all, I would argue, decent work is about the quality of people's lives in general.

It is interesting to note that in the European Union nowadays the term "quality in work" is central in the debates of policy-makers and I believe that it coincides with the term "decent" as we are discussing it here today.

The focus of European policies will be the promotion of quality as the driving force for a thriving economy, more and better jobs and an inclusive society, and this means an economy based on knowledge.

However, in order to achieve a competitive and dynamic knowledge-based economy the workforce should work in an environment of decency and quality, otherwise the knowledge-based economy cannot be created and cannot be managed.

This implies ensuring affordable access to the tools of the information society and information technol-

ogy literacy training to meet people's needs. Failure to tackle these issues could lead to the widening of social and economic disparities within the Union. The development of men and women in work, in particular by upgrading skills and extending life-long learning, is crucial in the knowledge-based economy. In addition, equal access to top education and training is of utmost importance in providing people with real opportunities in order to prepare for rapidly changing working conditions and the requirements of the knowledge-based economy.

Another issue related to this context is the development and strengthening of social dialogue. In the world of work it allows the development and implementation of social policies, it improves their relevance and facilitates their implementation. In addition, it promotes the quality of industrial relations that is a necessary factor for the creation and maintenance of decent work.

Last, but not least, I would like to mention corporate social responsibility as an added value to decent work and as an idea that is more and more included and implemented in business strategies today.

I would like to conclude this address by emphasizing once more the utmost importance that education, training and life-long learning play in productive levels, wages and thus living standards in so far as they make it easier for the economy to adapt and adjust to the challenges of rapid technological progress and increased international integration. And this is true for all areas of the world, independent of the economic, social or technological level they enjoy.

*Original French: Mr. TOU (Minister of Employment, Labour and Social Security, Burkina Faso) — It is a great honour for me to take the floor before the great family of the world of work that is represented by the International Labour Organization. Firstly, on behalf of the delegation of Burkina Faso and on my own behalf, I should like to congratulate the President and the Officers of the Conference on their election. I should also like to congratulate the Director-General of the International Labour Organization on the excellence and wisdom of his Report which has given us the opportunity to think about "how decent work could become a national reality in a globalized economy".*

The session which brings us together every year is an opportunity to take stock of the work of our Organization and of the work we can continue to do together in future so that together we can build a better world for the happiness and prosperity of all.

The Report which has been submitted to us reflects the concerns of the international community and at the same time defends the ideals of our Organization.

The concerns of the international community include poverty reduction, redress of inequality and equitable distribution of the fruits of growth.

The future of work, employment and social protection in the world economy undoubtedly constitutes a major challenge at the beginning of our millennium. Changes in our economies, societies and technologies over recent years profoundly affect work, employment and systems of social protection and we must urgently work out how to respond to these changes.

It is in this spirit that Burkina Faso wishes to join with other member States in proposing solutions to improve the future of the world of work. This is why my country wholeheartedly supports the major policy

guidelines in the Report for the work of our Organization in the years to come.

Although globalization may bring prosperity, it can also create inequalities which put our collective responsibility to the test and this is why institutions and policies should be made to promote economic prosperity for all.

Burkina Faso believes that work is an essential attribute of human dignity. This is why, in our opinion, it is important to reorganize and readjust the current economic structures so that we can find a balance between the needs of development, which should not be exclusively economic, but also include, above all, labour law and the right to work for all.

It is to achieve this goal that the ILO has established strategic objectives in the areas of fundamental principles and rights at work, employment, social protection and social dialogue.

On the issue of fundamental principles and rights at work, Burkina Faso is proud to be one of the countries which has ratified all the core Conventions of the ILO. In this way my country affirms its will to honour its commitments as a member State of the ILO involved in technical cooperation and hopes that the application of the core Conventions will help us to establish a climate favourable to our economic and social development. This cooperation, launched in Ouagadougou, in December 2000, will make it possible to assess the level of application of basic standards, identify obstacles to their application and draw up a plan of action to improve implementation. The Government of Burkina Faso firmly believes that the effective implementation of these instruments will improve the social and economic development of our country.

In the area of employment, we have, following consultation, developed a nationwide strategy to resolve the problems which we encounter. This strategy is promulgated in a bill of law on promotion of employment and training. The Government is preparing target-oriented action plans to ensure that this bill is successfully implemented once it becomes law.

Now on the subject of social protection, we are working to finalize the second reading of the Labour Code and the Social Security Code in order to provide a legal and regulatory framework which will favour the promotion of the world of work and investments. We are also working to plan and implement an improved national policy on social security focusing on the need to extend social coverage to the various players in the life of our country and a cohesive national policy on occupational safety and health. These are the major current concerns of our Government.

As for social dialogue, Burkina Faso has opted for ongoing dialogue between the social partners. Faithful to our international commitments which we undertook by ratifying the Freedom of Association and Protection of the Right to Organize Convention, 1948 (No. 87), and the Right to Organise and Collective Bargaining Convention, 1949 (No. 98), the Government has established a legal framework for the exercise of these rights.

The Government is also aware that only social peace can bring stability and social development and therefore has joined the Programme for the Development of Social Dialogue in French-speaking Africa (PRODIAF) which assists us in our efforts to maintain and promote social peace.

Whilst each State has to find its own solutions to promote decent work, it is not enough for each State to work in isolation to achieve this major goal without the technical and financial support of the international community. This is why I call upon our common house to intensify its work to help countries, particularly the least developed countries, in their path towards development. In this connection, the Government of Burkina Faso lends its wholehearted support to the recommendation of the Governing Body on the Programme and Budget for 2002-03.

I hope that the ILO, which is our Organization, will always take up the social challenge which historically belongs to it and that through our discussions we can contribute to the cause of justice and social peace for the development of the whole of mankind.

*Original Spanish:* Mr. ALCANTUD (*representative, International Confederation of Executive Staff*) — On behalf of the International Confederation of Executive Staff (ICES) that I have the honour to represent at this session, permit me first of all to congratulate the President on her election to lead the work of this 89th Session of the International Labour Conference and to wish her full success.

It is a great pleasure to speak on behalf of the ICES, as its vice-president, and as president of the Spanish Confederation of Executive staff. This clearly shows the consolidation of the young Spanish union movement.

I would also like to refer to the Report of Mr. Somavia, *Reducing the decent work deficit: A global challenge*, and to congratulate those who have worked in producing it. It is a very good document.

On behalf of the ICES, I would like to address some of the points raised. The first relates to the responsibility of governments to create favourable conditions to reduce the decent work deficit. What is required is a real political will to meet the needs and hopes of people at work and to enable them to live by the fruit of their labour in humane and worthy conditions. This means that professional organizations must be involved in defining and drafting social policies at the appropriate levels within the country, and there must be institutional mechanisms for dialogue at those levels. The independence of professional organizations needs to be guaranteed, and lastly, the necessary measures have to be taken to guarantee the effective enjoyment of freedom of association, union rights, the right to organize and the right to collective bargaining, thus fostering expression by the greatest possible number of workers, with respect for the basic rules which apply in any democracy.

This leads me to the second point which I would like to address — putting the economy at the service of man. The Report of the Director-General outlines four challenges which need to be dealt with if decent work is to become a reality. It must be affordable, universal, coherent and compatible with globalization. Now, in our view it is no doubt necessary to add a fifth challenge, that of the equitable allocation of wealth between the four components of decent work, namely labour, capital, the enterprise and the State — labour and capital for obvious reasons, the enterprise because it is the enterprise which creates wealth, by bringing together capital and labour, and the State because it creates collective wealth by organizing society.

The third point relates to putting finance at the service of the economy and development. The Report

addresses the question of social progress and economic globalization, underlining that over the last few years we have seen mentalities change and that the international community not only recognizes the need to give globalization a social aspect, but also the possibility to do so.

However, over the last few years, we have seen a new trend; finance is no longer at the service of industry (and therefore the economy as a whole); quite the opposite. The concept of decent work and with it the objective of lasting and sustainable social progress must take into account this new development and find its place within globalization. We should remember that it should be capital which serves the purposes of the economy, and not vice versa. When the reverse is true the effect is not harmless; it results in such phenomena as tax havens, tax-free zones and multilateral investment agreements.

Finally, having touched on these important points in the Report of the Director-General, allow me this year to address one of the fundamental conditions for things to evolve as we would like. I am talking about the ability of senior managers to express themselves and exercise their right to organize, either within general trade unions or in specific ones. Everybody can understand that the most important part of productive capital is human capital, and senior management and their views have a strategic role to play in this sense.

As my predecessors have done on previous occasions at the Conference, I would like to say once again from this rostrum that in a large number of countries, including countries which are among the most developed in the world such as the United States or Canada, or some member States of the European Union such as Belgium, Austria and indeed Spain, the two fundamental principles of the ILO for working men and women throughout the world, namely freedom of association and the right to collective bargaining are not legally applicable to the most skilled group of workers, senior management. This is a question that my organization, the ICES, will raise time and again in the ILO until a solution is found.

I would like to thank you once again for permitting me to express these points before the plenary of this Organization and I offer you once again my wishes for the full success of your work.

*Original Spanish:* Mr. DE MENDIGUREN (*Employers' delegate, Argentina*) — I am particularly happy to be able to address this assembly as the employers' delegate of my country, and first of all would like to congratulate the President on her election. I should also like to say what an honour it is for Argentine employers that our member of the Governing Body has been appointed Chairperson of the Employers' group. This recognition by the community of international employers is a distinction we value greatly.

The Director-General has put before us the challenge of reducing the decent work deficit. I cannot but confirm that the Argentine employers are committed to growth and to sustainable development with social progress. Speaking as the President of the Argentine Industrial Union and as an employer totally committed to my country, I cannot conceive of anything other than decent employment.

In this context the only possible approach is one which involves high added value so that we may

generate employment — qualified, stable and well-paid employment. We want to have the type of society which values its people and it is imperative that there are appropriate labour conditions for personal development.

For this reason we condemn the existence of virtual slave labour in countries which then compete unfairly with their products in our markets, without respecting fundamental principles and rights at work.

We are convinced of the importance of the solemn Declaration which was agreed to by this forum in 1998. We subscribe to its content and its values. Argentina has a high level of ratification of ILO standards, in particular all those linked to human dignity, which were reflected in the Declaration.

This is why in this labour forum, on the basis of a consensus between the public sector, the workers and employers, we must work together to reach agreements which will make it possible for enterprises to grow, reflecting the social role of capital and preserving the human and economic value of work in all societies. The tripartite nature of the ILO is the maximum manifestation of such dialogue at the international level.

Allow me for a moment to try to place my own country in the international context. Argentina is suffering a serious economic depression and to come out of it the old solutions are not good enough. Our Government has diagnosed the situation very clearly and we agree with its diagnosis. We have a problem of competitiveness: we are an expensive country which makes it difficult for us to export and tends to attract imports that replace local production. In this way, of course, we lose opportunities for investment in the productive sectors of our economy. This is why it is absolutely essential to reactivate our production system in order to solve once and for all our fiscal and labour deficit.

Our Government is realistic and recognizes that the overvaluing of our currency did not have the same impact on all sectors. Lastly, the reduction in distorting taxation, and other measures intended to improve the competitive situation will be continued on a selective basis with priority being given to the most affected sectors.

We have also been implementing a customs policy which will partly compensate for the appreciation of the dollar and the distortions in domestic costs and prices which have discriminated against our sectors of production.

We are currently witnessing a new attitude by the State in dealing with economic problems, giving particular attention to sectoral and micro-economic realities. For these reasons we welcome with enthusiasm the signature of the competitiveness agreements between our national government, the provincial governments, the employers and the workers in all sectors. These national agreements will, we hope, make it possible for these sectors to become competitive again and, even more importantly, will restore the confidence necessary for renewed growth. In keeping with this new diagnosis and this new attitude, the Argentine employers are convinced that we must pursue an economic development strategy, which will include a long-term national project, which stresses the importance of production growth and national labour, so as to advance in four fundamental areas:

- improve the real rate of exchange, not based on the deflation of industrial prices or of wages;

- reshape our fiscal structure, doing away with current distortions which discriminate against production, consumption and employment;
- restore the role of the financial system as the real bond between savings and the funding of production, marketing and investment;
- implement a proper safety net of social protection against unemployment, because this not only addresses a socially urgent matter, but it serves to reactivate the domestic market.

Today, more than ever, we must work towards consensus based on mutual trust between politicians, employers and workers. The experience of the developed countries shows that only if we have a truly consolidated country will we be able to integrate ourselves successfully into the world at large.

A new development model will be the instrument for Argentina to be able to go back to being a country with job opportunities for all its citizens and with a level of social dignity based on qualified employment and on opportunities for progress within our country.

*Original Spanish: Mr. HERBACH (representative, Latin American Central of Workers) — On behalf of the Latin American Central of Workers (CLAT) and its 25 affiliated member workers, whom I have the honour to represent, and on behalf, also, of the Independent Central of Chilean Workers (CATC), I would like to extend our greetings to the 89th Session of the Conference.*

The central issues which this Conference is addressing are of priority for CLAT. The health and safety standards in agriculture are constantly flouted in Latin America and the Caribbean. Pesticides and insecticides, which affect the health of workers in particular are used.

There is the unsustainable use of natural resources and native forests affecting the ecosystem and the environment simply to promote increased productivity and the wild rules of the free market.

The promotion of the cooperative movement is also another key issue for us. CLAT has, as one of its members, the Latin American Confederation of Workers' Cooperatives and Mutual Societies (COLACOT), which was founded on 1 June 1975 in Caracas, and which has a genuine alternative approach to the globalizing economic model of neo-liberalism. COLACOT has always advocated an economic model of serving the interests of people and their development. Self-management puts better participation, better services, greater welfare, greater equity before the pursuit of profit and individual interests.

Social security is another key issue. What concerns us is that many countries have been developing the so-called Chilean model and we are not proud of this as this model was a huge disappointment for Chilean workers. What we workers want is something very simple. We want a social security system which protects workers and their families. Put simply, we want a comprehensive, universal social security system based on solidarity.

An important issue for CLAT and the World Confederation of Labour (WCL) is the application of the basic ILO Conventions throughout the world. Chile has not respected freedom of association. There is a labour legislation in Chile which runs fully counter to the Freedom of Association and Protection of the

Right to Organise Convention, 1948 (No. 87), and the Right to Organise and Collective Bargaining Convention, 1949 (No. 98), and freedom of association is not allowed unless under the control of state bodies, whose requirements are almost impossible to meet. The State of Chile is not in compliance with the freedom of association or collective bargaining, in that it carries out anti-union activities on a wide scale.

The Autonomous Confederation of Workers (CAT), based on Conventions which were ratified by the Government of Chile in 1999, presented all the documents over a year ago to guarantee the recognition of this legal status. It also included statutes and binding documents from more than 170 genuine organizations with the signature of current union leaders. Up until now we have not received a specific or satisfactory answer to our request.

Furthermore, we should also denounce the inhumane persecution which has been carried out in private and private-housed enterprise in Chile against union members, particularly during the process of collective bargaining. We deeply regret the death of workers during strikes. The ILO should take into account this sad state of affairs, which is only too common in Latin America.

We would ask for a greater commitment from our governments to take steps to ensure that these violations do not happen again.

The CAT from Chile would appeal to the ILO through the CLAT, to ensure that our legal status can be established as for any other legitimate workers' organization in my country, and we hope that the ILO can still continue to be the best forum for the defence of human and labour rights throughout the world.

Finally, I would like to say that the CLAT is facing three fundamental challenges at the moment. Firstly, the fight against social injustice. Latin America is the most inequitable continent in the world. We would therefore demand decent work for all, decent wages, social security based on solidarity, full education and training for work, respect for human and labour rights, the cancellation of foreign debt and the payment of social debt.

We believe, and we sincerely hope, that creditor nations will cancel our countries' foreign debt, recognizing it as immoral and seeing that, despite the fact that we are working more, we are growing poorer every day.

Secondly, we do not want absolute free trade without any regulation by States. There should be democratic checks and social, labour, environmental and moral standards. We are fighting for genuine democracy, social justice and solidarity.

Thirdly, our commitment to combating increasing social marginalization and the collapse of peoples and nations, and we also want to see the full legal status of union organizations, social and political organizations working together with States, workers and employers. We reiterate the need to pull together at national, continental and global level to defend the rights and interests of workers and to work together for a new world where we can live in freedom, justice, democracy and peace.

Mr. OSHIOMHOLE (*Workers' delegate, Nigeria*) — Let me start by adding the voice of the Nigerian Congress to those who have congratulated the President on her election to chair this 89th Session of the International Labour Conference.

I also think it is fitting that we commend the Director-General and his team for preparing what we consider to be a very lucid and focused document, which has proved very valuable in guiding all of us in the course of our work at this session of the Conference.

The theme of the Director-General's Report, *Reducing the decent work deficit: A global challenge*, provides a very useful insight into the challenges before us in the world of work, in the era of the sweeping effects of globalization. With the way globalization is progressing there is indeed a real danger, to use the words of the President of this session of the Conference, that "poverty, disease, ignorance and disunity [will] remain unresolved and intractable", particularly in sub-Saharan Africa. Without a corresponding infrastructural base, we in Africa are expected to open up our economies to unrestrained competition with the attendant consequences for our local industries.

The ugly side of globalization in sub-Saharan Africa is being unmasked not only through such well-documented negative social practices like outsourcing, casualization, contracting out of once stable and sustainable jobs, etc. In the name of re-engineering or restructuring, we have seen big corporations and big multinationals placing corporations in an advantageous position to compete nationally and globally, we have witnessed a resurgence of practices and policies which seek to reverse the hard-won rights that we have enjoyed over the years. Indeed, globalization has triggered a race to the bottom and in our view it is increasing the deficit in the world of work.

In Nigeria, we are currently contending with some obnoxious policies of this sort. We have big companies, such as First Bank, one of the leading banks with over 100 years' business in Nigeria, which recently made a policy to outlaw trade unionism in the bank. In addition, it decided to prohibit the employment of couples and one person in each couple already employed was faced with resignation.

This is not only an assault on the right to belong to trade unions and of course on the Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87), the policy also tried to reverse all the gains in the area of family rights and gender equity.

It is our conviction that the ILO must continue to play the role of the social conscience of the United Nations system by remaining steadfast in championing the cause of a decent world of work. The ILO should therefore be wary of such internationalized institutions whose policies have historically brought more anguish and mass poverty for the working people, particularly in developing countries. This is the context that we see for the poverty reduction strategy documents of the Bretton Woods institutions. We fear that this is a renewed attempt to recycle the failed structural adjustment programmes, which after two decades of implementation in sub-Saharan Africa have the dubious distinction of doubling the number of least developed countries rather than reducing them.

We are of the view that employment and job-creation strategies should continue to attract the attention and input of the ILO. Without employment for millions of our young people and able-bodied men and women, we cannot hope to guarantee social peace.

We in the Nigerian labour movement recognize the urgent need for an employment-generation and job-promotion strategy that is inclusive of all the social partners in conceptualizing. We are therefore working in concert with our social partners to convene a summit in the next couple of months. We hope to engage the other social partners on ways of evolving an enabling environment for sustainable job creation. For us, wealth and job creation are preferred options to poverty alleviation.

On social security we are working within the framework of the tripartite Nigeria Social Insurance Trust Fund to improve the quality of delivery of existing social security provisions, at present limited to the private sector of the economy. We are currently preoccupied with expanding the scope of coverage. We hope that ultimately the scheme will form the nucleus of a universal social security system that will cover all sectors of the economy, including the unemployed.

We are following very keenly the discussions of the Social Security Committee and we hope to utilize the rich outcome of the deliberations in focusing on our own scheme in Nigeria.

*Original Russian: Mr. SHCHERBAKOV (Representative, General Confederation of Trade Unions) —* Firstly, I should like to congratulate the President on her election and wish her every success in her work.

This session of the International Labour Conference is historic, for it represents a new stage in the work of the ILO in the third millennium. This is why the Director-General's Report sets such major tasks for the ILO and its tripartite members, tasks that require special attention in the difficult conditions of today's world.

Globalization of the world economy, accompanied by the liberalization of international trade, has created new conditions for the world of labour. Today we need a new approach to labour relations, social protection, full productive employment, protection of worker's basic rights and interests, gender equality, in other words all that is included in the concept of decent work. We believe that the Organization has successfully and accurately defined this major task before the world community.

We wholeheartedly agree with the thesis in the Report of the Director-General that resolution of the problems connected with internationalization of the economy must be closely connected with the social dimension if decent work is to be guaranteed. Globalization is indeed a genuine phenomenon of our times, as our trade unions understand. However, the forms which this globalization takes place depend on people, and we must bring our influence to bear.

I would like to draw your attention to the document developed in 1993 entitled "The ILO on the threshold of the twenty-first century". This enshrines many of the principles which the ILO has now adopted modernizing its policy and activities, particularly the unconditional guarantee of worker's fundamental rights that is at the core of the decent work concept. This means the right to freedom of association and collective bargaining, the fight against discrimination, the elimination of forced labour and child labour and gender equality. It is encouraging that many of these points have been reflected in the ILO Declaration on Fundamental Principles and Rights at Work.

We also agree with the Director-General that creating conditions for decent work is a long process which involves overcoming colossal difficulties, particularly because the starting position for each country is different. At global level, success in this process depends not only on the efforts of the ILO and its tripartite constituents and all parties in labour relations. It depends first and foremost on the political will of the leaders of all States of the world, who took upon themselves far-reaching social obligations at the Copenhagen Summit in 1995.

The Director-General's Report includes in its title the key word "deficit". In our region, despite signs of economic growth in all CIS countries for all the social parameters constituting decent work, there is indeed a deficit in progress. Average underemployment for the CIS as a whole is estimated at 12.5 million, or 9.5 per cent of the workforce. Despite the very low level of social protection, the authorities persist in trying to undermine the social legislation. Between 30 and 47 per cent of the population of the CIS lives below the poverty line. There are cases of violations of the rights of workers and trade unions, including the right to organize. Women remain on the fringes of the labour market and account for 60 to 70 per cent of the unemployed.

The General Confederation of Trade Unions, which has consultative status with the ILO, helps its member organizations to work towards the ideal of decent work. We will not be reconciled to the defects and calamities of the transition economies. We believe that today, the trade unions of the CIS States must become actively involved in the economic life of their countries if they are to meet the basic needs of their workers.

The GCTU is bringing together our region's trade unions in order to find ways of alleviating the adverse impact of the transition economy on the workers. To this end, we do all we can to influence the interstate bodies of the CIS. We are determined to ensure strict compliance with international labour standards and the Declaration on Fundamental Principles and Rights at Work have done a great deal to promote ratification of the core conventions of the ILO by all countries of our region and we are happy to announce that they have now been ratified by most of the countries of our region.

The GCTU as the regional CIS trade union association recognized by the ILO, wishes to improve relations with the Moscow Area Office of the International Labour Office. The situation today is, frankly speaking, unsatisfactory. Closer cooperation between the GCTU and the Moscow Area Office would facilitate the implementations of the active partnership policy in our region and the attainment of the goals set out in this Report by the Director-General.

*Original Spanish: Mr. ATANASOF (Representative, Latin American Union of Municipal Workers) —* It is a great source of satisfaction for the organization that I represent, the Latin American Union of Municipal Workers, to be able to speak at the 89th Session of the International Labour Conference as we have done on many occasions in the past.

This session of the Conference, once again, is marked by a wealth of subjects on the agenda. The Follow-up to the ILO Declaration on Fundamental Principles and Rights at Work is crucial and will be at the heart of the ILO Conference in the years to come.

This is simply because over the past decades there has been a substantial change in a globalizing world.

We have seen a wave of globalization: the last one was led by Great Britain in the nineteenth century, this one is driven by the Group of 7 and the application of new technologies, processes and products, the expansion of international trade and the free movement of capital. It is a change in the world that has the potential of increasing productivity at the world level and improving the earnings of the world population.

However, this new wave of globalization has had severe consequences on the world of work, it has led to structural unemployment in the industrialized countries and has dismantled production in economic systems of the Third World because of the uncontrolled impact of free labour and speculative capital. Furthermore, we are seeing the emergence of the unfortunate, but fashionable idea that by protecting the stability of employment, workers' organizations are hampering changes in enterprises.

The ILO Declaration on Fundamental Principles and Rights at Work has been seen in this organization as a necessary initiative to mitigate the negative effects of globalization.

This Declaration makes a great contribution to humankind to ensure that the new world system includes the principles of decent labour. The Follow-up, therefore, to this Declaration has a strategic importance for the ILO and for workers throughout the world.

I would like to focus for a few moments on a central issue in this session of the Conference, which is a cornerstone of the Declaration: social security.

The ILO is a tripartite organization and therefore various opinions on the future of social security are to be heard. On the one hand we see the necessity to protect social security, on the other hand we have the needs of the market economy.

The discussions at this session of the Conference should serve once again to reaffirm the importance of extending social protection to all citizens and reaffirming its universality, guaranteeing the effectiveness of policies and social security plans and meeting society's demand to improve the quality of services as well as meeting the needs of the market.

As the report *Social security — issues, challenges and prospects* said "Social security is a key ingredient of the goal of decent work". Through the universality of social benefits the majority of workers and their families who lack social security at a world level should be protected.

The free movement of capital has led to changes in the ideas of social security but the State should be the ultimate underwriter of the financing of the universality of social benefits.

The regulation of markets linked to social security is still a cornerstone of any policy put forward to strengthen social cohesion.

Workers throughout the world dearly hope that the debate on social security in the ILO will give rise in the near future to a modern convention based on solidarity which will enhance tripartism and the prestige of the ILO throughout the world.

The ILO Declaration on Fundamental Principles and Rights at Work adopted by the Conference in 1998 underlines the importance of counteracting the negative tendencies of globalization through the development of positive social and political trends and strengthening workers' and employers' organizations as well as extending such organizations to the

informal sector of the economy and broadening social collaboration institutions and promoting social dialogue.

Looking at the conditions which prevail in Latin America, those that I have already mentioned in previous addresses to the Conference still exist. I would like to underline the following.

There is a very serious situation with respect to union activity in Colombia, there have been grave violations of union rights and even deaths. We condemn this once again and call on this Organization to adopt the most drastic measures possible to safeguard the physical well-being of the union leaders and ensure their full enjoyment of union rights.

In Venezuela, we are also seeing important blocks being put on union activities through the implementation of mechanisms which serve to hamper their workers and their representation.

In Argentina, the Argentinian Confederation of Municipal Workers (COEMA) has condemned the financial situation that has affected more than 70 per cent of municipal states. Wages are not being paid, or are being paid late and work protection is dropping. As a result of this, union workers are taking action against budget adjustments and restructuring, against unemployment and against the useless effect of the pushing down of wages to try to promote the competitiveness of the Argentinian economy. All this does is worsen the social crisis and undermine Argentinian democracy.

In Brazil, the situation of the municipal workers has worsened as a result of a decrease in wage levels, and a worsening of work conditions, and all of this has been exacerbated by the devaluations of the national currency.

We have also seen the violations of union rights that exist in almost all municipalities of El Salvador.

It is very important that we incorporate social concerns in the agenda for the future. Viable integration requires as a minimum acceptance of the fundamental Conventions if we wish to enforce non-discrimination, the prohibition of forced labour, freedom of association, collective bargaining and the eradication of child labour.

*Original Spanish:* Mr. ARTHUR ERRAZURIZ (*Employers' delegate, Chile*) — First of all, I would like to congratulate the President on her election.

The Director-General's Report challenges us to reduce the decent work deficit. Decent work is defined as our common aspiration to a job with good future prospects and fair working conditions, which allows us to have a proper family life and lets the worker educate his children thereby avoiding them having to engage in child labour; which respects the right of association and collective bargaining, and which gives the worker a fair share of the wealth which he contributes to creating.

This challenge, in these terms, means that we must integrate a whole array of social, educational, health and economic policies which will have to be defined by each country in accordance with the country's situation and its most urgent need.

We feel that the ILO has made a decisive contribution to the promotion of decent work through its normative activities and technical cooperation. The ILO conventions, which are the fruit of tripartite debate, are therefore clearly viable and this has enabled them to inspire the labour legislation of most countries of

the world. Firmly rooted in this tripartite structure, the ILO has guided our legislators towards the improvement of working and training conditions and the full and free exercise of the trade union rights of collective bargaining, which are essential preconditions for decent work.

We are however, concerned that, in spite of this integrated view of decent work, there seems to be a certain divergence between social and economic policies. Policies intended to achieve and maintain macro-economic balances, fiscal stability and inflation control, do not, however, pursue abstract objectives which could hold back social development. Rather, they are formulated for the specific purpose of ensuring greater well-being for people, in other words, promoting decent work.

There is no decent work if our economic policies cannot encourage savings and the investments necessary to ensure job creation.

We do not share the views of those who maintain that every social policy tends to slow down economic development, and we equally reject the arguments of those who feel that changes in the labour area have no impact on the growth of employment.

There is no real divergence between economic and social policies, and we should not talk in terms of giving priority to one or the other. Both are essential elements of the same purpose and must be formulated together in a properly balanced manner.

Amongst the activities to promote decent work, The Director-General emphasizes the whole process of reflection on the future of social security that has now been undertaken by the ILO. In Chile, we changed our social security system 20 years ago. The central criteria of the reform, individual capital-building and private management, were a response to crisis in the pay as you go system which had prevailed up till then, and these changes have, in fact, been adopted in most Latin American countries and a number of central European countries whose traditional systems encountered similar crises.

Twenty years' experience of the new system speak eloquently in favour of how a country can successfully harmonize economic and social policies in order, essential, to improve well-being, in this case that of workers. Indeed, the new Chilean pensions scheme not only ensures better pensions for participants, but also makes a clear contribution to natural economic growth. The old pay as you go scheme suffered a crisis because of an ageing population and because of a structural defect, namely the lack of a proper correlation between contributions and benefits. Since pensions did not depend on the contributions paid in, there was no incentive to save.

This situation was made worse by the fact that there were no individual accounts and State management of the scheme was inefficient. Because of this, and in order to move away from the failed pay as you go system, the new scheme is based on capital-building vary the individual's contributions, which ensures a direct relationship between contributions and benefits and has produced a stable financial base of pensions.

It has also demonstrated the success of the privately managed scheme placed under the supervision of a specialized government body. Twenty years on, investment of the workers' Chilean has achieved returns of 11 per cent per annum in real terms, which means that the pensions paid may be higher than sala-

ries they are replacing. The pensions paid under the new scheme are higher than those of the old scheme even though the larger part of the pensioners' contributions had gone into the old scheme.

Over the past 20 years, workers' Funds in their individual accounts have reached the level of US\$37 million, which is about 54 per cent of the Chilean GDP. These huge resources have been invested in the most active economic sectors of the country, which explains in part the high growth rate which Chile has shown between 1985 and 1998, an average of 7 per cent a year.

Technical studies indicate that a quarter of that new growth is the result of pensions investment. This is an example of new policy integration can achieve successful results in both social and economic terms. Our commitment to reducing the deficit of decent work means that we must stimulate economic growth in order to ensure the creation of new and better jobs. To achieve this, it is important that social and labour policies be discussed within a flexible framework which will make them compatible with stable investment, this is essential for growth.

Job creation and the improvement of working conditions will depend on our ability to harmonize economic and social policies. It will also depend on how well all categories of social partners understand the fact that economic policies must pursue social objectives, and it on a common understanding of the fact that no social improvement can be achieved through strategies that fail to take into account the resulting impact on growth and employment.

*Original Portuguese: Mr. LANÇA (Workers' delegate, Portugal) — I would like to congratulate the President on her election to preside over this session of the Conference.*

On behalf of the Portuguese Workers, CGTP-IN would like to express its appreciation for the quality of the Report of the Director-General, who has placed on the agenda a worldwide challenge to reduce the decent work deficit and present efficient strategies for the promotion of workers' rights and human dignity.

Decent work is a universal human aspiration. People should have the opportunity to find productive work in conditions of freedom, equality, security and dignity. This aspiration has much to do with workers' rights, social dialogue, social protection and economic development. The contributions of the ILO have throughout its history been decisive for human progress in these fields, and we are confident that they will play an important role in the future. The objective of ensuring decent work is far from being unrealistic, risky or even a luxury which would destroy the competitiveness of economies and companies. It is in fact within the reach of our societies. There is a positive relationship between productivity, wages and working conditions. At the same time, job quality and worker participation in the decision-making process have a positive influence on attitudes, motivations and productivity. The Report of the Director-General contains a multitude of examples which underscore the synergy between job quality and the productivity and profitability of the companies, and also between development and the promotion of gender equality.

It is indeed a fact that workers are today victims of the negative consequences of globalization. Instead of giving them and the productive sectors greater

dignity, globalization is placing greater value on capital and the health of financial sectors, resulting in enormous inequalities.

Greater worker participation, job quality, the elimination of precarious employment, a dignified wage and adequate occupational, health, hygiene and safety conditions, proper levels of public social protection and the reduction of the number of hours at work are the social dimensions which we believe are essential for development.

In Portugal, when we try to dignify the worker and place work at a higher level, we are in fact attempting to reduce the deficit of decent work. That is why this year we have joined the social partners in drawing up and signing two agreements to reduce these problems in the spheres of employment, the labour market, education and training. Another agreement is planned for working conditions and occupational safety and health.

We are sure that the objective of promoting decent work can only be achieved if the authorities and the employers assume more responsibility for ensuring decent work, individual progress, gender equality and an improvement in the standard of living of workers.

What is in fact at stake is a human definition of the very concept of development. It is not just a matter of improving consumption and income levels. We also must improve the quality of life of the people, giving them the possibility to realize their dreams and defining valid development objectives applicable to all countries and all workers.

It is also essential to continue the ILO's standard-setting activities so as to translate into practice the objective and the concept of decent work. These challenges are at the centre of our concerns. We must approach them positively so that we can contribute towards a reduction of the decent work deficit which, as in many other cases, is quite a large problem in our country.

Lastly, may I refer to the fact that in the last 25 years, the delegation representing Portuguese workers has always come to this assembly with a subject — that of East Timor. We are very happy that this will be the last time we will speak about this, as at the 90th Session of the Conference we hope to have with us the new delegation of the free, independent and democratic East Timor.

*(The Conference adjourned at 7.30 p.m.)*

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