



## Reply by the Director-General to the discussion of his Report

### 1. Introduction

The President of this year's session of the International Labour Conference, Minister Ray Guevara of the Dominican Republic, well deserves the many expressions of gratitude he has received over the course of the last two weeks. Let me add my own heartfelt congratulations on behalf of the Office for a job well done, with substance, humour and savvy. My acknowledgment also goes to his hard-working Vice-Presidents, Mr. Maatough of the Libyan Arab Jamahiriya for the Government group, Mr. Wade of Senegal for the Employers' group and Mr. Attigbe of Benin for the Workers' group. The job we have asked them to do is demanding and calls for a dedication to the values of our Organization that is exemplary.

I was talking last week to a young, newly appointed Minister attending her first Conference. She symbolized for me a new generation of leaders who will take the ILO into its second century. So I asked what her first impressions were. She replied, "there is a lot going on and you have a lot of history!" I think that sums up this Conference and our Organization rather well. We have taken a few moments to recall and honour the contribution of our predecessors. But I think they would have been satisfied to see that we spent most of our time positioning the ILO for the future, discussing priorities, strategizing about where we fit into the emerging global governance structures, refreshing our international standards and tackling the central issue of our generation, how to shape a fair globalization.

We were honoured by the presence of five Heads of State and Government. They came because our Organization sponsored the establishment and work of the World Commission on the Social Dimension of Globalization. Presidents Halonen and Mkapa, together with the eminent personalities who constituted the Commission, contributed considerable time, energy and creativity to their report and have given us a remarkable resource. And I have to thank them once again for their unflinching dedication to the task. As both Sir Roy Trotman and Don Daniel Funes de Rioja said at the beginning of our debate, the report creates a tremendous opportunity for our Organization. The subsequent discussions show that we are ready, willing and able to grasp the chance to renew and reinvigorate our global network of tripartism to meet the challenges before us.

In addition to examining the reports on globalization, we also reviewed in the plenary the report on implementation of the 2002-03 programme, the Report on the situation of workers of the occupied Arab territories and *Organizing for social justice*, this year's Global Report under the follow-up to the ILO Declaration on Fundamental Principles and Rights at Work. Together with a full agenda of work in the technical committees, this all

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amounted to an exceptionally heavy load. I am pleased to say that we completed the business, and I thank you all for your dedication and commitment to our work.

I was particularly pleased that many speakers commented favourably on the implementation report. This is a full record of our performance against the goals set by the Governing Body three years ago. Minister Mdladlana of South Africa commended “the ILO for its report on the road travelled in the period 2002-03 in assisting countries to work their way out of global poverty”. Along with many other speakers, particularly those from developing countries, he concurred with the report’s description of decent work as “a strategic tool for fighting global poverty and ... bringing dignity and prosperity to the poor”.

## **2. A fair globalization**

President Tarja Halonen of Finland offered us an insight into the way the Commission approached its work. The Commission was made up of “26 people who came from different backgrounds, have different political views, are from different parts of the world and have their own strong opinions”. The “unanimous joint report” was “proof of the power of discussion and dialogue”. While stressing the importance of the ILO’s mandate to follow up the report, she equally emphasized that “the recommendations in the World Commission’s report cover a much wider field than the ILO’s direct scope”. She explained that she and President Mkapa therefore have as a goal the approval of a resolution by the 59th session of the United Nations General Assembly requesting ECOSOC and other relevant bodies to consider the Commission’s report and then report back in 2005. The report was also being taken up by many regional organizations including the European Union and the African Union, as well as being discussed in various national contexts.

President Mkapa of the United Republic of Tanzania explained that in moving the discussion on globalization beyond a stand-off and confrontation to dialogue and cooperation, all the Commission is saying is that “a new thinking is needed to ensure that the good that comes out of globalization reaches more people. Otherwise it will always be politically unbalanced, materially unsustainable, morally indefensible and, from a security standpoint, graphically catastrophic”. Highlighting that the theme of globalization begins at home, President Mkapa argued that governments “must emphasize economic development with social protection, decent work and good democratic governance at all levels, including the global level”. Welcoming the ILO’s collaboration with the African Union for an Extraordinary Summit in Ouagadougou in September 2004, he said that in order for developing countries to link the development and poverty reduction agenda to the building of an inclusive global economy, “the tripartite constituents must work together in a broader alliance to unleash our full potential, which must also include the immense potential of women”. Concluding with an appeal to the Conference to accept and support the Commission’s efforts to chart the way to a fair globalization, he said, “yes, a better world is possible and is within our collective reach if the leaders of our world summon the courage and the will needed to lead us in that direction”.

President Georgi Parvanov of Bulgaria fully supported “the idea that globalization should have a very strong social dimension; it should be based on universal values and should be beneficial for every country, without exception”. Calling on governments and business to invest in social policy as a condition for stability, he said, “we have no right to close our eyes to the fact that extremism, notably terrorism, finds fertile ground in the unresolved social problems of the various regions”. Countries like Bulgaria needed to find a new balance between the role of the Government and the market. Echoing the report, he stressed an active role for the State “when it comes to creating a stable microeconomic

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environment or a modern infrastructure, and to reducing unemployment, providing opportunities for decent work, and working to curb poverty”.

Prime Minister Helen Clark of New Zealand connected the Commission report’s analysis and recommendations to her own country’s experience. Economic liberalization had been followed by cuts in social provisions and labour market deregulation. “The changes in New Zealand came without adequate adjustment mechanisms and created a good deal of social distress.” Mentioning the World Commission’s discussion of the space for national macroeconomic policies, she stressed “that there are policy instruments which can be used. Our Government has been busy creating those instruments to increase the national space for action”. Referring to “the lack of coherence and the compartmentalization between the multilateral organizations, with those in trade, finance, health, social affairs, labour and development often working at cross-purposes”, she described New Zealand’s “whole of government approach” to policy and the desirability of a similar effort at the international level. For Prime Minister Clark, “the central challenge posed by the World Commission is to contemplate reform of global governance in order to ensure that globalization operates according to fair rules and offers opportunities and decent work for all”.

The President of the Government of Spain, Mr. José Luis Rodríguez Zapatero, linked the challenges faced by the ILO in its 85-year history to the need for the Organization to play a leading role in building a fair globalization. “It is social rights which provide the necessary balance to economic development, market liberalization, economic cooperation and the constant opening-up of the economies of the world.” He expressed his personal commitment to the belief that “decent work must become a major global objective and not just a goal of the International Labour Organization”. This however posed the challenge, in Europe and other countries, of meeting the “need to adapt labour legislation, institutions, social dialogue practices and collective bargaining to the demands of an economic competitiveness in which innovation and knowledge reign supreme”. He expressed his confidence that dialogue, “the working tool” of the ILO, would be “the great aspiration of a new world order”. “Dialogue emanates from reason and reason is always based on ethical principles and values of fellowship. Where reason and dialogue reign, where a forum for dialogue is built, rights will always be improved, and the lot of the most humble will be improved ...”.

A total of 294 delegates spoke in the plenary debate that followed the presentation of the World Commission report and my own Report on its implications for the role of the ILO. Allow me to thank those many delegates who praised the quality of the Commission’s work and my reports. Nearly all addressed the theme of a fair globalization, supporting both the Commission report and my own proposals on how the ILO should respond to the proposals it advances. Some of the most frequently used words to describe the Commission report were “balanced”, “thoughtful”, “valuable”, “rich”, providing “an in-depth analysis”, and “innovative”. A feature of the report particularly appreciated by delegates was that it was both critical of the marginalization of large numbers of people and whole countries from the process, and positive in its view that better governance from the local to the global would lead to coherent policies for a more inclusive globalization.

Many delegates commented favourably on the approach to the Commission’s work described by the Co-Chairs. Taking a view of globalization “through the eyes of people” was welcomed, as was the way in which, through a process of dialogue, the diverse views of Commissioners converged on a vision of a fair globalization firmly rooted in values and having decent work for all as a global goal.

My own Report, *A fair globalization: The role of the ILO*, was broadly endorsed as a guideline for a strategic response by the ILO to the Commission report. There were, of

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course, some qualifications and a number of warnings that we must not take on topics, no matter how relevant and timely, if we do not have the human and financial resources to complete the task effectively. A few speakers were concerned that we might stray into the remits of other organizations. Most, however, agreed that the ILO should have an approach of active partnership, recognizing that where mandates intersect, organizations should collaborate to ensure policy coherence. Many speakers recalled the Constitution of the ILO and its Declaration of Philadelphia that envisaged an Organization whose scope of action was defined by fundamental human values and the pursuit of social justice. I was therefore left with the strong sense of an Organization that has a broad and deep consensus about where it wants to go. Furthermore, I believe we are generating the essential tripartite political energy to play a strong and more prominent role in global debates and in supporting constituents in their national work.

There were many comments on specific chapters of my report, which I address in the following section of my reply. Before doing so, let me assure speakers that we have taken careful note of all the speeches and that senior staff have already been circulated with summaries drawing their attention to contributions of direct relevance to their work. Your interventions are all equally valued and constitute a reference for our assessment of past performance and for our future planning. They are particularly useful as we incorporate your reflections on both the Commission report and the implementation report into the preparation of the Strategic Policy Framework for 2006-09, the Programme and Budget for 2006-07 and a policy development agenda for our Working Party on the Social Dimension of Globalization.

## **Making decent work a global goal**

Many speakers agreed with Mr. Sweeney, Workers' delegate of the United States and a member of the Commission, when he said, "the single most significant conclusion of the report was simply this: that decent work is the cornerstone of creating a fairer globalization". Many argued that although decent work is already an ILO objective, it should also become a global goal integrated into the effort to realize the United Nations Millennium Development Goals. State Secretary Kjørven of Norway reminded us that "if you ask the poor themselves, access to work, or starting a business on their own are the most important avenues out of poverty. Thus, the relevance of the ILO in today's world is clear as day". Opportunities to find decent work were seen by many speakers as central to the search for peace and stability. National policies for decent work were essential but, as Minister Khaleghi of the Islamic Republic of Iran said, "globalization cannot lead to sustainable development, international security and peace unless it promotes more equitable access to commercial and economic opportunities".

The idea of global and national partnerships for decent work was highlighted by Mr. Ola, Minister of Labour of India, who said "in order to achieve the global goal of decent work, we have to ensure the systematic global governance based on democracy, social equity and effective participation of all social partners". In a similar vein, Mr. Andres, Parliamentary Secretary of State, Federal Ministry of Economics and Labour, of Germany, said "we need a global alliance for employment which will combat poverty, will promote sustainability and will ensure that markets are kept open and fair".

The ILO has a mandate to promote decent work as a global goal, and we need the support and collaboration of international agencies in this. Similarly, achieving the United Nations Millennium Development Goals is only feasible if we can mobilize a major drive to create decent work opportunities. It was very clear that the Conference expects us to increase our efforts to ensure that the objective of decent work for all becomes widely used as a means of ensuring a much better alignment of economic and social policies for a fair

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globalization. As Mr. Wang, Government delegate of China, said, “it is time for us to act immediately in a concerted effort to ensure a decent job for everyone and decent globalization”.

## **National policies**

I think all delegates would agree with Mr. Lee, Employers’ delegate of the Republic of Korea, who said, “the report aptly emphasized the importance of good governance at the national level”. Mr. Pater, Minister of Social Policy of Poland, endorsed the view of the Commission that “good governance, built on democracy, social equity, the rule of law and human rights, ensures the high quality of national and local policies and institutions which must be in place if we want globalization to benefit all of our societies”. “The World Commission correctly concluded that efforts to achieve lasting benefits for the world’s workers must begin at home, in each sovereign nation”, was the view of Ms. Chao, Secretary of Labor of the United States.

Many speakers commented on the employment, social protection, labour rights and dialogue policies needed to maximize the benefits and minimize the costs of participation in the global economy, often expressing appreciation for the ILO’s support. Mr. Soriano, Employers’ delegate of the Philippines, described how, in a country where 40 per cent of the population lives on \$1 a day, “the Decent Work Agenda serves as a unifying concept to underpin our country’s democratically based, market-oriented development strategy by aiming to balance growth with equity”.

Speakers from a number of countries also identified a regional dimension to decent work strategies. Ms. Gawanas, representing the African Union, talked about collaboration with the ILO to implement a new vision for Africa. Our “development challenges cannot be met unless African countries work in effective partnerships, first and foremost with one another, with the international community, with social partners and civil society organizations, to create productive jobs and effective social protection strategies, to address the negative impact of globalization, poverty and HIV/AIDS on African individuals, families and communities, and to meet the social needs and benefits of the people, especially the poor and the vulnerable”.

One of the main messages I take from this year’s International Labour Conference is that we must make full use of the integrating power of the concept of decent work to improve and, if possible, increase the technical assistance we are able to offer to the ILO’s constituents. We are seen as relevant and effective partners in national development, bringing a practical work-centred approach not available anywhere else. We must extend the coverage of decent work country programmes and connect them to the activities of other agencies in support of national development programmes.

## **Global production systems**

The theme of global production systems embraces a number of topics that attracted comment. Mr. Nordmann, State Secretary of Switzerland, advocated a strong emphasis on promoting decent work in global production systems, particularly through ILO training courses “for the observance of international labour standards at company level”, as a response to the constant requests by companies for advice. Mr. Konditi, Employers’ delegate of Kenya, appealed to the ILO “to study the use of corporate social responsibility and its impact on business and to formulate some recommendations that would be appropriate for the promotion of corporate social responsibility as a voluntary initiative”. Mr. Pond, speaking for the Government of the United Kingdom, welcomed my proposals

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“for the ILO to build upon its current knowledge base, particularly in the area of multinational enterprises, in order to further [the ILO’s] understanding of the functioning of global production systems and the ways in which voluntary initiatives of companies contribute to decent work”.

A number of speakers warned, however, that voluntary initiatives should not be thought of as replacing government’s responsibilities with regard to international labour standards. Mr. Kearney, representing the International Textile, Garment and Leather Workers’ Federation, warned of the dangers of progress in modernizing laws on workers’ rights in one country being undercut by lack of enforcement elsewhere. “If governments were doing their job, voluntary initiatives to avoid sweatshop labour would not be needed,” he said. The Employers’ delegate of Japan, Mr. Okuda, said “that companies are an integral part of society, that the central responsibility of business is to perform well, to be the primary source of prosperity and of well-being, and that, in addition to this, they need to fulfil their social and environmental responsibilities”.

I believe we can build on some strong signs of converging views in this area. I concur with Mr. Perigot, who spoke to the Conference on behalf of the International Organisation of Employers but was also a member of the World Commission, when he said “the IOE believes that a major opportunity now exists for employers to intensify their efforts and give more focus to the numerous initiatives companies are taking on corporate social responsibility. The IOE is ready to actively explore areas of collaboration with the ILO in the labour field, including the international forum suggested in the World Commission report”. And I also agree very much with Sir Roy Trotman, who proposed on behalf of the Workers’ group “that there should be stronger action and wider social dialogue to promote decent work in export processing zones and, more generally, in global production systems, and that the ILO should provide advice and assistance to those engaged in such dialogue”.

## Policy coherence

A leitmotif of this session of the Conference was policy coherence, on different issues and at different levels. Many speakers commented on the specific proposal of the World Commission on growth, investment and employment. Ms. Bakoko Bakoru, Minister of Gender, Labour and Social Development of Uganda, argued that it was fundamental to working conditions and the corresponding freedoms that developing countries should get their rightful share of world markets. She therefore called upon the ILO “to engage all relevant world institutions and not to rest before inequalities in the world markets are totally removed”. Mr. Dimas, European Commissioner for Employment and Social Affairs, said: “The World Commission’s report should be a part of the agenda of other international forums which have responsibility for financial, economic and trade issues. Achieving all these objectives will require joined-up global governance.”

Minister Berzoini of Brazil also argued that “to combine macroeconomic policies with employment policies, that is, to work towards economic growth in conjunction with social development and environmental protection ... we need to be consistent in our action, both nationally and regionally, to think globally and act locally”. Ms. Dejanovic, Workers’ delegate of Croatia, said “the message that ‘social progress cannot be achieved solely by social policies’ is in many aspects a central message of the report and a challenge for the unions.” Ms. Filatov, Minister of Labour of Finland, argued that “the market economy accelerates growth and innovation, but to contribute to the fair and sustainable welfare of people at large, it needs responsible governance at the enterprise level as well as at national and international levels. The architecture of this governance has not been up to the task”.

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Mr. Evans, speaking for the Trade Union Advisory Committee to the OECD, emphasized that “we have to convince the finance, economics and trade ministers that meeting the challenge of achieving fair globalization is crucial to the very survival of both our societies and our economies”. Mr. Potter, Employer’s delegate of the United States, warned that “a seat at the table where key decisions are taken is earned by being credible”. While the ILO had to focus on the priorities of its constituents and maintenance of its entire mandate, there was a need to develop a “world-class macroeconomic research programme that recognizes, among other things, that enterprises are the source of wealth creation and that job creation and a rising standard of living are achievable only if a number of economic, political and legal factors are present”. In this regard, a number of employer delegates highlighted the complementarities between the report of the World Commission and that of the United Nations Commission on the Private Sector and Development, *Unleashing entrepreneurship: Making business work for the poor*.

I fully agree with Employer spokesperson Mr. Funes de Rioja’s view that “the existing multilateral system needs to be more effective, better resourced and more responsive, and efforts need to be made to avoid duplication and mismanagement”. The World Commission makes a powerful political case for a multilateral system that meets the expectations of people all over the world for decent work. The ILO has an obligation under the Declaration of Philadelphia to examine and consider all international economic and financial policies in the light of its fundamental objectives. We must work with all relevant agencies to find the best way to discharge this mandate.

## **Constructing a socio-economic floor**

Ms. Ngindinwa, Deputy Minister of Labour of Namibia, was one of a number of speakers who welcomed the Commission’s emphasis on “globalization with solidarity to overcome inequality within and between countries and to contribute to the elimination of poverty”. As stated by Ms. Cu, Workers’ delegate of Viet Nam, “globalization creates a lot of opportunities but it also poses challenges for the poor and less developed countries”. Many delegates found the idea of a socio-economic floor of rights, incomes and basic social services attractive. A significant component would be to assure social protection for all. As Mr. Tilahun, Employers’ delegate of Ethiopia, underscored, “the lack of social protection is one of the core problems and affects over 90 per cent of our population” and was hence “unfortunately an integral part of our poverty”. Mr. Lublin, Government delegate of the Russian Federation, on the basis of his country’s experience of a rapid transition to an open economy and market relations, expressed concern about “the weakening of national systems of social protection, the erosion of social solidarity and the highly unequal distribution of benefits and burdens of globalization between different countries and different social groups within the population”.

Ms. Christova, Minister of Labour and Social Policy of Bulgaria, gave a practical example of combating poverty in which tripartite social dialogue had led to reforms which combined a new social security threshold with compulsory registration of employment contracts and had moved about 300,000 people out of the informal economy. Mr. Panayiotopoulos, Minister of Employment and Social Protection of Greece, highlighted “the importance of establishing a global minimum level of social protection ... which aims to provide priority coverage of the most vulnerable population groups, such as the elderly” and supported “the action undertaken by the ILO to develop and disseminate the principle of a minimum level of socio-economic security for the world economy”.

Supporting socio-economic reforms at the national level can go a long way in eliminating within-country inequality, but does not suffice to close the widening gap between rich and poor countries at the global level. It is time to start the process of

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examining possibilities and engendering discussion on how we might address the basic issue of global inequality.

## **Strengthening the international labour standards system**

Many speakers stressed that the foundation of a fair globalization is a strong international labour standards system and welcomed the support of the World Commission for the ILO's central role in developing and supervising standards. This was exemplified by the words of Mr. Grönlund, State Secretary of the Ministry of Industry, Employment and Communications of Sweden: "We embrace wholeheartedly the framework which states that the governance of globalization must be based on universally shared values and respect for human rights and core labour standards." Mr. Neffati, Minister of Social Affairs and Solidarity of Tunisia, said that we should develop the "means of making globalization more humane and more just by anchoring it in respect for human rights and human dignity and by ensuring equal opportunities for all peoples without discrimination".

Many speakers recorded how ILO standards had formed the basis for national labour legislation. The Minister of Labour of Nicaragua, Mr. Gurdíán Castellón, explained that "the standard-setting function of the ILO has been the cornerstone of our activities and is reflected in ... (our) legislation ... in the social and labour fields and contributes to the improvement of labour standards in all of them". Mr. Van Vuuren, Employers' delegate of South Africa, emphasized that employers there "are keenly aware from their own experience of the fundamental importance of international labour standards and their role in the promotion and maintenance of democracy".

Mr. Gomes Proença, Workers' delegate of Portugal, highlighted that "the role of the ILO in terms of regulation, through Conventions and Recommendations, should be constantly expanded and updated so as to respond to the changes occurring in the economy and in society ...". The Employers' delegate of Thailand, Ms. Romchatthong, argued that it is necessary to mobilize tripartite efforts "to establish a surveillance system in the business world to enforce labour standards at all levels". Mr. Boisson, Employers' delegate of France, envisaged "a standard-setting policy that makes it possible to establish objectives, to offer assistance and cooperation, to measure the progress made and to assess the effectiveness of policies, especially those designed to combat exclusion from the labour market: this, to my mind, is the significant contribution that the ILO should make towards making globalization a real opportunity for all".

As many speakers stressed, the setting, implementation and promotion of standards is the core business of the ILO. The World Commission has encouraged us to further step up and focus our efforts. I believe we should continue to use an integrated approach to standards and identify tools that can capture the essential elements of decent work. We should further enhance the efficiency and relevance of our supervisory machinery, and strive to connect it to assistance for resolving problems. The views put forward at this Conference will certainly help the Governing Body in its further exploration of standards-related questions.

## **Mobilizing global tripartism**

In giving broad endorsement to the report of the World Commission and my own report on its implications for the ILO, many delegates accepted that the ILO and each of its constituents had responsibility to ensure an active follow-up of its recommendations. As Mr. Tou, Minister of Labour, Employment and Youth of Burkina Faso and a member of



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the World Commission, pointed out, “if social injustice is a danger to humankind, it is high time for us to mobilize against poverty and unemployment, which are its principal manifestations”. He and his country are making a major contribution to such a mobilization by hosting the forthcoming Extraordinary Summit of Heads of State and Government of the African Union on Employment and Poverty Alleviation in Africa. Similarly, Ms. Rosas Pérez, Government delegate of Panama, stressed that “to achieve positive change in the globalization process and in order to achieve fairness, equal opportunities and social justice, we need to pool the determination, efforts and commitment of all social actors”. Mr. Daer, Workers’ delegate of Argentina, said: “We believe in social, tripartite and institutionalized dialogue, not just as a way of preserving and ensuring social peace but also as a key factor in national development and a fundamental driving force for economic and social policies which could end exclusion and poverty.”

Mr. Ryder, speaking for the International Confederation of Free Trade Unions, said, “the ICFTU is preparing for its own World Congress dedicated to the task of organizing and strengthening the capacities of our international movement to meet the challenges of globalization, and we will equally mobilize those capacities behind [the ILO’s] agenda for justice in the global economy”. Mr. Perigot, on behalf of the International Organisation of Employers, also said, “we will strive to involve our members and to promote a debate within our organization on the Report’s recommendations and its implications for IOE members at the national, regional and international level”. Mr. Thys of the World Confederation of Labour said that his organization would take action to follow up on the recommendations of the Commission report “right away, within and alongside the ILO, and together with other trade union organizations, in order to strengthen a world based on solidarity, a world that is more democratic and more respectful of social justice”.

As I said at the beginning of the debate on a fair globalization, the ILO should be judiciously ambitious in meeting the challenges put before us by the World Commission. We will need to balance our objectives and our resources. I believe there is some scope for increasing the extra-budgetary support we can access and, at some point, there has to be a proper assessment of regular budgetary resources against the tasks Members expect us to undertake. As Mr. Meyer, Government delegate of Canada, said, “the Governing Body will need to be clear about the results it wants to achieve and about the selection of a limited set of strategic targets it wants to aim at. It will need to maximize the leverage of the ILO’s most strategic assets and make sure it does not deviate from the ILO’s most fundamental objectives. Only by being highly focused can our Organization expect to play a leadership role in today’s fast-changing world.” I believe the ILO’s strongest asset is the tripartite network represented by the delegations at this Conference. We have only just begun to realize its potential.

### **3. Migrant workers in the global economy**

One of the main concerns raised by the World Commission was the absence of a multilateral framework for managing the cross-border movement of workers, unlike that which governs the cross-border movement of goods and services. At the same time as the Commission was starting its work in March 2002, the Governing Body placed the issue of how to develop an integrated approach to the problems of migrant workers on this year’s Conference agenda.

Many speakers in the plenary debate commented on the complementarities between the ideas of the World Commission and those offered in the ILO report *Towards a fair deal for migrant workers in the global economy*. As Ms. Thienthong, Minister of Labour of

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Thailand, said, “trafficking and migration-related issues ... can be best addressed not by a single government, but through engagement and cooperation with other governments”. Similarly, as Mr. Lloyd, Government delegate of Australia, pointed out, a “critical issue is the recognition of the fundamental right of each country to determine who should pass its borders. This is particularly so in these times of heightened security concerns”. Mr. de Payva, Workers’ delegate of Singapore, emphasized that “the challenge confronting the global community is to make migration work for all and direct it in a way that serves the economic well-being and social justice of workers”. Ms. Sasso Mazzufferi, Employers’ delegate of Italy, said, “there is now a growing need felt in developing and in industrialized countries to have a completely changed framework of reference, one which is inspired by a modern, culturally open approach that is designed to enhance employability and the prospects of high-calibre migrant workers”.

Migration is a complex policy field and a sensitive issue in the political debates of many countries. The task we gave to the Committee on Migrant Workers was not an easy one. It is therefore a major achievement to have reached broad consensus on a plan of action to ensure a fair deal for migrant workers in the global economy. Tripartism has proved its worth yet again. When it comes to some very difficult questions, negotiation in good faith, recognizing each party’s position, provides a way forward that commands the support of those who will have the responsibility for fulfilling the agreement. The plan of action will engage all of the ILO’s constituents in promoting the ratification of ILO Conventions on migrant workers and the wider application of ILO principles regarding the treatment of migrant workers. The plan of action also asks the ILO to develop a non-binding multilateral framework for the rights-based management of labour migration consistent with national sovereignty of States in matters of migration policy, and calls for the establishment of an ILO platform for dialogue on migration in partnership with other international and multilateral organizations.

This tripartite agreement between governments and the social partners on so many important issues relating to the management of migration is truly historic. It envisages a framework drawing on best practices to formulate guidelines on a broad range of issues for policy-makers – such as expanding avenues for regular migration while combating irregular migration, promoting bilateral and multilateral agreements, supervising recruitment and labour contracting, reducing the risks for all migrants, especially women migrant workers, protecting human and labour rights of migrant workers, reducing the cost of remittances and promoting their use for productive investment, facilitating the portability of social security entitlements, promoting the accreditation of skills, promoting ethical recruitment so as to ensure an adequate supply of skills for both sending and host countries, and promoting social integration and inclusion of migrant workers.

The Conference asks the ILO to present the guidelines on this non-binding multilateral framework for managing migration to the Governing Body in its November 2005 session. We will start to implement the plan of action, including the preparation of a draft framework, at once. We will also, as the conclusions specify, enhance our cooperation with other relevant international organizations.

#### **4. Organizing for social justice**

The Global Report under the follow-up to the ILO Declaration on Fundamental Principles and Rights at Work, *Organizing for social justice*, was scrutinized during a special interactive session. The report’s dynamic picture of the global situation regarding the principles of freedom of association and the right to collective bargaining provoked an informed and varied exchange of views. As Sir Roy Trotman, Workers’ spokesperson,

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reminded us “We need to state unequivocally that freedom of association is a fundamental human right. It is a basic entitlement that should be expected and respected without reference to a country’s size or its wealth.”

Although many speakers remarked on the positive trend of increased ratifications and wider acceptance of these fundamental rights, this was equally weighted by concern at the evidence of weak implementation, particularly affecting vulnerable groups of workers in many countries. Minister de Geus of the Netherlands put the issue sharply at the beginning of the debate: “There is no doubt that universal ratification of the Conventions concerned remains a priority. This, however, is not enough when universal ratification goes hand in hand with a gross violation of union rights. So the central question is: How can we mobilize the political will to decrease the gap between ratification and implementation?”

Mr. Ahmed, Workers’ delegate of Pakistan, drew attention to “a big gap between ratification and implementation both in terms of legislation and in terms of the difficulties encountered by the workers in exercising these rights – victimization, cases of murder and persistent harassment and arrests”. The Employers’ spokesperson, Mr. Potter, stressed the need for more focus on the “full implementation and achievement of the fundamental principles” themselves rather than ratification. He believed that the report and the promotion of the fundamental principles and rights required more focus on specific issues such as “the right of employers and workers to establish and join organizations of their own choosing, the right to manage internal affairs without interference from public authorities and the right to be free from acts of interference from employer or worker organizations”, and on remedying the ILO’s lack of “an up-to-date picture of the legislative situation regarding freedom of association and the effective recognition of collective bargaining”.

The richness of the discussion might be illustrated by three contributions. Mr. Seguin, Government delegate of France, took up the theme of the relationship between fundamental principles and rights at work and a fair globalization raised by the World Commission. “These rights also enshrine the rights and responsibilities of the various parties involved in the real economy and they also enable us to reconcile the laws of the market and social objectives. We believe, therefore, that it should be a priority for our Organization to ensure that throughout the multilateral system we have proper recognition for the idea that social dialogue is an essential element of, and a determining factor in, good governance.” Ms. Hunt, Workers’ delegate of the United Kingdom, drew our attention to the particular vulnerability of women, as “freedom of association is most commonly denied in the feminized sectors of the global economy, in export processing zones, in agriculture, in domestic and other informal work and in the public services”. Mr. Al Tayer, Minister of Labour and Social Affairs of the United Arab Emirates, speaking on behalf of the Gulf Cooperation Council, described “the reforms and innovative measures adopted by the GCC countries [which] seek mainly to build the capacities of workers and social institutions and to ensure their effective participation in decision-making and the implementation of reforms”. “We are thus”, he said, “endeavouring to strengthen the role of civil society institutions on the basis of inalienable Islamic principles calling for consultation, peace and equality”.

The debate yielded general agreement on four areas of work to be done over the next four years: overcoming obstacles to ratifying and applying Conventions Nos. 87 and 98; supporting organization and bargaining for vulnerable groups of workers; deepening the understanding of how these principles can build a labour market that promotes rights, economic development and poverty reduction; and improving the knowledge base, advisory services, technical cooperation and advocacy activities in this area. This year’s discussions on the Global Report represent an important step forward in addressing these fundamental values. In light of these discussions, we will be presenting a draft action plan

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to the Governing Body in November. In this respect, the President of the Conference, Mr. Ray Guevara, said that “international solidarity, as the necessary framework for attaining social justice, is indispensable and it is for that reason that the wealthiest countries should, in addition to fully respecting their commitments under the Declaration, support those who request their cooperation in order to ensure that rights and experiences can be shared, and make the principles we have been discussing today a reality”.

## **5. Gender equality, pay equity and maternity protection**

The resolution concerning the promotion of gender equality, pay equity and maternity protection was selected by the Government, Employer and Worker members of the Resolutions Committee for discussion, out of 15 submitted draft resolutions, later merged into eight resolutions, which were put to the vote. The resolution concerning the ILO’s efforts to combat poverty came second in the vote, followed in third place by the resolution concerning the strengthening of the role of the ILO in supporting workers and employers in Palestine and the other occupied Arab territories as a result of continued Israeli occupation and aggressive practices.

An exceptionally constructive and collaborative discussion, in which all changes in the text were agreed by consensus, resulted in a comprehensive resolution. It calls upon governments and the social partners – in their respective fields of competence – to eliminate all forms of gender discrimination in the labour market, promote equality between men and women workers and provide women workers with access to maternity protection. Governments are requested to ratify relevant ILO Conventions and introduce or strengthen all necessary legislative changes. They are also requested to develop gender-sensitive national policies promoting employment and entrepreneurship and to launch measures enabling better reconciliation of work and family life. Employers’ and workers’ organizations are called upon to promote the negotiation and adoption of employment equity plans and evaluate gender equality policy.

The resolution invites the Director-General, through the Governing Body, to continue and strengthen the efforts to achieve the objective of gender equality and intensify the campaign for the universal ratification and implementation of Conventions Nos. 100 and 111, together with the other fundamental Conventions. It also requests strengthening of training programmes, including those run by the Turin Centre, and continuation of research work on the gender wage gap and the effects of globalization on poverty and pay equity. Finally, the Director-General is asked to ensure that sufficient funding is in place to enable the ILO to promote the objectives of the resolution and to report back to the Governing Body on its implementation.

I welcome the adoption of this vigorous new mandate. It reinforces the gender equality policies I have been implementing since 1999. I must also draw your attention to the lack of real progress in improving the representation of women at the Conference. Last year only 12 per cent of registered delegates were women. This year it has crept up to 14 per cent. If you look at representation on delegations, last year it was 20 per cent and this year 23 per cent. But of a total of 294 speakers in the plenary debates this year only 30 were women. This is less than last year, when the equivalent numbers were 291 speakers of whom 33 were women. We clearly have work to do to implement our own resolution.

As I said in my opening address, we must increase our efforts to meet a target of 30 per cent representation in delegations. The solution is not simply through a reminder in

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the convocation letter or the Conference Guide. We must start now. Representation at ILO meetings is, of course, symptomatic of gender inequality in society at large and in the institutions of tripartism. But that must not be an excuse for inaction. Rather, we should use the composition of delegations for the Conference as a catalyst for action. And by way of a stimulus, I will ask the Governing Body to consider, as a follow-up measure to the resolution, various possible measures to encourage much stronger efforts towards achieving a target of 30 per cent female participation in delegations.

## **6. Review of 2002-03 programme implementation**

Many speakers acknowledged the overall progress made by the Office in implementing its programme in the 2002-03 biennium and at the same time commented on how performance might be further improved. Mr. De, Minister of Public Services, Labour, Employment and Professional Organizations of Senegal, noted that “the ILO has been able to effectively implement many actions and programmes in the Strategic Policy Framework for 2002-05 as defined by the Governing Body”. Vice-Minister Togari of Japan, while appreciating the ILO’s activities over the last two years, invited the Office, in view of the massive demand for the ILO’s services and the financial constraints, “to implement its activities more efficiently and to make further efforts to reduce personnel costs”. Mr. Aloewie, Government delegate of Indonesia, commented that “the actions undertaken have been directed at efficiently addressing the needs and interests of the tripartite constituents. Nevertheless, we would like to reiterate that the ILO should focus on a holistic approach with respect to the assistance it provides to governments and their social partners”. Mr. Eremeev, Employers’ delegate of the Russian Federation, felt that the social partners’ “opinions should be represented in some form, particularly with regard to the implementation of projects, and that this would enhance the objectiveness of the document and the effectiveness of the work of the ILO itself”.

Mr. Trabelsi, Workers’ delegate of Tunisia, expressed his “appreciation for the activities of the Organization over the period 2002-03 and for its Decent Work Agenda. The results of this work are contained in the Report of the Director-General, who encourages all trade unionists to participate in dialogue in order to strengthen labour standards, respect for workers’ rights and respect for their dignity”. The Minister of Employment and Civil Service of Guinea, Mr. Keira, said, “a glance at the regions shows the amount spent per region. We see that my continent, Africa, is the region that has most benefited” from the available resources. On the other hand, the Minister of Labour and Administrative Reform of Sudan, Mr. Magaya, said that “the achievements of the ILO in the previous biennium are recognizable, though what remains to be done is enormous to help developing countries in general and African countries in particular to create employment and alleviate poverty”.

We will carefully review all the comments made on the implementation report and endeavour to pick up the lessons learnt in the next programme and budget. Our effort to switch to management by results is beginning to pay off, and I am sure that two years from now, when you receive the next report, we will be able to show further progress.

## **7. The situation of workers of the occupied Arab territories**

My Report on the situation of workers of the occupied Arab territories stimulated comments from a large number of delegates, both from countries in the Middle East and

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from other parts of the world. Ms. Dello, Minister of Social Affairs and Labour of the Syrian Arab Republic, commended “the efforts made by the Director-General of the ILO, the ILO Regional Office for the Arab States in Beirut and the mission which prepared the Report entitled *The situation of workers of the occupied Arab territories*. It is an objective Report, which calls things by their name”. Mr. Al-Khatib, Minister of Labour of Palestine, said that “the Report ... quite rightly emphasizes the suffering of the Palestinian people in general, and the workers in particular”. He added that “we are looking forward to your economic support through your contributions to the Palestinian Fund for Employment and Social Protection, in order to fight unemployment and poverty in our country”.

Mr. Al Rabaie, Employers’ delegate of Oman, commending the ILO’s work, pointed out that “it is essential to continue to help the employers and workers in Palestine through the Palestinian Fund for Employment and Social Protection and to do everything necessary to provide them with technical assistance”. Ms. Theodorsen, Workers’ delegate of Norway, highlighted the Report’s focus on gender: “Palestinian women are facing enormous obstacles and challenges. They have to try to keep their families together in an abnormal life situation. At the same time, they are marginalized on the labour market.” A number of delegates echoed her call for the ILO to “continue to present this type of objective information as well as promoting dialogue between Palestinian and Israeli workers”.

I am proud that the ILO has maintained a capacity to offer assistance to workers, employers and the Palestinian Authority during these long and difficult years of occupation. That capacity is founded on a professional objectivity which is recognized by all and enables us to continue our dialogue with all parties. As Mr. Basesgioglu, Minister for Labour and Social Security of Turkey, said, the Report “underlines the necessity of the ILO’s continued interest and support for this issue”. He added that Turkey attaches importance to “the implementation of the Road Map, and to reaching a peaceful solution through negotiations as soon as possible”. I must add that during this Conference, Turkey joined others in showing its commitment to our work in the very tangible form of a US\$100,000 contribution to the Palestinian Fund for Employment and Social Protection. I hope next year to be able to report that we have many more similarly generous contributions and that we have put them to good use in generating jobs and social and economic recovery.

## **8. Human resources development and training**

Human resources development and, in particular, education and training are critical to the ILO goal of creating greater opportunities for women and men to obtain decent and productive work, in conditions of freedom, equity, security and human dignity. Education and training are therefore a central pillar of the Decent Work Agenda. This year we have adopted a new, dynamic instrument on human resources development with a strong focus on education, training and lifelong learning. This Recommendation is a forward-looking and policy-oriented instrument that addresses the enormous challenges we face in developing the knowledge, skills and employability of all people in the twenty-first century.

It provides, for the first time in an ILO instrument, definitions of contemporary training issues including lifelong learning, competencies and employability. Education and skills facilitate the application of new technologies, increase individuals’ employability and enterprises’ productivity and competitiveness. Women and men need broad-based skills that can be adapted to rapidly changing economic requirements. Sound education and training policy also provides an important instrument to offset the negative impacts of

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globalization, while at the same time equipping people with the knowledge and skills to take advantage of the emerging opportunities. They thus make labour markets operate better. But education and training by themselves are insufficient. To be fully effective, they need to form part of integrated policies directed at economic and employment growth.

A number of delegates commented on the analysis of the report by the World Commission on the Social Dimension of Globalization, which highlighted that countries which have benefited from globalization most have invested significantly in their education and training systems. For example, Mr. Fong, Minister of Human Resources of Malaysia, in his address to the Conference, noted that “in the present context of liberalization, globalization and a changed economic scenario, the emphasis needs to be on upgrading the skills of the labour force”. Mr. Dowla, Employers’ delegate from Bangladesh, while noting that most countries in South Asia had “taken up major economic reforms to reduce poverty”, stressed that the basic problem is that the poor are without assets, and unskilled and hence not able to take advantage of the new opportunities.

The new Recommendation deals with many of the challenges posed by globalization, such as the issue of “brain drain”, which is causing concern in many developing countries. It calls for international mechanisms that would mitigate the adverse impact on developing countries of the loss of skilled people. It also recognizes that education and training strategies and creating the right enabling conditions – economic growth, investment, creation of decent jobs and human development – will help these countries retain their skilled labour. The new instrument calls for innovative approaches to release additional resources for education, training and lifelong learning to assist these countries. Making the most of the positive links between knowledge and skills on the one hand and productivity improvement, poverty reduction and social inclusion on the other is central to the new human resources development Recommendation.

The Office is preparing a major campaign to promote the new Recommendation. It will include developing the present web site into a digital practical guide to implementing the Recommendation, as called for in the general discussion on human resources development at the 88th Session of the Conference in 2000. We believe that a digital guide is a more innovative and creative way of supporting our constituents. It will link the text of the Recommendation to all international instruments on education and training and to the over 500 examples of national training policy and programme initiatives that we have collected. Your new Recommendation presented in this new digital guide will provide a very useful platform for promoting cooperation between countries on sharing good practices and thus in giving full effect to more than four years’ hard work.

## **9. Conditions of work in the fishing sector**

Fishing is a truly globalized sector. Many vessels range far and wide, but even if they work closer to home, the catch is sent around the world to feed us all. Within the context of revising and consolidating existing but outdated standards, the first discussion of a new, comprehensive instrument to protect the world’s 35 million fishers has set the framework for the development of a new Convention supplemented by a Recommendation. Although it proved necessary to set aside some provisions, such as accommodation and social security, for further consultations, agreement was reached on the proposed Conclusions with a view to a Convention.

In the light of the hazardous nature of fishing, the Convention contains new provisions on safety and health. It also includes provisions that will enable not only flag States but, for the first time for the fishing industry, port States (ports of other countries which fishing vessels may enter) to monitor compliance with the provisions of the new

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Convention. The discussions inevitably took place in the shadow of the new consolidated maritime labour Convention that is still being developed. Nevertheless, good progress was made in finding the delicate balance in protecting the vast majority of small-scale fishers, who work everywhere, not just in developing countries, without diluting the existing protection afforded to fishers on large ocean-going fishing vessels. But more work remains to be done, particularly if the goal of achieving quick and broad implementation and widespread ratification is to be attained.

The Office has been asked to assist during the coming months, particularly with regard to the important issues of accommodation and social security. And we will, but must do it within the confines of an already tight budget. So we will be looking to all of you – Governments, Employers and Workers – for financial assistance as well as counting on your expertise. I am certain that next year when the Committee reconvenes, it will be keen to complete the double-discussion process with a practical Convention that will be quickly and widely ratified and fully implemented to ensure decent and safe work for the world's 35 million fishers.

## 10. Application of standards

The Committee on the Application of Standards held very interesting and complex discussions on a wide variety of issues. In the general part of its discussion, the Committee continued to examine its own working methods and ways in which its functioning could be improved. This followed a number of earlier discussions going back several years. The principal subject raised was the way in which individual cases are selected for detailed discussion in the Committee. Discussions will have to continue on this in the coming year, as some countries remain unsatisfied that their concerns have yet to be fully met.

The General Survey by the Committee of Experts on the Application of Conventions and Recommendations discussed by the Conference Committee this year was on employment policy, on the contribution of ILO standards on human resources development and on small and medium-sized enterprises (SMEs) achieving full, productive and freely chosen employment. The Committee agreed that employment creation had to remain a central aspect of governments' policies, that the work created had to be decent work, and that human resources and SME development make a real contribution to creating decent jobs.

The Committee again held a special sitting on the application by Myanmar of the Forced Labour Convention, 1930 (No. 29), following up measures taken in the context of article 33 of the Constitution. This was the fourth time such a special sitting has been held, and it discussed not only the comments of the Committee of Experts but also the events which have taken place since that Committee's December 2003 session. It is worth saying that the Committee noted with "deep concern" that the Committee of Experts had pointed out that the three main recommendations of the Commission of Inquiry had yet to be implemented, and that, in spite of the Government's assurances of its good intentions, in actual practice forced labour continues to be exacted in many parts of the country. The Committee also expressed grave concern that three persons had been convicted of high treason, including on grounds of contacts with the ILO, and called for their release. At the same time the Committee welcomed the Government's continuing cooperation with the ILO Liaison Officer in the country, though the practical results had remained slight. We will continue to follow this case attentively.

In addition to this special sitting, the Committee examined 24 other individual cases covering freedom of association, forced labour, discrimination, child labour, employment policy, labour inspection, wages, maternity protection and workers with family



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responsibilities – the whole range of concerns addressed in ILO standards. While in some cases it found reason to welcome the measures already taken, or being taken, by governments to apply Conventions, it also found it necessary to adopt special paragraphs to express concern over other less positive cases. A special paragraph in the Committee's report expresses its concern with Myanmar over the application of the Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87): the Committee found in this case that there was a continued failure to apply the provisions of a ratified Convention. The Committee requested several governments to ask the Office for assistance.

Finally, the Committee had before it the report of the Joint ILO/UNESCO Committee of Experts on the Application of the Recommendations concerning Teaching Personnel.

## **11. Withdrawal of Recommendations**

This year the Conference has, for the third time, withdrawn obsolete ILO instruments. The object of the withdrawal was 16 Recommendations, which had been determined to be obsolete by the Governing Body based on the recommendations of the "Cartier" Working Party on Policy regarding the Revision of Standards (1995-2002). The overwhelming support for these decisions reflects the broad consensus among ILO constituents to pursue efforts to modernize and strengthen the ILO's body of international labour standards.

## **12. Conclusions**

In my opening remarks to the globalization debate I said that I believed the Organization as a whole, the constituents and the Office, must become a truly global team: clear in our strategic choices; efficient in our operations; committed to our values; confident in our message. I think this Conference has shown the qualities of our team: clarity, efficiency, commitment and confidence.

The Chairpersons, the spokespersons of the groups and indeed all the delegates who participated in the work of our committees have shown how global tripartism is able to find agreement on complex issues that call out for international cooperation. I thank you all for the tremendous effort you have made. The plenary debates on the World Commission's report and our response, on organizing for social justice, on the situation of workers of the occupied Arab territories and on the implementation report were full of thoughtful, well-prepared and constructive speeches. None of the reflection that went into your contributions will be wasted.

Our Organization is on the move. We have a broad and deep consensus on the strategies we should follow, which we will now elaborate in a policy framework and a programme and budget for the years ahead. I hope you will go back to your own organizations and ministries and report on what we have achieved, use our reports on globalization to promote a wider dialogue and reach out to form the alliances we need to shape globalization. The potential of tripartism is enormous; let us unleash it fully.

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