Resolutions adopted by the
International Labour Conference at its 83rd Session

(Geneva, June 1996)

I

Resolution concerning the 84th (Maritime) Session of the International Labour Conference

The General Conference of the International Labour Organization,
Noting the decision to hold a special maritime session of the Conference from 8 to 22 October 1996,
Noting also that a number of adjustments need to be made to the plan of work and to the organization of proceedings at that session so as to enable it, despite the short amount of time still available and the limited duration of the maritime session, to complete its work in an efficient manner,
Noting the decisions taken by the Governing Body at its 264th Session (November 1995) concerning Programme and Budget adjustments for the 1996-97 biennium,
Recalling the resolution concerning provisions of the Standing Orders of the International Labour Conference applicable to its [83rd] (Maritime) Session, adopted by the Conference at its 82nd Session (June 1995);
Decides that the following modifications of the Standing Orders and of the Note for maritime sessions of the International Labour Conference, shall apply to its 84th (Maritime) Session, without prejudice to any measures which that session may have to take in accordance with article 76 of its Standing Orders:
- at the 84th (Maritime) Session of the Conference, the Selection Committee foreseen in article 4 and in article 25, paragraph 4, of the Standing Orders shall not be constituted: the duties normally assigned to the Selection Committee in accordance with those and other relevant provisions of the Standing Orders and with usual practice shall be assigned to the Officers of the Conference, on the understanding that it shall be for the Conference itself, at the opening of its 84th (Maritime) Session: (i) to confer on its Officers the powers necessary to enable them to take decisions on its behalf concerning the composition of committees, as well as any other uncontroversial decision relating to the organization of its proceedings or the functioning of the session; (ii) to specify the conditions governing this delegation of authority (majority necessary for decisions and publication of decisions in an appropriate manner);
- article 12 of the Standing Orders (reports of the Chairman of the Governing Body and of the Director-General) shall not apply to the 84th (Maritime) Session of the Conference;
- article 17 of the Standing Orders (Resolutions relating to matters not included in an item placed on the agenda) shall not apply at the 84th (Maritime) Session of the Conference; consequently, no resolution relating to matters not included in an item placed on the agenda of the 84th (Maritime) Session of the Conference shall be moved.

II

Resolution concerning rules governing regional meetings

The General Conference of the International Labour Organization,
Taking note of article 38 of the Constitution concerning the adoption of rules for regional conferences,
Bearing in mind the programme and budget adjustments that have been decided upon for 1996-97, and in particular the fact that the regional conferences originally

1 Adopted on 4 June 1996.
budgeted have been replaced by regional meetings of three days' duration, beginning with the Asia and Pacific region.

Considering that neither the Rules concerning the Powers, Functions and Procedure of Regional Conferences convened by the International Labour Organization nor the experimental procedure used for the most recent series of regional conferences would be appropriate for the regional meetings as envisaged;

Hereby delegates to the Governing Body of the International Labour Office authority to adopt rules to govern regional meetings taking into account the duration and results intended to be achieved by these meetings, and to apply them on an experimental basis before submitting them to the Conference for confirmation at a later stage.

III

Resolution concerning the elimination of child labour 1

The General Conference of the International Labour Organization,
Recalling the Convention on the Rights of the Child adopted by the United Nations General Assembly on 20 November 1989 and the commitment shown by an unprecedented number of States that have become signatories and parties to it,
Recalling also the commitments of governments made at the World Summit for Social Development (Copenhagen, 1995) inter alia, to safeguard and promote the respect of basic rights and interests of workers, including the prohibition of forced and child labour,

Further recalling the resolution concerning the International Year of the Child and the Progressive Elimination of Child Labour and Transitional Measures adopted at the 65th Session of the International Labour Conference in 1979,
Recalling the ILO Minimum Age Convention, 1973 (No. 138), and the Forced Labour Convention, 1930 (No. 29), and the Minimum Age Recommendation, 1973 (No. 146),
 Welcoming the decision of the Governing Body to include child labour on the agenda of the 1998 Conference Session as a subject for standard setting,
 Recalling that the protection of children is among the Organization's priority objectives,
 Considering that the exploitation of children is a gross violation of their human rights and is against the principles of social justice,
 Expressing concern that despite the fact that virtually every country has laws prohibiting child exploitation, the problem still exists and the incidence of child labour continues,
 Underlining the shared responsibility of governments, employers, workers and their organizations and society at large to work for the progressive elimination of child labour. In this context, stressing the need to immediately proceed with the abolition of its most intolerable aspects, namely the employment of children in slave-like and bonded conditions and in dangerous and hazardous work, the exploitation of very young children, and the commercial sexual exploitation of children,
 Recognizing that child labour is to a great extent caused by poverty and that the long-term solution lies in sustained economic growth leading to social progress, in particular poverty alleviation and universal education,
 Noting that although the solution to the problem requires the active and coordinated involvement of society as a whole, governments, through development plans and special education programmes, have a critical role to play,
 Noting that while many governments have adopted policies and taken action towards the elimination of child labour, solutions which put children out of work without providing an alternative means of livelihood for them and their families, can place the children concerned in a worse situation,
 Noting that many children are put to work at a very young age or in conditions which are exploitative and hazardous and that this hinders their steady physical and

1 Adopted on 18 June 1996.
mental development, depriving them of an education and thereby also constraining the social and economic development of their countries,

Noting that the practice of employing child labour often takes place outside of lawfully established enterprises governed by appropriate legislation and is widely prevalent in the informal and rural sectors and, in some cases, among illegal activities,

Recognizing the growing number of enterprises, foundations, and trade associations that have, on a voluntary basis and in response to consumer and society concerns, developed initiatives aimed at the elimination of child labour,

Welcoming the increased involvement of the ILO in the fight against child labour, including the launching of the International Programme on the Elimination of Child Labour (IPEC),

Underlining the contribution that the ILO can make to the open-ended intersessional working group of the United Nations Commission on Human Rights for the elaboration of a draft optional protocol to the Convention on the Rights of the Child relating to the sale of children, child prostitution, and child pornography,

Underlining also the contribution which the ILO can make to international conferences and meetings on the commercial sexual exploitation of children, such as the world congress to be hosted by the Government of Sweden in August 1996,

Welcoming the ILO's active participation in international conferences on child labour, such as those organized by the Governments of the Netherlands and Norway in February 1997 and October 1997 respectively;

1. Invites governments and, where appropriate, employers' and workers' organizations to:
   (a) translate their commitment to the progressive and effective elimination of child labour into concrete action and, where this has not yet been done, consider the ratification and implementation of all relevant international instruments concerning child labour;
   (b) participate actively in the preparatory work and discussions that will be held on child labour as a subject for standard setting at the 86th Session (1998) of the International Labour Conference;
   (c) develop formal policies and set priorities so as to immediately proceed to put an end to the most intolerable aspects of child labour, namely the employment of children in slave-like and bonded conditions and in dangerous and hazardous work, the exploitation of very young children, and the commercial sexual exploitation of children;
   (d) enact and give full effect to national legislation that prohibits the exploitation of children at work;
   (e) formulate and implement educational and developmental policies essential for the elimination of all forms of child labour, in particular those aimed at providing employment for parents of working children and facilitating the transition of working children from work to school;
   (f) initiate activities targeted at working children and their families such as the establishment of day-care centres, schools and training facilities;
   (g) promote access to basic education for girls and boys alike on an equal basis, which is crucial to the success of any effort to progressively eliminate child labour;
   (h) allocate resources to develop education, including compulsory primary education accessible to all, vocational training and guidance;
   (i) allocate resources to establish systems of primary health care, rehabilitation and support so that children can stop working;
   (j) translate child labour policies into action plans and implement them, taking care to ensure that the situations of the children and their families are improved as a result;
   (k) raise public awareness of the human and economic cost as well as the long-term non-viability of using child labour;
   (l) encourage employers' and workers' organizations to develop policies and adopt voluntary guidelines that aim to eliminate the use of child labour;
(m) report regularly to the International Labour Office on progress achieved towards the elimination of child labour;

(n) work with relevant international organizations in seeking the immediate elimination of the most intolerable forms of child labour;

(o) continue supporting and funding programmes that seek to eliminate child labour starting with its most intolerable forms, targeted at working children as well as their families, in particular the ILO's International Programme on the Elimination of Child Labour, and to actively participate in international fora that address the issue of child labour;

(p) strengthen international cooperation machinery to help countries which adopt programmes aimed at eliminating child labour to implement these programmes.

2. Invites the Governing Body of the ILO to instruct the Director-General to:

(a) assist member States, upon request, through advisory services and technical cooperation activities, in their efforts to ratify and implement relevant ILO Conventions as well as in their efforts to adopt and implement national legislation on the elimination of child labour;

(b) undertake studies and in-depth research on child labour, including the compilation of statistical data on the extent of the problem, and disseminate information on this issue;

(c) use all of the ILO's means of action, particularly its technical cooperation programme, to support the efforts of member States for education and enterprise development, job creation and poverty eradication programmes and effective application of the laws relating to child labour;

(d) continue to seek expanded funding for ILO's International Programme on the Elimination of Child Labour and ensure that the programme remains a priority for the ILO, which should be reflected in regular budget allocations;

(e) work more closely with other international organizations on programmes whose goals are to eliminate child labour starting with its most intolerable forms;

(f) present proposals on the convening of an international conference on the elimination of child labour at an appropriate stage;

(g) report regularly to the Governing Body on the ILO's activities and progress in the area of the elimination of child labour.

IV

Resolution concerning tripartite consultation at the national level on economic and social policy 1

The General Conference of the International Labour Organization, at its 83rd Session (1996),

Considering that tripartite cooperation plays an essential role in the structure and activities of the International Labour Organization, as well as in the development and implementation of economic and social policy,

Considering that tripartite cooperation has recently experienced a number of developments in many countries,

Having examined these developments on the basis of Report VI entitled "Tripartite consultation at the national level on economic and social policy",

Bearing in mind the spirit and content of the Declaration and the Programme of Action adopted by the World Summit for Social Development organized by the United Nations in Copenhagen, from 6 to 12 March 1995;

Adopts the following conclusions and invites the Governing Body of the International Labour Office to request the Director-General:

- to bring these conclusions to the attention of the member States and the employers' and workers' organizations;
- to take account of these conclusions when preparing future activities of the International Labour Organization.

1 Adopted on 19 June 1996.
Conclusions concerning tripartite consultation at the national level on economic and social policy

1. In the present conclusions, the term "tripartite cooperation" is taken in a broad sense and refers to all dealings between the government and the employers' and workers' organizations concerning the formulation and implementation of economic and social policy.

2. Tripartite cooperation is not an end in itself. It is basically a means of cooperation among the parties with a view to:
   (a) seeking to promote the pursuit of economic development and social justice in concert; and
   (b) reconciling, where necessary, the requirements of economic development and those of social justice.

3. Meaningful and effective tripartite cooperation cannot exist without a market economy and democracy. It can help to sustain the effective functioning of both. Tripartite cooperation can help to sustain the effective functioning of the market economy by dealing with its social consequences. Tripartite cooperation can also help to strengthen democracy by allowing the social partners, who represent important segments of the population, to participate in various ways in the policy formulation and the decision-making processes regarding economic and social policy.

4. While in some cases tripartite cooperation has not been as effective as some or all parties would have liked, many different forms of tripartite cooperation in different regions of the world have been generally recognized to be effective. This is true for those forms of tripartite cooperation that occur at the national level and cover a wide range of economic and social issues, for those forms that occur at sectoral, regional and local levels, as well as for those forms that occur at the national level but deal with specific subjects such as occupational safety and health. Since tripartite cooperation involves the social partners in the policy formulation and decision-making processes, it has in effect often been a positive means of achieving acceptable compromises between economic and social imperatives. For this reason as well, such compromises have the greatest likelihood of being effectively implemented, thus promoting social peace and harmony.

5. Considerable differences may arise regarding, for example, the relative importance of formal and informal tripartite cooperation, the relative importance of bipartite and tripartite industrial relations or even regarding how sharp a distinction the parties wish to draw between the area of competence of the public authorities and that of the social partners. However, tripartite cooperation is an instrument that is flexible enough to be adapted to the most diverse situations, provided that all the parties have the firm will to do so.

6. At present, the major challenge of tripartite cooperation is to contribute effectively to resolving the problems resulting in many countries from the exacerbation of economic difficulties and the globalization of the economy, as well as from the structural adjustment programmes that both have necessitated. Given the seriousness of these problems, their solution requires a strengthening of tripartite cooperation at the national or other appropriate levels. One of the roles of tripartite cooperation involves the social partners in the policy formulation and decision-making processes, it has in effect often been a positive means of achieving acceptable compromises between economic and social imperatives. For this reason as well, such compromises have the greatest likelihood of being effectively implemented, thus promoting social peace and harmony.

7. Since the globalization of the economy limits the parties' capacity to resolve economic and social problems at the national level, international cooperation contributes to the solution of these problems. The main objective of this cooperation should be to minimize the detrimental effects of the globalization of the economy. Despite the many difficulties involved in establishing such cooperation, there is a pressing need to explore the ways and find the means by which it can be achieved.

8. The need for tripartite cooperation to adapt to its environment does not alter the fact that its effective functioning is subject to certain fundamental conditions. Firstly, it is indispensable that there be three distinct parties, independent of one another and exercising different functions. This presupposes full respect for the right
to organize as set out in the Freedom of Association and Protection of the Right to Organize Convention, 1948 (No. 87), and the Right to Organize and Collective Bargaining Convention, 1949 (No. 98). Secondly, it is essential that the parties be willing to examine problems together and to seek solutions that are mutually beneficial to them and to the national community as a whole. This presupposes that all parties are willing to engage in dialogue with a sense of responsibility that allows them to go further than the narrow defence of their own interests.

9. The smooth functioning of tripartite cooperation depends also on the parties being strong enough to carry out their functions effectively. In particular, this presupposes that the organizations of employers and workers are independent, sufficiently representative and accountable to their members; that they are structured so as to be able to make the necessary commitments and to ensure that they are carried out; and that they have the technical capacity to deal knowledgeably with the subjects under discussion. It is equally important that there be a reasonable equilibrium of strength among the three parties. It is recognized that the State has an important role to play in facilitating effective tripartite cooperation.

10. In a number of countries the existence of an enabling institutional and procedural framework is instrumental — and sometimes essential — to the effective functioning of tripartite cooperation and, in certain cases, to the emergence and identification of employers’ and workers’ organizations.

11. The International Labour Organization should use all appropriate means and take all appropriate measures including the following initiatives in order to promote tripartite cooperation:

(a) encourage the ratification and/or the effective application of the Tripartite Consultation (International Labour Standards) Convention, 1976 (No. 144); the Tripartite Consultation (Activities of the International Labour Organization) Recommendation, 1976 (No. 152); and the Consultation (Industrial and National Levels) Recommendation, 1960 (No. 113);

(b) promote the will of governments, employers’ and workers’ organizations to use tripartite cooperation;

(c) promote tripartite cooperation at the national or other appropriate levels. Its efforts in this domain should above all seek to ensure the fulfilment of the conditions necessary for the smooth functioning of tripartite cooperation. In this regard, special attention should be paid to gathering, evaluating and disseminating information, raising awareness, as well as offering assistance to strengthen the capacity of governments and employers’ and workers’ organizations to participate effectively in tripartite cooperation;

(d) undertake, in line with the wish expressed by the Copenhagen Summit calling for international cooperation, the very special role that its “mandate, tripartite structure and expertise” bestows upon it. In this regard, it is urgent to explore the ways and find the means by which the International Labour Organization can accomplish this task. The International Labour Organization should in any case strengthen its contacts and develop cooperation with the World Bank, the International Monetary Fund, the World Trade Organization and other international agencies in order to better sensitize them to the social consequences of their action. It should also increase its efforts aimed at convincing the World Bank and the International Monetary Fund of the need to consult social partners nationally on proposed programmes of structural adjustment and to encourage the use of tripartite cooperation in policy formulation and decision-making processes. It should also assist the national social partners in the course of such consultations if so requested.

V

Resolution concerning employment policies in a global context

The General Conference of the International Labour Organization,
Having taken note of Report V on employment policies in a global context;

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1 Adopted on 19 June 1996.
1. Adopts the following conclusions.

2. Invites the Governing Body to request the Director-General:
(a) to bring these conclusions to the attention of member States and of employers' and workers' organizations, including by attaching them to the questionnaire for ILO constituents on the assessment of the impact of globalization and trade liberalization on the attainment of ILO objectives;
(b) to take the conclusions into account in the preparation of the Programme and Budget proposals for the 1997-98 and subsequent biennia.

Conclusions concerning the achievement of full employment in a global context: The responsibility of governments, employers and trade unions

The challenge

1. Unemployment and underemployment are currently at unacceptably high levels in nearly all regions of the world. Many developing countries have experienced a rise in poverty, unemployment and underemployment since the early 1980s, while mass unemployment has emerged in the transition economies since 1990. Similarly, high and persistent levels of unemployment have plagued a majority of industrialized countries for the past two decades.

2. Apart from the lack of employment, there is also the problem in some countries of the growing numbers of the "working poor" whose job fails to pay a living wage. Income and wage inequalities have also risen. In addition, social exclusion and long-term unemployment have grown. In many countries women and young people are particularly adversely affected by these problems. Without social justice, social cohesion and the stability of democracy are threatened.

3. These problems have occurred against a background of rapid technological change and growing integration of the world economy through trade and investment flows. The creation of a global market offers the potential for achieving higher growth of output and employment worldwide but is also a source of growing dislocation and insecurity. Indeed there is widespread anxiety over the job-destroying effects of new technologies, the speed of information flows and the risks of job loss and job relocation in the wake of intensifying competitive pressures. It is therefore imperative to translate the potential benefits of rapid technological change and globalization into reality and to distribute these benefits widely. Recognizing the essential role of enterprises for creating jobs, a key means for achieving this is to raise the rate of growth of productive employment and incomes worldwide. Tripartite consultation on economic and labour market issues can assist in the spread of information about the potential benefits of globalization as well as in the promotion of social cohesion and sustainable economic growth.

The objective of full employment

4. The objective of full, productive and freely chosen employment through higher, sustained economic growth should remain a major goal of economic, social and employment policies as governments, employers' and workers' organizations adapt to a rapidly changing global market. High and productive levels of employment through enterprise development are fundamental means of combating poverty, of ensuring equity, of meeting people's aspirations for participation in economic and social life, and for preserving social cohesion. They are also prerequisites for the full utilization of human and capital resources, the maximization of the rate of growth of output and the improvement of living standards. Moreover, full employment reduces expenditures required for unemployment and related benefits and, hence, contributes to the reduction in fiscal deficits. In contrast, high unemployment breeds exclusion and other social ills, increases poverty and inequality, and inflicts a high human cost on the unemployed in terms of reduced well-being and loss of dignity.

5. The definition of full employment as a level of employment where all those available, able and actively seeking work can obtain it remains fundamentally valid. Nevertheless, changes in the structure of employment in terms of what constitutes
full, productive and freely chosen employment need to be taken into account. These structural changes include new forms of flexible employment, a higher turnover of jobs, and a growing trend towards shorter and flexible working time. In consequence, new policies for ensuring employment security, social protection and labour market flexibility need to be developed through, amongst other means, collective bargaining and legislation. These include the enhancement of “employability security” through expanded opportunities for lifelong training and retraining, continuous skill upgrading and the matching of skills with emerging labour markets. Systems of work-related benefits that offer commensurate coverage to the growing numbers in non-standard employment should be developed with due regard to their impact on job creation.

6. Full employment remains an achievable goal despite anxieties over the possible job-destroying effects of rapid technological change and intensified international competition. Both technological change and globalization can be harnessed to achieve higher rates of growth in output and productive employment. This requires the creation of an economic environment which provides clear incentives to enterprises for investment and job creation. At the same time, it requires social policies and institutions which facilitate labour market mobility and flexibility, promote systems of worker involvement and collective bargaining and provide adequate levels of social and contractual protection. Policies to prevent social exclusion and to reintegrate retrenched workers into the labour market are vital for ensuring the social sustainability of adjustments to the new global economy.

7. The objective of full employment is valid for all countries although the concept may have to be interpreted differently for developing countries. Since in many of these countries, only a minority of the employed are in formal wage employment in the modern sector (the rest being in peasant farming, casual and contract labour or low productivity self-employment in the informal sector), progress towards full employment must be measured by using a combination of indicators. These include the rate of growth in modern-sector employment and changes in real average earnings and the degree of open and disguised unemployment and underemployment in the rural and informal sectors. Given the presence of widespread underemployment and poverty in developing countries, it is clear that attaining full employment is a long-term objective, but this does not detract from its usefulness as an overarching policy objective. Furthermore, medium-term objectives need to be set and progress monitored. Full employment provides a notion around which policies can be formulated for raising both the volume and the quality of employment and, thereby, for ensuring that economic growth is equitable and poverty-reducing.

8. ILO Convention No. 122 on employment policy, which has been ratified by 84 member States, recognizes that full employment is more than the avoidance of unemployment. Full employment also requires work to be productive and furthermore stipulates that there should be freedom of choice of employment and the fullest possible opportunity for each worker to qualify for, and to use his or her skills and endowments, in a job for which he or she is well suited, irrespective of race, colour, gender, religion, political opinion, national extraction or social origin. The commitment to full, productive and freely chosen employment was reaffirmed by the World Summit on Social Development (1995).

A framework for policy

(i) Creating an enabling global environment

9. Full employment for women and men can only be achieved in a stable political, economic and social environment. This requires a number of enabling factors. These include appropriate policies to achieve economic and financial stability and hence the absence of excessive price inflation and abrupt exchange rate movements. Exchange rate volatility makes it very difficult for employers to stabilize production and thereby jobs, and for unions to bargain rationally. Other factors include a legal and institutional framework that guarantees human rights, including freedom of association, secure property rights and the enforceability of contracts. A competent, effective and accountable public administration is also essential.

10. In order to fully realize the benefits of globalization, a number of actions are required at the international level to promote stable and open economic relationships among nations:
(i) All countries must commit themselves to adhere to common rules in maintaining open economic and trade policies and refrain from policies that confer on them an unfair comparative advantage. In a number of countries the loss of jobs, especially among the low skilled, risks igniting protectionist sentiments. Universal compliance with basic labour standards, as confirmed by the World Summit on Social Development, contributes to equity and respect for human rights in the face of rising international economic competition. The ILO's tripartite declaration on multinational enterprises and social policy provides a reference point for foreign direct investment.

(ii) Effective arrangements to overcome problems associated with the increasing globalization of financial markets, such as the rapid growth of volatile short-term financial flows which destabilize economic growth and employment, are needed. Means to discourage speculation and promote productive investment should be examined.

(iii) Many developing countries face considerable problems in meeting intensified international competition given the fast pace of technological change. They also face difficulties with the implementation of structural adjustment programmes and in compensating for the often negative social outcomes of these programmes. Increased international assistance for the least developed countries, most of which are in sub-Saharan Africa, is needed to reverse their marginalization, reduce their burden of external debt and bring about a desirable reduction in international inequalities and world poverty. This should be in line with the commitment made at the World Summit for Social Development to find effective, development-oriented and durable solutions to external debt problems, including cancellation or other debt relief measures.

(iv) Improved international economic cooperation and implementation of macro-economic and structural policies for higher growth among major industrial economies will provide a major boost to world output, and promote sustainable economic and social development, including in transition and developing economies.

(ii) Enhancing the adaptability of the labour market and the efficient use of human resources

11. Countries at all levels of development should have clear policy priorities to create and expand employment, and improve its quality, including conditions of work. Central to these policies is the need to provide universal access to basic education, opportunities for further education, vocational training, skill development and opportunities for life long education. These include the need to:

(a) adapt training systems so as to improve the supply response to skill needs and also provide an appropriate system of incentives and support for employers to offer and workers to seek training, so that economic expansion is not restricted by a mismatch of skills;

(b) adapt the training system to meet the needs of the self-employed, especially where few jobs in the formal or modern sector are being created;

(c) encourage cooperation between private and public, large and small and medium sized enterprises to exchange information and take other actions so as to nurture new entrepreneurial and management skills with the goal of increasing employment;

(d) assist the development of small and medium sized enterprises in order to encourage the creation of jobs by facilitating their access to capital markets and credit on reasonable collateral, interest and repayment terms, taking into account the need to encourage women entrepreneurs;

(e) design policies and programmes aimed at providing equal employment opportunities for women and men. This includes special measures to enhance the employability of vulnerable groups, such as legal migrant workers, disabled workers and young workers, and reintegrate the long-term unemployed as active members of the labour market. There is also a need to improve possibilities for workers to combine family responsibilities with their working life;

(f) establish measures to allow workers to adjust to the changing pattern of international production and trade and promote their security of employability;
(g) combine employment security and flexibility in the utilization of labour through, amongst other means, collective bargaining on the reorganization of work and investment in appropriate skills;

(h) examine whether or not there is a need for reform in the labour market, and the nature of such reform, from a case-by-case examination of the empirical evidence;

(i) promote labour-management cooperation, which contributes to productivity enhancement and facilitates product innovation, including effective systems for involving workers and their representatives in decisions at the enterprise and the workplace levels with a view to promoting creative policies and measures of job creation, flexibility and security;

(j) encourage capital investment and research and development activities in order to upgrade product quality and preserve international competitiveness; and

(k) develop tripartite forms of social dialogue among governments and workers' and employers' organizations in support of employment generation as a priority item on the national policy agenda. Such national employment strategies should concentrate on raising production through enlarging production capacity as well as productivity. With the growth of regional trade and integration arrangements, parallel regional employment strategies should also be developed among governments, with the full involvement of employers and trade unions.

Employment growth: The top priority for developing countries

12. Economic conditions overall and employment conditions in particular, have deteriorated in many developing countries, in many cases amounting to an increase in poverty and a decline in income levels since the early 1980s as a consequence of the debt crises, declining commodity prices and subsequent adjustment problems. However, the growing diversity of employment conditions is a striking feature of the development process. A critical condition for reversing the deterioration in employment conditions, where it has occurred, is to restore higher and more stable rates of growth. Only high economic growth and financial stability can provide the preconditions for a sufficiently high rate of growth of productive employment. This would include putting in place appropriate mechanisms, with follow up, for financing in the informal sector and micro-enterprises in order to facilitate their gradual integration into the formal, modern sector of the economy. These actions are required to cope with high rates of labour force growth as well as to reduce the existing pool of unemployed and the share of low productivity jobs in total employment and thereby contribute to the alleviation of poverty.

13. Many developing countries still face considerable challenges in implementing economic reforms in order to move towards a more open and market-oriented economy. This involves trade and currency liberalization as well as various micro-economic reforms to remove price and other distortions and achieve greater efficiency in resource allocation as well as better labour utilization. It is particularly important that trade be integrated with all countries. Successfully implemented and reinforced by other appropriate programmes and policies, such reforms should lead to higher growth and an increased pace of productive job creation. Successful reform is thus the cornerstone of efforts to put developing countries firmly on the path of achieving full employment.

14. But there is likely to be a high social cost associated with the reform process. Jobs in uncompetitive activities, which may be high status jobs, are likely to be destroyed faster than new jobs, which may be worse paid, can be created in competitive sectors. There needs to be a balanced approach to economic liberalization and any resulting labour force restructuring so as to mitigate any worsening of unemployment and poverty. The process of job creation is likely to be more successful in economies that are open and market oriented. The pace of the process towards this objective will vary from country to country but earlier success can be achieved where there is a high degree of social consensus.

15. While market reforms are essential for sustainable employment growth and poverty alleviation they are unlikely to be sufficient. Especially in countries with high levels of poverty and inequality, market reforms need to be supplemented by policies and programmes designed to strengthen the capacity of the poor to respond
adequately to new economic opportunities. A greater effort is needed to develop, for example, access to education, especially at the primary levels and for girls, rural infrastructure, especially transport and communications, credit schemes, extension services and public works programmes. Land and tenancy reform measures are also important where the pattern of land ownership is highly unequal. Outside the rural sector, programmes to promote the growth of labour intensive small and medium enterprises are particularly important. These should be extended to micro-enterprises and self-employment activities in the urban informal sector. Programmes to combat child labour exploitation such as the ILO's International Programme for the Elimination of Child Labour should be developed in order to take children out of work and into training and education, and to create employment opportunities for their parents. Programmes should also be developed to assist women, especially in rural areas, to overcome the barriers preventing them from finding productive and freely-chosen employment. In addition, the capacity to design and implement programmes to compensate for the adverse effects of economic reform and of structural adjustment programmes needs to be strengthened.

Restructuring employment in countries in transition

16. Many of the former centrally planned economies of Central and Eastern Europe and of Central Asia have experienced a rapid emergence of mass unemployment since the beginning of the process of transition to a market economy. The non-payment of wages is an acute problem in many countries. In other countries open unemployment has been replaced by short-time working, extended leave and other measures. Frequently a difficult fiscal situation restricts the financing of active and passive labour market measures. Significant progress has been made in this transition process in many countries, although the achievements have been uneven across countries. But even in the countries most advanced in the reform process much remains to be done, especially in the area of enterprise restructuring, before they become competitive market economies. Adjustment will be eased if present policies hampering restructuring, such as tax-based incomes policies, are replaced by a system of collective bargaining on wages in line with market forces.

17. A major policy challenge is to reduce current high levels of unemployment and underemployment while pressing ahead with the transition process. However, a key objective of further reforms is to raise labour productivity and move away from genuinely uncompetitive activities. This implies a further rise in unemployment, unless new jobs are created rapidly. Promoting job creation in competitive new private sector and viable public sector activities is therefore a vital element of employment policies. The expected run down of employment should be matched, wherever possible, with these job creation activities. This requires a strengthening of the capacity for macroeconomic management in order to ensure a supportive economic environment, a continuation of market reforms to provide the right incentives for investment and enterprise growth and the development of a comprehensive legal framework for the operation of small and medium enterprises and the reform of labour law in line with ILO standards. Attention also needs to be given to removing constraints on labour mobility, especially from regions of high unemployment to regions of greater employment potential. Regions earlier dependent on a single industry are often suffering high levels of unemployment. Their vulnerability can be reduced by encouraging the diversification of economic activities which would also enrich the skill structure of the labour market.

Emerging features of a full employment strategy in industrialized countries

18. In most of the industrialized countries tackling the problems of high unemployment, widening wage inequalities, labour market costs and rigidities, and increasing disparities in job opportunities are a major preoccupation for governments and the social partners. Although the degree of consensus on the causes of these phenomena or on the policies required to overcome them is limited, there is, nevertheless, scope for building a strategy based on policies to restore higher rates of growth of output, of productive capacity and productivity.

19. Such a strategy involves the implementation of macroeconomic policies aimed at securing an adequate framework for faster growth, fiscal equity, job creat-
ing investment and a more stable balance between supply and demand, side by side with:

(i) labour market policies to improve the functioning of labour markets, increase equality of opportunity and, thus, raise the employment prospects for all and particularly low skilled workers. Active labour market policies should include the development of local employment initiatives and the provision of high quality employment services; and

(ii) a reduction of non-wage labour costs without affecting levels of social security, aimed at the low skilled and low productivity end of the labour market.

To boost investment and employment, the macroeconomic part of the strategy could involve, wherever possible, a reduction in real interest rates, fiscal deficits, public debts and governments' debt servicing burden. Economic growth and lower unemployment are effective means for attaining a sustained reduction in public deficits and debt through increased tax revenues from higher growth and savings on social security.

20. Improved coherence between economic and employment policies will ease external deficit problems, soften the losses of competitiveness generated by inflationary tensions, and most importantly, reinforce the credibility of policies of deficit reduction, thereby sustaining economic growth. Such an approach would help to build confidence in financial markets that a sustained reduction in real interest rates is consistent with faster growth and pursuit of the objective of full employment. In addition, in order to maintain incentives to invest and to contain inflationary pressures, macroeconomic objectives, wage developments and other aspects of the labour market should be compatible. Consideration should be given to the methods by which governments and the social partners, taking into account their respective responsibilities, achieve these objectives. With a view to increasing employment opportunities, the social partners may wish to consider examining different means of reorganizing working time. The promotion of new forms of work in the environmental protection, community and social service sectors should also be examined.

The international advocate for full employment and social justice: The role of the ILO

21. The ILO has a major role to play in assisting member States to achieve the objective of full employment through economic and social policies as governments and the social partners try to adapt to rapid changes in the world of work. This role was reinforced by the mandate given to the ILO by the UN Summit for Social Development to lead the international inter-agency effort to promote full productive and freely chosen employment. This will involve action on a wide front.

22. At the international level, the ILO should continue to highlight the importance of the social dimensions of the ongoing process of economic globalization including through the regular preparation of the World Employment Report. It should strengthen its efforts to promote the full observance of basic international labour standards including by upgrading the supervisory machinery for the application of ILO Conventions and by technical assistance for their more effective application. This is an important means for the ILO to play its role connected with the opening up of global markets and ensuring the equitable distribution of the benefits of economic liberalization and globalization. The ILO should also strengthen its ongoing dialogue with the Bretton Woods institutions, the OECD and the business and industry and trade union advisory committees (BIAC and TUAC) to the OECD and the WTO with a view to promoting a better mutual understanding of the interrelationship between economic, social and employment policies. In this connection, the ILO needs to stress the merits of programmes of economic reform which are based on consensus among the social partners, which allow for raising both the quantity and quality of employment with the goal of full employment, and adequate compensatory programmes of social safety nets and which do not require vulnerable sections of the population to suffer high and immediate costs in return for uncertain future benefits. The introduction of employment targets into structural adjustment programmes should be taken into account. The Governing Body's Committee on Employment and Social Policy should be given extended time for discussion of employment issues. Enterprise development and the improvement of industrial relations within enter­prises should continue to be given high priority by the ILO.
23. Consideration should be given, both nationally and by the ILO Governing Body, to developing mechanisms that would enable ministers of finance and economic affairs and ministers of labour to review jointly with the social partners the policies that need to be followed in order to ensure that employment and social objectives receive high priority in national and international economic policies.

24. At the national level, the ILO should assist all governments, with the fullest involvement of the social partners, in establishing an employment policy framework, in articulating this framework in institutional terms, and in the development of effective monitoring and evaluation machinery. Such ILO assistance in formulating an employment policy framework could be provided through the series of employment policy reviews being launched as a follow-up to the World Summit for Social Development. Such reviews, undertaken only at the request of and with the full commitment of member States and the social partners, should examine the legislative or other similar means by which commitment towards achieving full employment has been expressed as well as the forms of tripartite consultations available to review progress towards that goal and the weight given to employment considerations in economic policy-making. Each country review should include background and analytical work, the identification of key problems, an examination of the effectiveness of institutions with a role to play in job creation, the elaboration of policy recommendations and suggestions for convening a national employment summit. Among the issues which any review should analyse are the following: the impact of globalization on the country's employment situation; the functioning of the industrial relations systems; obstacles to enterprise creation, rural unemployment, the role of wage and non-wage labour costs, the interests of all vulnerable groups including the disabled, ethnic minorities, indigenous people, migrants, young workers and long-term unemployed; and the effect of employment policies on levels of employment. Reviews should also examine the appropriate roles of the private and public sectors in generating employment and alleviating poverty. These reviews should be carried out in consultation with the Governing Body Committee on Employment and Social Policy. Undertaking country employment policy reviews will allow the ILO to identify and document good policies and practice in the employment and training field and disseminate this information to member States.

25. In addition to this country-specific assistance, the ILO should undertake a comparative analysis of the principal problems faced by member States in the design and implementation of employment promotion policies. This will require:

(a) The development of an expanded range of indicators of labour market performance in order to assess the effectiveness of active labour market programmes such as retraining, job subsidies and self-employment promotion in creating sustainable jobs at a reasonable cost. Additionally, indicators need to be developed which can reflect job characteristics which are not conventionally measured. These include such alternative forms of work as casual or temporary jobs and fluctuations in hours worked and earnings. The ILO should assist member States on improving the collection of labour market information and widening the availability of labour market indicators to include new employment trends.

(b) The undertaking of comparative policy analyses of common employment policy issues that are relevant to countries at all levels of development. These will serve as a basis for advice to constituents and for discussion with the Bretton Woods institutions and should include the following:

(i) the impact of trade and financial liberalization on the level and quality of employment, particularly with respect to women's employment;

(ii) appropriate forms of government support for infrastructural development and training, in order to achieve higher levels of productivity and international competitiveness;

(iii) forms of support for the development of small and medium-sized enterprises, including the provision of appropriate credit schemes, infrastructure, etc., paying particular attention to the problems of women entrepreneurs;

(iv) the design of labour market institutions and regulations which can best satisfy the twin imperatives of higher employment growth and competitiveness, on the one hand, and employment security and an adequate level of social protection on the other.
VI

Resolution concerning the arrears of contributions of Sierra Leone

The General Conference of the International Labour Organization,
Having regard to paragraph 7 of article 10 of the Financial Regulations,
Accepts the arrangement proposed by the Government of Sierra Leone for the settlement of its arrears of contributions due for the period 1983-95 to the effect that:
(a) in 1996, the Government of Sierra Leone will pay in full its contribution for the year 1996;
(b) in subsequent years, the Government of Sierra Leone will continue to pay its current contribution in full in the year for which it is due;
(c) the Government of Sierra Leone will settle arrears that have accumulated up to and including 31 December 1995, amounting in total to Sw.frs.350,450, by payment of 19 instalments of Sw.frs.17,523 and a final instalment of Sw.frs.17,513, beginning in 1997;

Decides that Sierra Leone shall be permitted to vote, in accordance with paragraph 4 of article 13 of the Constitution of the International Labour Organization, after the conclusion of the present business.

VII

Resolution concerning the arrears of contributions of Togo

The General Conference of the International Labour Organization,
Having regard to paragraph 7 of article 10 of the Financial Regulations,
Accepts the arrangement proposed by the Government of Togo for the settlement of its arrears of contributions due for the period 1992-95 to the effect that:
(a) in 1996, the Government of Togo will pay in full its contribution for the year 1996;
(b) in subsequent years, the Government of Togo will continue to pay its current contribution in full in the year for which it is due;
(c) the Government of Togo will settle arrears that have accumulated up to and including 31 December 1995, amounting in total to Sw.frs.118,529, by payment of 19 instalments of Sw.frs.5,926 and a final instalment of Sw.frs.5,935, beginning in 1997;

Decides that Togo shall be permitted to vote, in accordance with paragraph 4 of article 13 of the Constitution of the International Labour Organization, after the conclusion of the present business.

VIII

Resolution concerning the arrears of contributions of Cambodia

The General Conference of the International Labour Organization,
Having regard to the terms of the financial arrangement adopted by the Conference at its 82nd (June 1995) Session for the settlement of the arrears of contributions of the Government of Cambodia,
Having regard further to the fact that the Government of Cambodia, having lost the right to vote through non-payment of its contribution for 1995, has now paid its contribution for that year and for 1996;

Decides that the Government of Cambodia shall be permitted to vote in accordance with paragraph 4 of article 13 of the Constitution of the International Labour Organization, it being understood that the aforesaid financial arrangement shall continue to apply.

1 Adopted on 18 June 1996.
IX
Resolution concerning the financial report and audited financial statements for 1994-95

The General Conference of the International Labour Organization;

X
Resolution concerning the regrading of the post of the Director responsible for ILO activities in Europe

The General Conference of the International Labour Organization;
Approves the regrading of the post of Director responsible for ILO activities in Europe from D.2 to Assistant Director-General as from 1 July 1996.

XI
Resolution concerning appointments to the Administrative Board (ILO Staff Pensions Fund) and to the ILO Staff Pension Committee (United Nations Joint Staff Pension Fund)

The General Conference of the International Labour Organization,
In accordance with article 3 of the ILO Staff Pensions Fund Regulations and article 6(c) of the Regulations of the United Nations Joint Staff Pension Fund:
(a) Decides to appoint the following members and alternate members of the Administrative Board of the ILO Staff Pensions Fund and of the ILO Staff Pension Committee (United Nations Joint Staff Pension Fund) for a period of three years with retroactive effect from 9 October 1995:
Members: Mr. Y. Chotard (France)
           Mr. J.-J. Oechslin (France)
           Mr. K. Tapióla (Finland) up to 30 June 1996
Alternate members: Mr. D. Pelekanos (Cyprus)
                  Mr. R.M. Schibli (Switzerland)
                  Mr. W.M. Yoffee (United States);
(b) Further decides that, from 1 July 1996, Mr. Tapióla will be replaced by a person to be designated by the Governing Body, who shall serve until October 1998.

XII
Resolution concerning the composition of the Administrative Tribunal of the International Labour Organization

The General Conference of the International Labour Organization,
In accordance with article III of the Statute of the Administrative Tribunal of the International Labour Organization;
Decides to renew the term of office of Ms. Mella Carroll (Ireland) as judge, from the expiry of her present term until the end of July 1999.

1 Adopted on 18 June 1996.
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