

**Remarks of
H.E. Le Luong Minh
Secretary-General of ASEAN
ADB-ILO Regional Report Launch
ASEAN Community 2015: Managing Integration for Better Jobs and
Shared Prosperity
20 August 2014, Jakarta**

*H.E. Muhaimin Iskandar, Minister of Manpower and Transmigration
of Indonesia,*

*Mr. Yoshiteru Uramoto, ILO Assistant Director-General and
Regional Director for Asia and the Pacific,*

*Mr. Arjun Goswani, Director, Office of regional Economic
Integration of the ADB*

*Mr. Said Iqbal, Vice-Chair of the ASEAN Trade Union Council,
President of KSPI: Confederation of Indonesian Trade Union*

*Mr. Tan Sri Azman Shah Dato' Seri Haron, President of ASEAN
Confederation of Employers. President of the Malaysian Employers
Federation,*

Distinguished Delegates,

Ladies and Gentlemen,

It gives me a great pleasure to join you at the launch of the ADB-ILO Regional Report on “ASEAN Community 2015: Managing Integration for Better Jobs and Shared Prosperity”. I would like to express our appreciation to the International Labour Organization for the invitation.

I appreciate the joint initiative of the ILO and the ADB to conduct this regional study at this critical juncture when ASEAN will be establishing the ASEAN Community in 2015. Last year, all ASEAN sectoral bodies across the three pillars reviewed the progress in attaining the strategic objectives of the the Blueprints for the Political-Security, Economic and Social-Cultural Communities. This year, we are contemplating on the ASEAN Community's post-2015 vision for ASEAN's continued integration beyond 2015. For ASEAN's integration, 2015 will not be the end of the road; rather it will be a milestone in realising an ASEAN Community with a single market and production base, a Community where the well-being and livelihood of the peoples are safeguarded.

This report provides us useful feedback on the benefits and potential risks of the ASEAN economic integration, particularly with regard to the employment and livelihood of the peoples. In this connection, ASEAN's economic performance has been remarkable as reflected in the region's growth rates and FDI inflows. The resilient economic performance of ASEAN Member States led to significant improvements in the livelihood of its over 617 million people. The proportion of population living below PPP US\$ 1.25 in the ASEAN-6 went down from 45% in 1990 to 15% in 2010. This progress also contributes to the narrowing of development gap between ASEAN-6 and CLMV Countries where that proportion decreased sharply from 66% in 1990 to 16% in 2010. Concerning the Millennium Development Goals, ASEAN has been acknowledged as an early achiever in reducing poverty and the prevalence of underweight children, increasing skilled birth attendance, reducing the incidence of

tuberculosis and providing basic sanitation. ASEAN is also on track in reducing child and infant deaths. I also noted the observation made in this ILO-ADB Joint Report that ASEAN's middle-class workforce is rapidly expanding.

Ladies and Gentlemen,

We acknowledge that there are still many areas for improvement. One of them is in the employment sector. I am encouraged by some prognoses made in this ILO-ADB Joint Report which suggests that the ASEAN's GDP in 2025 would be 7.1% higher than the baseline in 2015; that the AEC could generate millions of additional jobs in ASEAN by 2025 and that such gains are most encouraging in Cambodia, which represents 9.8% of its total employment in 2025, and in Viet Nam which represents 9.5. We encourage the ILO and the ADB to continue providing technical support to ASEAN Member States and cooperate with ASEAN to create more employment opportunities in the region.

Looking at the current economic and demographic backdrop of ASEAN, nearly 60% of total labour force in the region is in the informal sector with agriculture a predominant sector of employment in many Member States. I noted that the Report estimated the share of agriculture in total employment would decline by 48.3% in 2025, particularly in Cambodia, Indonesia, Lao PDR, the Philippines,

Thailand and Viet Nam. In other words, we will witness structural change in employment with industry and services continuing to grow. Generally, there will be a shift of demand for skills in employment. These are important projections that need to be assessed carefully by the Governments for appropriate response.

Excellencies,

Ladies and gentlemen,

I appreciate the rich assessment, comprehensive prognoses, and stimulating recommendations made in this Report. I would encourage the ILO and the ADB to continue the technical support to ASEAN Member States and cooperation with the relevant ASEAN sectoral bodies in facilitating greater alignment of economic strategies and labour policies.

I hope that the ILO and the ADB could facilitate an inter-sectoral forum with wider audience from government agencies within the economic and socio-cultural pillars and the private sector from ASEAN Member States to share this Report and to engage in dialogues on the key cross-cutting labour dimensions of the ASEAN economic integration that are highlighted in the Report.

Thank you!
