

**IBSA International Conference on South –South Cooperation ‘Innovations in
Public Employment Programmes and Sustainable Inclusive Growth’, 1-3
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Address by Dr. Sachiko Yamamoto, Director, ILO Regional Office Bangkok,

1. Honourable Minister Mr.Kharge, Ministry of Labour and Employment
2. Honourable Ministers of Labour and Ambassadors from Africa, Asia, Central Asia, and South America
3. Dr.Sarangi, Secretary, Ministry of Labour and Employment
4. Mr. Ashok Singh, Chairman, Central Board of Workers Education
5. Mr. Jose Manuel Salazar, Executive Director, ILO Employment Sector

Distinguished Guests and Colleagues,

Ladies and Gentlemen,

It is my great pleasure to be here at the IBSA International Conference on South-South Cooperation on topic, ‘Innovations in Public Employment Programmes and Sustainable Inclusive Growth.’

I would like to start by congratulating the Government of India, in particular the Ministry of Labour and Employment, along with Ministry of Rural Development, for taking the lead and organizing this important and timely event. The collaborative work across these two ministries, with support from the ILO office here in Delhi, is a great example of promoting policy coherence on crucial issues of employment and inclusive growth. I am also delighted at the presence of so many ministers of labour and high level representatives from 18 countries from the South and around the globe.

Ladies and Gentlemen, allow me to talk first about the world context in which this conference is placed.

As you all know, though the global financial crises originated in the United States in 2007, the shockwaves quickly spread to other advanced economies and developing countries during 2008 and 2009. However, although many commentators expected low and middle-income countries to suffer as they did during the debt and currency crises of previous decades, these economies proved to be far more resilient.

The resilience was due to better policy making- here I mean fiscal space which provided the room to respond to the downturn through stimulus packages and social protection schemes, which helped mitigate the impact of crises on the poor and vulnerable. At the same time, external factors have been important, notably the continuing growth of the two largest emerging economies in this region, China and India, which has had important spill-over effects on other emerging economies and developing countries.

Moving from the growth picture to the development story, economic progress over the last few decades has been accompanied by real progress, albeit unequal, in reducing poverty in many countries. However, despite robust economic progress and falling rates of poverty, the labour markets of some emerging economies have not always benefited to the same extent. In particular, informality and vulnerable employment, all key indicators of decent work deficits continue to be the norm for most workers. Furthermore, women, youth, and some other vulnerable segments of the population face permanent hurdles to accessing the few good jobs in the formal economy.

These points were stressed at the 15th Asia and Pacific Regional Meeting in Kyoto held in December of last year, which some of you attended. In my address to that meeting, I underscored the point that, though Asia-Pacific is the world's most dynamic region and although some countries have been doing well in terms of economic growth – as a region we have not been generating enough jobs and decent work from this growth. The conclusions adopted by the delegates at that meeting clearly stated that employment and support for decent work must be at the heart of economic policies for strong, balanced and sustainable growth and development.

Let me now talk briefly about the particular situation of India.

As you all know, India has grown strongly in recent years, joining the few countries that have been able to grow faster than 8 per cent over a sustained period – indeed, growth exceeded 10 per cent in 2010, although various factors have moderated growth in 2011. This has been a great achievement. However, as noted in ILO's recent Global Employment Trends, this rapid growth in output has not been accompanied by an increase in employment. This 'jobless growth' has meant that vast majority, or around 94 per cent of the poor in India still work in the unorganized sector in precarious, and mostly unprotected jobs. On a more positive note, wages for both regular and casual workers have increased, which has taken place in both urban and rural areas.

One important factor that has helped short-term employment and lift earnings in rural areas, is the introduction and expansion of Mahatma Gandhi National Rural Employment Guarantee Programme, which is being highlighted during this conference. The scheme follows a rights-based approach to development

and illustrates how economic, social and environmental benefits altogether can be generated by an employment intensive growth policy.

Through wages, employment and income security for rural households, the scheme has contributed directly to livelihood security of the poor and vulnerable groups, in particular women. It has acted as a wage floor in rural parts of India, has helped increase average wage rates for agriculture daily labour and has generated work for over 54 million rural households across the country in 2010-2011.

The National Rural Employment Guarantee Programme also significantly contributes to the protection of the natural resource base. Of the millions of works being undertaken in hundreds of districts, a significant number of these are water, land and forestry-related, thereby strengthening resilience of rural communities to the impacts of climate change. Efforts are currently being made to enhance employability of the workers, through green jobs creation, access to skills development, as well as promoting higher level of policy coordination between the three pillars of sustainable development namely economic, social and environmental. In this regard, the vision of the Government of India for turning NREGA into a strategic, complementary policy instrument for sustainable development in rural India is highly commendable.

Apart from the experiences of the other IBSA countries, namely Brazil and South Africa, we will also hear from at this conference, from Cambodia, Ethiopia, Indonesia, Nepal and other countries, their successes and challenges in implementing public employment programmes and social protection schemes. We hope to learn a lot about these challenges, since these countries

are in the process of designing their programmes or are in nascent stages of implementation.

In general, these insights on the situation in emerging economies and developing countries show that, while countries have been growing more strongly, labour market challenges remain, notably the creation of jobs in the formal economy to lift people out of poverty. This is true especially for all the youth entering the labour market. Though progress is being made, decent work for all, remains an elusive goal. Policy makers should be able to react to downturns and longer term issues through better designed and more effective policies and programmes. These have all been key measures outlined under the Global Jobs Pact, which was adopted in June 2009.

Ultimately, the diverse challenges of development provide an opportunity to learn about implementing policies and programmes that tackle poverty and promote decent work and to disseminate the lessons learned in Asia-Pacific region and beyond.

For all these reasons, we are meeting here today under the ISBA umbrella to share knowledge and experiences that will help countries of the South. The lessons learned in your countries over the recent years, especially during economic and financial crises, can provide crucial insights to support others in their efforts to implement the Decent Work Agenda and Global Jobs Pact.

We have, therefore, come a long way since the Brasilia Declaration of June 2003, which established this trilateral development cooperation. Four IBSA summits have been held. But most importantly, from a decent work and ILO's perspective, it is important to highlight that India, Brazil and South Africa and the ILO signed a Declaration of Intent in November 2010 to contribute to the

implementation of the Decent Work Agenda and its four strategic objectives under this initiative. This firmly established triangular South-South cooperation – involving two South-South Partners plus the ILO – as a new modality in our cooperation portfolio.

This conference on South-South cooperation is a manifestation of solidarity among countries and peoples of the South, which contributes to their national well-being, collective self-reliance, and the attainment of internationally agreed development goals – including the MGDs. Crucially, South-South cooperation should be viewed as a useful tool to engage social partners from developing countries to promote Decent Work Agenda. We look towards South-South and Triangular cooperation as a partnership based on solidarity, which is not a substitute for, but rather a complement to, North-South cooperation.

South-South cooperation is about applying local and home-grown solutions to local problems. This can take many forms, such as:

1. Information, good practice and knowledge sharing
2. Knowledge transfer
3. Technical assistance, or
4. Transfer of appropriate technologies.

The ILO can assist here in matching the needs of cooperation countries – in particular LDCs – with those of contributing countries and adding its own repository of knowledge and expertise to enhance the technical and programmatic quality of the cooperation.

These issues will be discussed at the forthcoming Governing Body meeting in March, which will deliberate on an ILO strategy for promoting SSTC as part of our Technical Cooperation Programme.

Let me conclude by congratulating the Government of India again on this worthy initiative. I hope that concrete activities and areas of work that can be pursued on the IBSA platform will emerge from the discussions over the next two days, and the momentum created here in Delhi will be a force behind their robust implementation. ILO is proud to be a partner in this future process and I wish you a very successful conference.