

2nd ASEAN HUMAN RESOURCE CONFERENCE, 25 May 2010

Speech by Ms. Sachiko Yamamoto

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Standing Deputy Prime Minister of S.R. Vietnam – H.E. Nguyen Sinh Hung
Labour Ministers and Heads of ASEAN Delegations
ASEAN Deputy Secretary General - Mr. Dato Misran Karman
Vice Minister for Policy Coordination of the Japanese Ministry of Health, Labour and Welfares -
Mr. Toshiaki OTA
Distinguished participants and guests
Ladies and gentlemen

It is a great pleasure to join you in the 2nd ASEAN Human Resource Conference. I thank the Socialist Republic of Vietnam, for hosting this important event and I appreciate the years of our continued cooperation and look forward to our increased collaboration.

At the opening of the ASEAN Labour Ministers Meeting yesterday, the Prime Minister of Vietnam explained the importance of HRD for the future. The ILO Director-General's message underscored some of the key challenges facing the global and regional economy and its workers during what will likely be a multi-speed recovery. Today, I will review some of these issues, highlight the role of the Global Jobs Pact as a tool for recovery and touch upon further cooperation among the ILO and ASEAN.

While the global jobs crisis has weakened labour markets, effective policy responses can speed up recovery.

First, while global unemployment reached a record high in 2009, we estimate that G20 policy responses will have created or saved 21 million jobs in these countries by 2010. Many of the responses are working, and these policies are captured in the Global Jobs Pact endorsed by G8, the UN, G20 and other countries.

Second, while unemployment increased in most regions and countries, not all countries have been impacted the same. In some ASEAN countries, for example, while unemployment did not increase, there has been a worrying rise in vulnerable employment as well as working poverty. Youth have been hit disproportionately hard.

Third, labour market conditions are likely to continue to be strained in the near term. The continued provision of social protection will be needed to support vulnerable workers and their families, while also increasing demand and human resources.

Finally, much of the success in improving economic and labour market conditions can be attributed to the unprecedented global and regional policy cooperation, and ASEAN's ongoing collaboration will be essential for a jobs-rich recovery.

ASEAN's regional and international cooperation has become more critical to achieve employment and economic development goals and this Conference is occurring at a historic time. While economic recovery is underway in the region, labour markets remain fragile. Furthermore, with only five years remaining to achieve the 2015 target for the ASEAN community, the region is at a critical juncture. Sustained economic and employment growth in your countries will require proactive human resource policies and cooperation among governments, enterprises and workers. Strengthening regional cooperation will also be important as global demand recovers.

The topics of this conference build upon priorities from the ASEAN Leaders Summit last month, where officials placed human resource development at the centre of policies for competitiveness and long-term growth. The long-term focus was clearly expressed in the *ASEAN Leaders' Statement on Sustainable Recovery and Development*. The Statement reiterated the importance of the *Cha-am Hua Hin Declaration on Strengthening Cooperation on Education* in 2009, which emphasized the role of strengthening education outcomes and increasing collaboration for education and skills development to support ASEAN's economic development.

The GDP in ASEAN is recovering faster than many other regions and both global and regional experiences have shown that job market recovery can lag economic growth by many years. After the 1997-98 Asian financial crisis, unemployment rates were still above pre-crisis levels after four years. Complacency relating to labour market recovery is therefore not an option. Dialogue among policymakers, enterprises and workers, must therefore, continue proactively, collaborating for employment responses such as improving access to relevant skills training to increase productive employment

In order to facilitate rapid employment recovery, the ILO and its tripartite constituency developed the Global Jobs Pact, which was unanimously adopted in June 2009 by delegates from Government, Employers' and Workers' from the ILO's Member States. The Pact outlines policy measures for employment and social protection to soften the impact of recession, accelerate a jobs-rich recovery and support the move towards strong, balanced and sustainable growth.

Let me highlight a few policies in the Global Jobs Pact which I hope ASEAN Countries can continue implementing.

Skills training and education systems need constant improvements. During recovery, governments can support enterprises and workers to re-skill both retrenched women and men as well as employed workers given slack demand. By enhancing and improving the skills of the workforce there will be increased opportunities for maintaining workers' employability and enterprises sustainability. We must work together to prepare for future jobs. Education and training must anticipate future skills needs. Some growth areas will include green jobs and higher-value added manufacturing and service sector jobs.

We should not forget that majority of the enterprises in the ASEAN region are small and medium. These enterprises are often less productive and have more vulnerable workers. **Social partners need to boost human capital and labour productivity** these enterprises.

Providing more labour-intensive jobs that can also increase competitiveness and output. Infrastructure such as roads, bridges, ports and communications technology are examples.

For all of these objectives to be achieved, tripartite cooperation among government, employers' and workers' associations must be strengthened to find mutually beneficial solutions.

We look forward to working with ASEAN in implementing structural reforms to create more inclusive labour markets, active labour market policies, and quality education and training programs. I believe that ASEAN could play a guiding role in all these. The ILO is committed of its continued collaboration with ASEAN to help preserve employment and prioritize job growth towards decent work.

Thank you and I wish you all productive discussions.