

**Address by Juan Somavia Director General, International Labour Office-Delivered at the Opening Ceremony of the 15th Asia and Pacific Regional Meeting, Kyoto, Japan ( 4 December 2011)**

12/4/2011

Your Excellency Yoshihiko Noda, Prime Minister of Japan,

Your Excellency Deputy Prime Minister Guterres of Timor Leste,

Your Excellency Ahmed Luqman, Director-General of the Arab Labour Organization,

Minister Komiyama,

Ministers and delegates from ministries of labour,

Dato Azman Seri Haron, President of CAPE,

Mr Nishida, Vice Chairman of Keidanren,

Mr Koga, President of RENGO,

Mr Suzuki, General Secretary of ITUC in Asia and the Pacific,

Trade union and employer delegates,

Distinguished guests,

ILO colleagues – who I must thank for their excellent work, not least for the excellent documentation for this meeting,

Thank you all for being here.

Prime Minister Noda, thank you for honouring us with your presence. You took office at a challenging time and you have undertaken to be guided by the goal of “putting the lives of the people first”.

You cautioned that “hope” and “pride” would not emerge without the restoration of a society that has “warmth” rather than “despair and anger”. Thank you for this beautiful characterization of what ought to be.

Prime Minister, we believe that this is very much in keeping with the thinking that lies behind decent work.

Your presence with us is testimony to your commitment to forging bonds of friendship or “kizuna” in a multi polar world.

Thank you for joining us here today in our common endeavour to “create hope” throughout the Asia-Pacific region.

Minister Komiyama – you and your team have untiringly sought to ensure the success of the meeting. Thank you.

And of course we thank the city of Kyoto and the fates for preserving the marvellous autumn colours for our arrival!

Japan is a founding member of the ILO, and a committed supporter of its values and action, and of our tripartite Decent Work Agenda. It is so fitting that we are here for this 15th regional gathering.

Prime Minister Noda, above all, we have made this journey in solidarity with Japan.

In March, this year we witnessed with horror the devastation of the earthquake and tsunami and its impact on the life of your people and Japanese society!

Once again on behalf of the ILO and all of us gathered here today, I extend our heartfelt sympathy and condolences.

But even as the tragedy unfolded, the world was filled with admiration for the response of the people of Japan.

Because in the midst of the tragedy we saw dignity and humanity, respect and solidarity, a nation coming together – qualities too often lacking in the world today.

This region is all too familiar with environmental threats and natural disasters. And 2011 has been a particularly catastrophic year as events in Japan, Pakistan, Samoa and Thailand, Philippines, Cambodia and Vietnam, Australia, New Zealand, Nepal, Northern India – and elsewhere – have shown.

They are all examples of the resilience that so characterizes this Asia-Pacific region; this capacity to learn from experience and emerge stronger.

From the challenge of climate change, to the negative impact of an unbalanced global economy, and the quest for social justice, countries of Asia and the Pacific are stepping forward in the search for new solutions, unwilling to accept old dogmas and dictates.

Dear Friends,

Yours is a region of dynamism and hope.

Asia's economic performance over the last few decades has lifted millions of people out of poverty. Overall, people in the region are richer, healthier and better educated today than their parents' and grandparents' before them. Most have higher aspirations to match.

For many observers, Asia is now coming back on track after a difficult few years and is thought to have weathered the global crisis relatively well.

Asia is now more open than ever before – this means openness to both positive and negative developments elsewhere.

And although growth and output are rebounding, productivity is rising, and investment is back, dark clouds are gathering again.

While the global growth model developed over the last three decades may have served some countries of the region well economically, it has also proven to be unbalanced, unfair and unsustainable.

It has created inequalities, new environmental challenges and major decent work deficits including youth unemployment, as expressed in detail by Greg Vines, the Chairperson of our Governing Body.

If left unaddressed it will threaten social cohesion, political stability and long-term development.

The world and Asia and the Pacific need a new vision of growth and development that can open the way to a new era of social justice.

But what I see in you and in the development of your countries is a sense of assertiveness and confidence to address these problems in your own way with all the differences in your national situations.

It is a search for new solutions because you are unwilling to simply continue with old prescriptions that lead to the type of global crisis now being experienced.

Dear Friends,

Let me share with you some reflections on the present evolution of the global economy.

The global economic recovery is faltering. Many of Asia's trading partners in Europe are now facing enormous difficulties in addressing the sovereign debt crisis. In the US, consensus building, investor and

consumer confidence, as well as labour markets, remain fragile. IMF projections for global growth are being revised downwards.

We could yet slip into a double-dip recession, the pain from which may be deeper and longer lasting than before.

What is wrong?

I think it would be a serious mistake to misread the critical moments the global economy is experiencing as primarily a crisis of confidence of financial markets in the Eurozone.

On the contrary, there is a growing feeling in many quarters that our multilateral governance frameworks and even many national political systems are not coping well with the power of global financial operators.

It is urgent to maintain and regain the trust of people in the ability of governments to make public policies for the benefit of working families and their communities and in favour of businesses and entrepreneurs of the real economy.

Too many people are thinking that 'some banks are too big to fail, and we are too small to matter'. Understandably, there is anxiety, anguish, and anger.

Popular uprisings as in the "Arab world", mass protests, demonstrations, riots and other expressions of anxiety and danger are on the rise.

Young women and men have led many such actions expressing frustration and anger over economic exclusion and lack of genuine opportunity.

Some are combined with regime change and democratic aspirations. Others are in reaction to exceptionally harsh austerity measures affecting the most vulnerable who have no responsibility for the crisis, or because of continuously rising inequality and social fairness issues.

But in all places the demand for a fair chance at a decent job is present.

Global policy-makers need to reconnect to the needs of working families and tackle the global jobs crisis at its roots.

It is vital to put in place global policies and measures that stimulate investment in the real economy by productive enterprises that generate decent jobs, absorb informality and significantly reduce the space for unproductive financial operations.

Reforms to the global financial services industry will be essential with a return to what has been called "boring banking" – lending for innovation, productive investment, trade and consumption.

Full employment should become a central target of economic policies. Having a measurable jobs and investment target and closely monitoring progress towards its achievements alongside the monitoring of inflation and other macro-economic targets would send a strong signal.

The ILO Global Jobs Pact has received wide support in the United Nations, in all regions and by the G20 and has been widely applied by those countries that have better resisted the crisis.

It will again be a good policy instrument to address the looming recession.

For all these measures to be fully effective they must be part of an overall coherent policy approach to guide global financial institutions back to their legitimate function of lending for innovation, productive investment, trade and consumption, a return to what has been called "boring banking".

To summarize: more productive investment in the real economy through Global Jobs Pact policies; less scope, and availability of, unproductive and risky financial products.

The uncertainty of these future developments threatens governments, business and workers in Asia and the Pacific.

Contagion could push millions more working men and women into vulnerable and under-employment and also pose a threat to enterprises.

To minimize contagion and give yourself a long term positive future you will need policies to promote growth of the real economy of Asian countries, increase trade and integration in the Asia-Pacific region and influence, with your collective policy proposals, the direction of the global economy towards these objectives.

I believe that increasingly you will be called upon to play a global role.

After all, six of the G20 countries are countries of the Asia-Pacific region. Together, the region represents more than 60 per cent of the world's population and some 39 per cent of global output.

But 13 are least developed countries. Together you can think with a world view, balancing diverse realities.

You have a region of diversity – developing, middle income, oil rich, developed, twenty-first century technology, island countries. You have the diversity the world needs; the experience the world needs to get out of the crisis.

Dear Friends,

Let me thank Asian ministers of labour of this region for their role in shaping a strong outcome of the G20 Leaders' Declaration.

In Cannes, France, they approved a global strategy for jobs and growth that recognizes the role of the ILO and the Decent Work Agenda.

And Prime Minister Noda must be thanked for his role in that Summit.

Let me highlight certain areas for action in addressing key policy challenges covered in the report to the Regional Meeting and which will also be relevant to shaping a model of growth that is more socially and economically efficient.

First, a more efficient, job rich growth pattern;

Second, building and strengthening social protection floors, to protect in particular the most vulnerable and poorest;

Third, unlocking the potential of small and medium-sized enterprises;

Fourth, supporting the development of Green Jobs and a just transition;

Fifth, establishing more inclusive and fairer labour markets which uphold international migration standards and rights at work with social dialogue at the core;

Sixth, supporting regional cooperation and integration – and I am happy that Surin Pitsuwan, Secretary-General of ASEAN will be joining us tomorrow; and

Finally, promoting decent employment opportunities for youth.

Let me say a few words on this.

While young people – aged 15 to 24 – make up one-fifth of the region's population, they represent more than 40 per cent of its unemployed.

Millions more are trapped in vulnerable employment with little hope of upward progression. This is a huge waste of human potential and a critical constraint to regional prosperity.

Speaking at the special session of the 100th International Labour Conference this year, His Excellency Dr Susilo Bambang Yudhoyono, President of the Republic of Indonesia, called for a Global Coalition to tackle Youth Employment.

A group of young trade unionists in an open letter including to me, has also called for broad-based action on youth employment.

I think we need to heed these and other calls.

But young people often say "we are not listened to!"

We have an opportunity to listen and act next June when youth employment will be a key theme of the International Labour Conference.

I invite you to take an active part so that we can demonstrate to the young people that the ILO as an institution is in tune with their needs, listening and acting, responding to their hopes and fears in the world of work.

In so doing we must not forget that the female labour force participation rate in the region is only 50 per cent, nearly 30 per cent lower than the male rate and varies a lot by countries.

Dear Friends,

The ILO must continue to address the unacceptable conditions placed on workers in the occupied Arab territories.

Let me express again my solidarity with the struggle of the Palestinian people and its legitimate aspiration to live in a new independent and autonomous Palestinian State.

We will continue to accompany closely the evolution in the Arab world and respond to the needs and demands as they arise. The Office and I have been actively involved, with the conviction that ILO tools can be used by our tripartite constituents to build long term peace and stability.

Many Arab states will require support in the transition to stable and peaceful democracies. Building strong labour market institutions and social dialogue is central to these efforts; as is support for social partners to assert a key role in shaping them and the policies they promote.

As in all such major upheavals in history, these are complex, locally rooted and national-specific processes.

But they share a common objective of dignity at work, of voice and participation, and a desire for societies built on respect for human rights.

And let me say to all my friends from the Arab world, those at the forefront of changes and those less so, you are all my brothers and sisters.

It is a rare opportunity to belong to a generation that can make history. I wish this window of opportunity brings light and wisdom to all of you and is fruitful for your countries.

Dear Friends,

A Japanese saying states "Vision without action is a daydream; action without vision is a nightmare."

I believe that a global or national economy without a moral compass produces a nightmarish existence for too many.

There is still much to be done but the Decent Work Vision has taken root in policy-making and it is shaping action in many ways.

We must persist.

Dear Friends,

This is the last time I officiate as Director-General at an Asia-Pacific Regional Meeting.

So allow me to end on a personal note and to say thank you to a region that I so deeply respect and admire.

It has always been a source of inspiration, a region in which I have found great friendship, dynamism, creativity and also many problems I can relate to as a Chilean.

You can be sure that this bond with Asia and the Pacific and my presence among you will not end with my term. I am not retiring and will continue to be active. I am just going home.

And together we still have much to accomplish in the year ahead leading up to our International Labour Conference in 2012.

Thank you for your support for all these years.

Prime Minister Noda, thank you for your presence. It is inspiring for all of us to know that the Prime Minister of a great nation is here, desiring its success and supporting what the ILO stands for.

Thank you.