



Global Jobs Pact

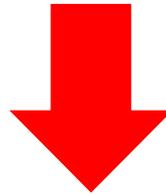
# **Supporting recovery and sustainable development in the Caribbean**

The role of the Global Jobs Pact

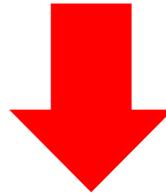
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# The crisis in the Caribbean

Global crisis



Global solution



Caribbean efforts to overcome the crisis are part of the global solution to a global problem



# Crisis intensifies economic and social challenges facing the Caribbean

- 2008/9 proved harsh for the Caribbean
  - Increase in unemployment (over 10%) and decline in labour force participation (hidden unemployment)
  - Youth unemployment – highest level on record
  - Not enough fiscal space
  - Decline in remittances
  - Balance of payments deficit
  - Narrow export base
  - 6.8 million persons live below the national poverty lines (appx. 4 million in Haiti)
- 2010 sees the beginnings of a fragile and uneven recovery with a quicker rebound in emerging Asia, Northern America and Europe
- 2011 prospects are mixed and depend on the course of the global recovery (consumption and investment expenditures)



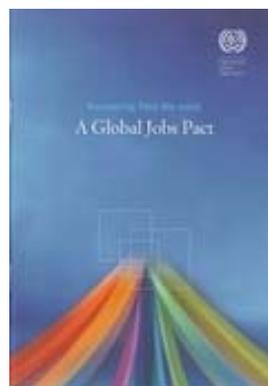
# Transmission mechanisms connecting Caribbean labour market to global economy

- Financial crisis triggered a:
  - Major slowdown in trade in 2008/9
  - Lower demand for region's commodity and manufactured exports
  - Fall in tourism receipts
  - Decline in remittances
  - Drop in employment-population ratio
- IMF World Economic Outlook (Oct 2010) estimates:
  - World output growth in 2011 at 4.2 per cent
  - Latin America and the Caribbean growth at 4 per cent, but growth depends heavily on its main trading partners (USA, Canada and the EU) with lower projected growth rates at 2 per cent, 2.7 per cent and 1.7 per cent respectively



# The Global Jobs Pact...

...was adopted unanimously on 19 June 2009  
at the International Labour Conference  
by ILO constituents faced with a global crisis



# The Pact is...

- ... A set of **job-centred policies** embedded in the [Decent Work Agenda](#)
- ... ILO's **crisis response framework** designed to stimulate a job-led economic recovery and sustainable growth
- ... about **promoting jobs and protecting people**, responding to both people's agenda and the needs of the real economy



# The Pact policies aim at...

[Generating employment](#)

[Extending social protection](#)

[Respecting labour standards](#)

[Promoting social dialogue](#)

[Shaping fair globalization](#)



# Generating employment

- Limit the risk of long-term unemployment and increased informality, by supporting job creation through:
  - investing in workers' skills development, skills upgrading and re-skilling to improve employability, in particular for those having lost or at risk of losing their job and vulnerable groups
  - recognizing the contribution of small and medium-sized enterprises (SMEs) and micro-enterprises to job creation, and promoting measures, including access to affordable credit, that would ensure a favourable environment for their development
  - using public employment guarantee schemes for temporary employment, emergency public works programmes and other direct job creation schemes which are well targeted, and include the informal economy



# Extending social protection

- In developing countries, social protection systems can also alleviate poverty and contribute to national economic and social development:
  - introducing cash transfer schemes for the poor to meet their immediate needs
- All countries should, through a combination of income support, skills development and enforcement of rights to equality and non-discrimination, help vulnerable groups most hard hit by the crisis
- In order to avoid deflationary wage spirals, the following options should be a guide:
  - social dialogue
  - collective bargaining
  - statutory or negotiated minimum wages



# Respecting labour standards

- International labour standards create a basis for and support rights at work and contribute to building a culture of social dialogue particularly useful in times of crisis
- Relevant ILO instruments, Conventions and Recommendations:
  - employment policy, wages, social security, employment relationship, termination of employment, labour administration and inspection, migrant workers, labour conditions on public contracts, occupational safety and health, working hours and social dialogue mechanisms
- ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy is an important and useful tool for all enterprises, including those in supply chains, for responding to the crisis in a socially responsible manner



# Promoting social dialogue

- Especially in times of heightened social tension, strengthened respect for, and use of, mechanisms of social dialogue, including collective bargaining, where appropriate at all levels, is vital
- Social dialogue is an invaluable mechanism for the design of policies to fit national priorities
- It provides a strong basis for building the commitment of employers and workers to the joint action with governments needed to overcome the crisis and for a sustainable recovery
- Successfully concluded, it inspires confidence in the results achieved



# Shaping fair globalization

- For many developing countries, especially the least developed, the global recession exacerbates large-scale structural unemployment, underemployment and poverty
- Giving effect to the recommendations and policy options of the Global Jobs Pact requires consideration of financing
- Developing countries that lack the fiscal space to adopt response and recovery policies require particular support
- Donor countries and multilateral agencies are invited to consider providing funding, including existing crisis resources, for the implementation of these recommendations and policy options



# Employers' and workers'

...organizations played a major role in the global efforts  
to mitigate the crisis

ILO's unique tripartite structure showed its strength in  
building social dialogue, vital in times of social  
tension



# The Pact endorsed by...

- UN ECOSOC
- G20
- United Nations agencies, including UNDP
- UN Chief Executives Board
- Global social partners
- International and regional conferences



# What next?

- Oslo 2010 follow-up
  - Social protection floor
  - Macroeconomic policies to promote employment-creating growth
  - Social dialogue on recovery plans
- ILC 100
- 2011: G20, 3-4 November, Cannes – (Pittsburgh, Toronto, Washington, Seoul)
- UN initiatives ( e.g CEB Social protection floor)



# The Global Jobs Pact and the Caribbean policy response to the crisis

- The Pact and the tripartite global commitment it represents, offers a framework for countries and the multilateral system to build recovery programmes based on the ILO Decent Work Agenda
- In seeking support and advice from the ILO, constituents are encouraged to apply the elements of the Pact that respond best to each country's needs and priorities
- In the Caribbean, this translates into a regional policy framework, linked to national programmes, in close cooperation with donors and multilateral institutions (CDB, etc)



# The Caribbean and the Global Jobs Pact

- Pact's integrated approach already used in the region to:
  - Support small businesses
  - Improve social protection
  - Strengthen skills and policies to help young women and men find jobs or continue their education



# International cooperation to accelerate a jobs recovery and set a course for sustainable development in the Caribbean

- Pillars for action:
  - Build on the Pact framework
  - Use fully sources of regional and international support
  - Develop capacity of ministries and social partners to prepare programmes based on the Pact approach for inclusion in development assistance programmes
  - Focus on potential for decent work opportunities in main growth sector – tourism – with a region wide programme for skill development yielding portable Caribbean Vocational Qualifications



# Thank you

<http://www.ilocarib.org.tt>

[www.ilo.org/integration](http://www.ilo.org/integration)

[www.ilo.org/jobspact](http://www.ilo.org/jobspact)

[www.ilo.org/decentwork](http://www.ilo.org/decentwork)

