

# Outcomes of the 1<sup>st</sup> African Decent Work Symposium

Presented at the ILO Tripartite Workshop on the  
Impact of the Financial Crisis on Financial Sector  
Workers in Selected African Countries  
*Dar es Salaam, December 16-17, 2009*

# Background to the Symposium

- Was held in line with the decision of the 11<sup>th</sup> ILO African Regional Meeting – in Addis Ababa in April 2007.
- The ARM had called on the ILO to organize an “African decent work symposium bringing together independent researchers, constituents, ILO field staff and partner agencies to review knowledge in selected aspects of the Decent Work Agenda...”

# The Symposium

- Was held at the invitation of H. E. Mr. Blaise Compaoré, President of Cote d'Ivoire and in cooperation with the ILO and the African Union.
- In Ouagadougou on December 1-2, 2009 under the theme - Recovering from the crisis: The implementation of the Global Jobs Pact in Africa.
- The onset of the current financial and economic crisis – hence the Symposium theme.
- Brought together 4 Heads of State, ILO tripartite constituents, Ministries of Finance/Planning, African regional institutions, international and regional financial institutions, United Nations agencies as well as development partners.
- Was preceded by the 2nd Social Partners' Forum, convened on November 30, 2009 under the theme “Mobilizing Social Dialogue for the Implementation of the Global Jobs Pact in Africa”.
- The Symposium adopted a road map for the implementation of the Global Jobs Pact in Africa.

# The road map for the implementation of the Global Jobs Pact in Africa

# Crisis Spreads to Africa

Crisis started in world's financial centres and spread to Africa through several channels:

- Export earnings down, commodity prices fell;
- Remittances down, fewer tourists;
- Drop in FDI and ODA promises slipping;
- Most recently, government budgets squeezed by fall in export tax revenues threatening core spending on basic needs, including education and health.

# Weak growth hits jobs

- Growth down, falling in per capita terms in most countries. Recovery prospects fragile with risk that jobs pickup will lag well behind output.
- Setback to poverty reduction and creation of decent work opportunities with serious long term consequences for social development/political stability.
- Youth and women and other vulnerable groups are being hit hardest.

# Structural Constraints to African Recovery and Development

- Current crisis adds to deeper long-standing structural crisis in African development.
- National policy and fiscal space constrained in most countries, by budget deficits, foreign debt, dependence on narrow commodities export base, and national capacities for effective policy implementation.
- Recovery strategies should be first step towards new approach to sustainable, resilient and balanced development.

# Escaping Dependence, Building New Approach to Sustainable Development

- One of main resources for recovery is political commitment of government, employers and unions to social dialogue to develop and follow through on national action for recovery drawing on the tripartite approach of the ILO Global Jobs Pact.
- National resource mobilization must be given higher priority by:
  - i. broadening tax base to finance essential public support for development; and
  - ii. finance policies that secure and channel savings and channel investment to real economy and jobs.



# International Partnerships for African Recovery Strategies

- Africa must be a partner in a truly global effort to stimulate and sustain job-driven recovery. In the future developing countries' growth must be the main driver of sustainable world development.
- Reversing African recession urgently requires a fresh round of debt cancellation and relief alongside major increase in long-term low-cost finance. Genuine policy dialogue over development strategies must replace previous conditionalities.

# Increased Vigilance on Fundamental Principles and Rights at Work

- Crisis calls for increased vigilance to ensure that fundamental principles and rights at work are not compromised.
- Promotion of ratification and implementation of international labour standards should be intensified, especially Conventions of particular relevance in crisis conditions;
- International labour standards are an important component of a rights-based approach to development and should be integrated into Decent Work Country Programmes;
- Strategies for the transformation of the informal economy should include measures to assure implementation of international labour standards.

# Social Dialogue: Key mechanism for African Recovery Strategies

- The importance of social dialogue is reinforced in times of crisis when social tensions increase;
- Inclusive dialogue to develop and implement a pact or plan of action is key for an effective and sustainable response to the crisis;
- Enhanced internal dialogue within unions and employers' organizations is vital to the preparation of effective tripartite dialogue;
- Social dialogue should be developed within regional economic communities.

# Key Elements of African Recovery Strategy: Rural Employment

Promotion of strengthened policy and regulatory environment for:

- Employment intensive infrastructure investment (roads, irrigation, etc.),
- improved access to finance for farmers and rural MSMEs,
- promotion of agro-processing,
- support to member-based organizations (coops, farmers' unions, etc.), and
- decentralized and participatory local governance.

# Key Elements of African Recovery Strategy: Micro, Small & Medium Enterprises

MSMEs are engines of employment generation and thus potential motors for recovery and decent work, but face many barriers to sustainability. Priorities in creating favourable environment for sustainable enterprises, especially MSMEs are:

- Improved access to finance on terms that meet their special needs;
- Public procurement policies that ensure MSMEs can bid and win contracts;
- Women entrepreneurs face additional barriers which call for policies to overcome discrimination e.g. in asset ownership;
- Enterprise development services should be widely available on attractive terms providing advice, training and other support;
- Government policies should facilitate the entry of MSMEs into the formal economy by reducing unnecessary regulatory burdens and offering quality public services.

# Key Elements of African Recovery Strategy: Skills

Continuous upgrading of skills vital to poverty-reducing development and job-intensive recovery. Key issues:

- Integrated national strategies steered by a tripartite oversight council on human resource development;
- Public/private partnerships to deliver skills training;
- Good labour market information on skill gaps;
- Systems to recognize informally acquired skills;
- Strong universal education equipping young women and men with core competencies for working life.

# Key Elements of African Recovery Strategy: Services and Information

Most African countries have underinvested in public employment services and labour market information systems. Effective recovery strategies require these weaknesses be addressed and supported by regional and international cooperation. Priorities are:

- More and better equipped employment centres to support employers and workers in filling job opportunities.
- Stronger labour market information services undertaking /analysing regular labour force surveys

# Key Elements of African Recovery Strategy: Building a Social Protection Floor

- Social Protection Floor is a global and coherent social policy concept that promotes national strategies for minimum level of access to essential services and income transfers for all.
- Income transfers consist of a basic pension for old age and disability, child support, employment guarantees for unemployed and basic health cover.
- Building this floor supports recovery from the crisis and long term sustainable social and economic development.
- Financing components of the social protection floor requires political will to either use or extend existing fiscal space. Consensus on prioritization in building the components of the floor, developed through social dialogue, is vital.



# Key Elements of African Recovery Strategy: Sustaining Social Security Systems

Social protection, particularly for women and youth alleviates poverty and harsh realities of the crisis. Systems should be strengthened through:

- Graduated social protection provided and extended to the informal economy
- Improved and strengthened management systems;
- Strengthened to enhanced tripartite governance to improve transparency, accountability and effectiveness of benefit delivery.

# Key Elements of African Recovery Strategy: Minimum Wages

Minimum wages can protect vulnerable workers and discourage wage deflation during the crisis. Existing systems need to be improved and consideration given to their introduction. Key issues for evaluation through social dialogue are:

- protecting vulnerable workers;
- extending the coverage of minimum wages;
- securing policy coherence with collective bargaining, public sector pay, social security, and other income policies; and
- improved compliance.

# Key Elements of African Recovery: Migration Policies

Migrant working women and men are in frontline of the crisis. This calls for reinforced efforts to build national and international strategies to protect their rights and ensure that mobility of labour is economically and socially sustainable. Measures include:

- Strengthened international cooperation to protect migrant workers rights, especially women, and, where necessary, regularize their status,;
- Re-enforcing capacity of employers' and workers' organizations and social dialogue in respect of migrant workers
- support to the productive use of remittances
- address problems caused by the migration of highly skilled workers particularly in the health sector
- Collect better statistics on international labour migration.

# The Ouagadougou Process: Building National Recovery Strategies

- ILO's constituents will follow-up this Ouagadougou Symposium on the Global Jobs Pact with national dialogues on strategies for recovery. Dialogues should include Economic and Social Councils and parliaments. They should identify resource gaps, domestic potential and partnerships.
- Decent Work Country Programmes should be aligned to support tripartite priorities from national dialogues.
- Constituents, supported by Office (e.g. with Toolkit for Mainstreaming Employment and Decent Work), will integrate recovery priorities into international mechanisms, e.g. UN Development Assistance Frameworks, AfDB, World Bank, and bilateral cooperation.

# The Ouagadougou process: Continental Coordination

- ILO's Regional Office will collect and share information from constituents on recovery strategies, including estimates of resource gaps for their implementation.
- The Office will facilitate the development by constituents of employment generating infrastructure investments to strengthen regional integration.
- ILO will present results of the Ouagadougou Symposium and of the national dialogues to the African Union, the Pan-African Parliament, the AU/ECOSOC, the AfDB, the UNECA and regional economic communities.
- ILO will aim to further strengthen support for promotion of decent work in continental recovery efforts.

# The Ouagadougou Process: Africa's Voice on the World Stage

- A report on the symposium and follow-up action will be presented to the next ILO Governing Body Meeting and the 12<sup>th</sup> African Regional Meeting.
- Constituents will work to ensure that African decent work recovery packages are prioritized in policy dialogues with the Bretton Woods institutions and other development partners.
- The results of the Symposium and its follow-up will feed into ILO's input to the 2010 UN General Assembly reviewing the Millennium Development Goals.

# Mobilizing Social Partnership for Inclusive and Sustainable Globalization

- We applaud African social partners commitment expressed in the Declaration of their 2<sup>nd</sup> Forum to concerted mobilization for the ILO Global Jobs Pact.
- There can be no recovery without increased employment. Full productive employment and decent work is central to Africa's recovery and its sustainable and balanced development in the future.
- Decent work is the main route to the eradication of poverty. Sustainable enterprises generate decent work. Effective systems for social protection are essential foundation for productive economies and social justice.
- Social partnership, based on full respect for fundamental principles and rights at work, offers a vital impulse to inclusive and sustainable recovery and development.