



Reply by the Director-General to the discussions of his Reports

Introduction

1. I would like express my heartfelt thanks to His Excellency Dr Rafael Albuquerque de Castro, Vice-President of the Dominican Republic, for presiding over the 101st Session of the International Labour Conference. His steady hand and long experience greatly contributed to the success of the plenary. He was very ably supported by the Conference Vice-Presidents, Mr Sukayri from Jordan for the Government group, Mr Matthey from Switzerland for the Employers' group and Mr Atwoli from Kenya for the Workers' group, to whom I also extend my gratitude.
2. The vision of growth and globalization laid out in *A new era of social justice*, my Report to the 100th Session of the International Labour Conference last year – that the new era of social justice requires a redefinition of priorities linking policy agendas with basic standards of fairness – continued to be relevant for the plenary debates. Many delegates, like Mr Dhingra, Employers' delegate from India, emphasized that the jobs crisis is not over and the situation in the Eurozone threatens to throw recovery in all regions off course: “Asia, Africa, and Latin America, the beacon lights of this growth, are also displaying symptoms of nervousness due to slackened demand” and that the effects on worsening poverty and unemployment could become “difficult to reverse”. Mr Cortebeek, Chairperson of the Workers' group, expressed the Workers' concern that “we are now entering a truly global crisis in which past progress with poverty reduction will be reversed and a new race to the bottom with regard to labour standards will emerge”. Mr Funes de Rioja, Employers' delegate from Argentina and Chairperson of the Employers' group, reiterated that a key priority in generating growth and jobs must be sustainable enterprise development and entrepreneurship, as “the private sector is the powerhouse of economic and social development, jobs and the very place where rights are realized”. It is clear from the discussions that the ILO's essential values, standards and instruments are more relevant than ever, and I note with great satisfaction the numerous affirmations of the ILO's role in promoting policy coherence for these values among multilateral organizations and in international forums such as the G20.
3. I believe we had a vibrant discussion around the themes on the agenda, and I concur with the President of the Conference when he referred to the issues under discussion as “primordial”, as they touch on some of our deepest concerns for social justice and economic inclusion today. As I said in my opening remarks to the plenary sessions, “the issues on our Conference agenda this year show yet again that the ILO is proposing ways forward on issues at the heart of societies' concerns”. Delegates were eager to express views on the youth employment crisis, social protection, and fundamental principles and rights at work. You shared numerous examples of measures being implemented in your

countries in all three areas, which will serve as a resource for the Office as it continues to analyse country policies and share experiences on what works.

4. The Conference was, of course, concerned about the worrying signs of renewed economic crisis. The recession in the Eurozone and increased tensions on global financial markets risk provoking a global slowdown, with serious effects on jobs, living standards and enterprises. I sense that delegates concurred with my own assessment that “our global perspective, based on our real economy knowledge, confers on us the responsibility to put our policy proposals on the table of international decision-making”. There is a risk of a prolonged period of uncertainty, but “there is also a potential for creativity, and that is the basic point I want to highlight – the opportunities this opens up for the ILO”.
5. The difficulties experienced in the Committee on the Application of Standards are regrettable, but I am convinced that the spirit of tripartism will prevail in order to find a solution. I have confidence in the social partners’ commitment to the supervisory machinery of the Organization as expressed by the Employer and Worker Vice-Chairpersons of the Committee to the Conference in their addresses to the plenary.
6. You welcomed the election of Mr Guy Ryder as the next Director-General and warmly pledged your support and collaboration. His vision, knowledge, experience and consensus-building capacities were widely recognized, and I believe, like the Government Vice-President, Mr Sukayri, that the Organization will be “in good hands”. I have no doubt that the Director-General-elect will take to heart the Japanese proverb recalled by Mr Ota, Vice-Minister for Policy Coordination, Ministry of Health, Labour and Welfare, from Japan, as the ILO enters a new era that reminds us to “remember your original intention”, meaning that we must be guided by the “basic idea of the ILO” enshrined in the ILO Constitution, that “universal and lasting peace can be established only if it is based upon social justice”.
7. You also applauded the innovative, open and impartial election process. Mr Shorten, Minister for Employment and Workplace Relations, Financial Services and Superannuation of Australia, summed up what many of you told me about the process when he characterized it as “transparent, rigorous and fair”. I concur with Mr Vines, Chairperson of the Governing Body, who regarded the election, with its nine candidates, hearings, written applications and vision statements, as an example for other multilateral organizations to follow, saying that it heralds “a new start for multilateral organizations with respect to proper and open election transparency”. Sincere thanks are due to Mr Vines, to Mr Funes de Rioja, Employer Vice-Chairperson, and to Mr Cortebeek, Worker Vice-Chairperson, for their excellent oversight.
8. The High-Level Panel took up the Conference themes within the framework of the Global Jobs Pact. Panellists were asked to address key issues such as coordination between labour, employment and economic policies, improvement of the quality of employment growth, and expectations with respect to future support from the ILO. Mr Shorten provided us with details of the Jobs and Training Compact as part of Australia’s relatively successful response to the crisis in terms of holding the line on unemployment. In response to a question about pursuing both collective bargaining and positive employment in the current climate in Europe, Mr Cortebeek, Chairperson of the Workers’ group and Honorary President of the Confederation of Christian Trade Unions (ACV-CSC) from Belgium, highlighted the fact that growing demands from the European Union (EU) for austerity and competitiveness meant that social dialogue was now only being used at the enterprise level and not at the sectoral or inter-sectoral level. Ms Matthei, Minister of Labour and Social Security of Chile, recounted how her Government’s active fiscal and monetary policies, combined with proactive job creation and preservation policies, had helped attenuate the effects of the crisis.

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9. During the Panel, we also heard from Mr Wang Xiaochu, Vice-Minister, Ministry of Human Resources and Social Security, China, how his country has been prioritizing employment in its economic and social development and how some 22 million workers have benefited from recently established education, vocational training and skills-upgrading programmes. Mr Shokhin, President of the Russian Union of Industrialists and Entrepreneurs from the Russian Federation, said that in addition to targeting the creation of new jobs, there was also a challenge to improve the quality of existing ones by making them more productive, better paid and environmentally cleaner and safer, both in the new economic sectors and in the more traditional ones. Mr Bhorat, Member of the Economic Advisory Panel for the Ministry of Economic Development and Adviser to the Minister of Finance from South Africa, referred to the need for fundamental changes, including institutional and regulatory reform in labour markets and assistance to small businesses in the informal sector, to help his country extract itself from the “middle-income country growth trap” that is keeping unemployment at high levels.
 10. Over the two weeks of the Conference, we were also honoured by the visits of six Heads of State and Government from Costa Rica, Italy, Panama, Peru, Tunisia and Zambia, as well as His Royal Highness the Prince of Asturias and Professor Klaus Schwab, Founder and Executive Chairperson of the World Economic Forum.
 11. The landmark visit of Aung San Suu Kyi to our Conference will be engraved in our memories for years to come. As I said in my closing remarks, she truly gave us something very important by coming here on her first trip to the European continent in 24 years and to an international organization, acknowledging us for keeping Myanmar/Burma in the spotlight through our steadfast and sometimes difficult engagement with her country to eliminate forced labour. The warmth, energy and vibrancy of your welcome and your decision to restore full ILO membership rights to Myanmar/Burma the day before were equally precious gifts to her. We heard about her hope for “democracy-friendly development growth” with international aid and investment that will “strengthen the democratization process by promoting social and economic progress that is beneficial to political reform”. We also heard of her concern for young people. “It is not so much joblessness as hopelessness that threatens our future,” she told us. I believe we all share the expectation expressed by Mr Paixão Pardo, Government delegate from Brazil, speaking as Chairperson of the Committee on the Application of Standards, that very soon freedom of association, the complete elimination of forced labour, and full democracy will become a reality in Myanmar.

A call for action on youth employment

12. Your preoccupation with the youth employment crisis was evident, and many of you made detailed reference to this priority in your interventions. Delegates from all regions expressed concern, citing alarming statistics in a number of cases, but also describing many different targeted measures your countries are taking to assist young women and men to obtain decent work. I think Mr Kellier, Minister of Labour and Social Security of Jamaica, spoke for all of us when he described the sad irony of young people being “the least responsible for the global crisis, but the ones who will carry the burden of its consequences”, further pointing out that “we owe it to our youth to provide them with a legacy on which to build their lives”. The issue was also taken up by our invited speakers, including Ms Aung San Suu Kyi, who warned that “unemployed young people lose confidence in the society that has failed to give them the chance to realize their potential”.
13. Ms Marcus-Burnett, Government delegate of Barbados and Reporter for the Committee on Youth Employment, predicted that the landmark resolution and conclusions adopted by the Conference, “The youth employment crisis: A call for action”, will be an important

document of reference for the Organization. I fully agree. The 55 paragraphs of the conclusions were reached by the Committee after thorough tripartite discussion and negotiations, and provide very substantive and specific guidance to ILO constituents in five policy areas: employment and economic policies; employability; labour market policies; entrepreneurship; and rights of young people. I would like to thank the Chairperson, Ambassador Bardad-Daïdj of Algeria, and his two Vice-Chairpersons, Ms Alturki of Saudi Arabia for the Employers and Mr Dimitrov of Bulgaria for the Workers, for skilfully and efficiently steering the Committee's work.

- 14.** The resolution and conclusions make a forceful call for immediate and targeted action, and break new ground in several areas. In the current context of economic slowdown and deteriorating job opportunities for youth in particular, the conclusions recognize the need to rebalance action by placing greater emphasis on demand-side policies that can foster a return to economic growth, which all agree is necessary to address the youth employment crisis. Taking into consideration action undertaken in the follow-up to the 2005 resolution concerning youth employment, the conclusions assert that full employment should be a key objective of macroeconomic policy and urge governments to consider a series of pro-employment macroeconomic measures that can deliver better on jobs, both in the short and long terms.
- 15.** While supply-side measures, such as training, employment services and youth entrepreneurship, were considered very important, the need to look beyond these for more holistic solutions was mentioned by several speakers. A rethink of growth policies to focus on generating employment and boosting aggregate demand through productive investment and access to finance, while maintaining fiscal sustainability, is an idea whose time has come. Ms Kashefi, State Secretary, Ministry of Employment of Sweden, recommended combining demand- and supply-side measures: "Incentives to stimulate economic growth, job creation, entrepreneurship and training are all important ingredients. Short-term measures to increase demand and long-term measures to invest in education and skills should work in parallel." Ms Rutto, Workers' delegate from Kenya, echoed the call of workers from all regions in appealing for employment "to be installed as a key core objective of macroeconomic policies" with youth employment a "priority objective of overall economic policy". The Committee's Employer Vice-Chairperson, Ms Alturki of Saudi Arabia, expressed her group's satisfaction that the roles of entrepreneurship and private sector growth were also recognized in the conclusions, reiterating that "only private-sector driven employment can create the millions of jobs needed to reverse the crisis that many countries face".
- 16.** The conclusions also highlight the need to provide equal treatment for young workers in the labour market and to prevent them from being trapped in low-quality jobs. Concern was expressed for youth being caught for long stretches of their working life in informal or temporary work. The point at which flexibility in contracts and wages to promote employment of young workers causes more harm than good was also debated in both the Committee and the plenary discussions. While Employers' delegates generally called for a nuanced approach to flexibility, Workers' delegates often cited the potential for exploitation and rights abuses. Mr Abréu, Workers' delegate from the Dominican Republic, cautioned that the solution integrating young people into the labour market must not be precarious work, which reduces access to social security and professional training, because measures like flexible working hours "will only make young people unable to ever break the poverty cycle of their parents".
- 17.** The Committee Reporter, among others, stressed that there is no one-size-fits-all solution to the youth unemployment problem and highlighted the need to mobilize political will and commitment to implement context-specific and multi-pronged strategies for youth employment. The Committee Chairperson noted that "These conclusions propose a wide-

ranging framework of action for all the ILO constituents, with credible and coherent solutions which are adaptable to the diversity of our national situations.” It was also noted by some that “youth” are not a homogenous group, which means that responses must be adapted appropriately.

18. Delegates offered many examples and suggestions from their own experiences. For example, Mr Schmit, Minister of Labour, Employment and Immigration of Luxembourg, urged fellow EU members and others to make youth employment a real priority by adopting the “youth guarantee”, which has been introduced successfully in several EU countries. This measure limits unemployment to four months by guaranteeing a young person a job offer, training or access to a skills programme. This guarantee has similarities to Australia’s youth employment policy, which was highlighted by Mr Shorten, Minister for Employment and Workplace Relations of Australia, during the High-Level Panel. He described how Australia has promoted a three-pronged national policy: young people cannot leave school before they turn 16; every person between 16 and 24 has to be in education, training or a job; and all those receiving income support or youth allowance must participate in some form of education or training. Ms Suwanchatchai, Employers’ delegate from Thailand, noting that the high level of youth unemployment in her country has been exacerbated by the lack of qualifications, skills and experience of young jobseekers and the mismatch between the level of young graduates and labour market demands, suggested that Thailand’s combination of social protection and policies to promote employment-intensive investment, skills training and employer subsidies could be a prototype for other Asian Members.
19. Delegates also emphasized that young women and men must be part of the solution to the youth employment crisis and their voices should be heard, their creativity engaged and their rights respected. The Youth Employment Forum, which took place just before the Conference, and its many preparatory national forums represent very good practice in this regard. I also applaud the delegation from Mozambique for specifically including six young people among its tripartite participants in view of our discussions. President Sata of Zambia advocated youth participation as well, emphasizing that “the problem of youth unemployment is critical and knows no boundaries. The aspirations of the youth are common, irrespective of race, culture and creed, as they all want to be active participants in the affairs and future of our nations.”
20. The resolution requests the ILO Director-General to take leadership in promoting this call for action and to share the conclusions in relevant international forums. There will be several opportunities to do so, with the G20 Summit, Rio +20 and the July session of the UN Economic and Social Council, all of which are giving youth employment top priority. The discussion on partnerships held in the Committee on Youth Employment with the participation of seven international and regional institutions showed the value and impact of partnership and the importance of policy coherence to take up this universal challenge.
21. Finally, I would like to thank you for the renewed confidence in the ILO’s lead role in this area. I consider this call for action as an initiative on a par with the Global Jobs Pact, requiring a new round of mobilization of national and international will and commitment.

Overwhelming support for the new Social Protection Floors Recommendation

22. This Conference took a decisive step towards breaking the vicious cycle of poverty and vulnerability for millions worldwide through the extension of social protection to all. The first international labour standard in the field of social security since 1988, the Recommendation concerning national floors of social protection, 2012 (No. 202), was

adopted by an overwhelming majority of 453 votes in favour and one abstention. Coincidentally, the adoption of this Recommendation marks exactly 60 years since that of the Social Security (Minimum Standards) Convention, 1952 (No. 102), which continues to be relevant for national social security systems today.

- 23.** The Recommendation provides essential guidance to Members for building and maintaining national social protection floors and developing comprehensive social security systems. This Recommendation, adopted only one year after the 100th Session of the Conference (2011) affirmed the need for it, is proof of the power of tripartite collaboration and consensus. The Committee on the Social Protection Floor demonstrated constructive dialogue and efficient collaboration. I would like to thank the Chairperson, Ambassador Feyder of Luxembourg, for his wise, competent and committed Committee leadership, and the two Vice-Chairpersons, Ms Kelly for the Workers and Mr De Meester for the Employers, for their dedication to the negotiation of a meaningful instrument representative of true tripartite consensus.
- 24.** The adoption of the Recommendation “sends a clear and bold message: there shall be a social protection floor with essential guarantees for health care and basic income security in all countries, based on the principles of universality and solidarity”, as noted by the Committee’s Worker Vice-Chairperson, which will make “a fundamental difference to the lives of billions of people”. Other delegates reaffirmed these thoughts. Mr Brizola Neto, Minister of Labour and Employment of Brazil, considered the Recommendation “the first major step towards making social security truly universal”, while Mr Domínguez Brito, Minister of Labour of the Dominican Republic, called it “a timely response to the situation of exclusion that we see today”. Mr Munyes, Minister for Labour of Kenya, also noted that “recognition of the need to establish guaranteed minimum levels of social security through national social protection floors is vital for inclusive development”.
- 25.** Several delegates also highlighted the importance the Recommendation accorded to the extension of social protection to vulnerable groups of the population who are subject to discrimination, such as women or informal sector workers. Mr Byambasuren, State Secretary, Ministry of Social Welfare and Labour of Mongolia, described the Recommendation as both “timely” and “meaningful” given the current challenges of extending social security to herders and informal workers. Mr Murarka, Employers’ delegate from Nepal, also acknowledged the importance of a social protection floor, while stressing the “need [for] a pragmatic solution” for issues such as “the extension of social security to the informal economy”. Noting that the past three decades had failed to generate enough formal salaried jobs, Mr Mkwezalamba, Workers’ delegate from Malawi, applauded the Recommendation’s emphasis on the universality of protection to ensure extension to the poor and “support the transition from low productive informal activities to formal employment”.
- 26.** Many delegates also emphasized the need for social partner involvement in the operationalization of a social protection floor. In this regard, I agree with the statement of President Humala of Peru: “on the subject of agreed change, we are conscious that we need to create the right ingredients to improve the quality of life of our people”. I welcome his country’s strengthening of the National Labour Council, whose objective is to seek “national agreement on policies in the areas of labour, employment promotion, vocational training and social protection for national and regional development, and on the regulation of minimum wages”.
- 27.** In this line, Ms Bouchamaoui, Employers’ delegate from Tunisia, emphasized that a social protection floor should encompass workers across sectors without overburdening businesses in order to “promote the sense of social solidarity between the different sectors of society and the generations”. Mr Funtanet Mange, Employers’ delegate from Mexico,

also noted that “social protection schemes, either with contributions or with state funding, are a safeguard for workers and society in general. This protection must be based on ability to pay and balanced contributions, both for workers and for employers.” Mr Hamadeh, Employers’ delegate from Lebanon, further encouraged cooperation between the private sector and government institutions “to alleviate human suffering by building a network ... that ensures social stability as part of a global social protection system that should support economic development”.

28. The Recommendation represents an important stride in securing a floor upon which all individuals can stand to support themselves and their families. However, Mr Pitra Neto, Minister of Public Administration, Employment and Social Security of Angola, rightly recalled the need for a sustainable source of financing: “Without sustainable growth in job opportunities, our countries will not be able to create a basic social protection floor capable of promoting greater equality and social justice.” We must work towards establishing social protection floors in the context of a sustainable growth model which incorporates decent work and job creation at the centre.

Strong commitment to fundamental principles and rights at work

29. I am pleased that the alignment of the follow-up discussions under the 1998 ILO Declaration on Fundamental Principles and Rights at Work with the recurrent discussion under the 2008 Declaration on Social Justice for a Fair Globalization appears to have been satisfactory to all, effectively “bridging the gap” between the two Declarations, in the words of Mr Boisnel, Government delegate from France. ILO Members have long emphasized the importance of fostering complementarity between these Declarations, and this was the first opportunity for the Conference to analyse together the four categories of fundamental principles and rights at work: freedom of association and the effective recognition of the right to collective bargaining; the elimination of all forms of forced or compulsory labour; the effective abolition of child labour; and the elimination of discrimination in respect of employment and occupation.
30. I commend the Committee Chairperson, Mr Vines, Government delegate from Australia, and his Vice-Chairpersons, Mr Potter, Employers’ delegate from the United States, and Mr Veyrier, Workers’ delegate from France, for their constructive collaboration, which led to the rapid conclusion of the Committee’s work and the unanimous approval of the Report and adoption of the conclusions. A number of speakers praised the spirit of tripartism that prevailed in the Committee deliberations, which has laid solid groundwork for a plan of action to be presented to the Governing Body in November 2012.
31. Fundamental principles and rights at work are among the essential values that the ILO is contributing to the global policy rethink to which I referred in my opening address. The principles preserve the link between social progress and economic growth. Many delegates confirmed that the principles must be part of strategies to remedy the crisis and that further progress is needed towards their full and universal observance. Ms Ribeiro de Albuquerque, Government delegate from Brazil and Reporter of the Committee for the Recurrent Discussion on Fundamental Principles and Rights, confirmed that a large majority of Committee members wanted to send a “clear message on the importance of respect for fundamental principles and rights”, which was reiterated in plenary by many speakers, such as Mr Spriggs, Government delegate from the United States, who called on ILO Members to “remain true to our core purpose and to the fundamental principles that underlie this Organization, using them to guide us in addressing the emerging issues that affect real workers in today’s real world”. The Employer Vice-Chairperson summed up this conviction succinctly, referring to fundamental principles and rights as “the essential

values, principles and rights” to which ILO member nations and their constituents, by virtue of their membership in the ILO, “hold themselves and each other accountable now and in the global economy of the twenty-first century”.

- 32.** Mr Gurney, Workers’ delegate from the United Kingdom, expressed the need many delegates saw for policy coherence, noting that constituents from all sides were concerned about the proliferation of private voluntary initiatives and that these must not “undermine governments’ direct responsibilities to ensure that fundamental rights and principles are respected”.
- 33.** Delegates also highlighted the fact that the current global context poses important challenges to the realization of fundamental principles and rights at work, notably concerning the universal recognition of freedom of association and collective bargaining, the large informal economy, where most rights violations take place and the obstacles to effective enforcement at the national level. Mr Dimitrov, Workers’ delegate from Bulgaria, warned that the violation of workers’ and trade unions’ rights is a common occurrence in his country, mainly in small and medium-sized enterprises and in the informal economy. Ms Šobota, Workers’ delegate from Croatia, blamed crisis-related reforms and austerity for having “curtailed the scope of collective bargaining, limited the autonomy of social partners and replaced centralized with company-level negotiations”.
- 34.** Mr Sarangi, Government delegate from India, noted that increased job insecurity had brought with it an increase in workplace discrimination, “one of the most evident outcomes of this discrimination” being an “adverse impact on the wages and working conditions of those groups who are discriminated against in the labour market”. Mr Saborío, Workers’ delegate from Costa Rica, believed that decent work with rights, social security and the guarantee of freedom of association “is something we cannot achieve when we have such a high level of informal employment in our countries”. The Employer Vice-Chairperson of the Committee underscored the importance of independent enforcement mechanisms in meeting some of these challenges: “In order to meet their state duty to protect, States must start by making a commitment at the highest political level and have in place a well-funded system of labour administration, an adequate and serious system of labour inspection, and an independent judiciary.”
- 35.** In describing the sustained campaign for deregulation of the labour market and relaxation of dismissal requirements called for through the media in her country, Ms Oliphant, Minister of Labour of South Africa, reflected on the pressures for flexibilization of labour markets and possible consequences this can have for workers’ rights. Mr Vizjak, Minister of Labour, Family and Social Affairs of Slovenia, spoke of his country’s attempts to strike a balance by reducing segmentation of the labour market between workers employed on fixed-term contracts and those employed on permanent contracts, especially by reducing the difference in rights arising from different forms of contractual agreements.
- 36.** Delegates also told of progress that has been made in their countries in the ratification and implementation of fundamental Conventions. Ms Riachi Assaker, Government delegate from Lebanon, affirmed her country’s commitment to fundamental principles and rights at work and the imminent ratification of Convention No. 87. Mr Blasco, Minister of Justice and Labour of Paraguay, reported that the tripartite Committee on the Fundamental Rights and Principles at Work and the Prevention of Forced Labour set up three years before had led to the establishment of a regional subcommittee in the Chaco region, which was disseminating information on the rights of employers and workers.
- 37.** The Committee’s conclusions confirm that absolute priority should be given by the ILO and its member States to achieving universal ratification and effective application of the fundamental Conventions. The framework for action set out in the conclusions emphasizes

the mobilization of ILO means of action that reflect the needs and priorities of constituents, including technical assistance for constituents and awareness-raising campaigns. In this regard, Mr Tanigawa, Employers' delegate from Japan, urged the Office to "create an environment where countries can make active efforts by sharing information on best practices with member States so that fundamental principles are effectively implemented". Ms Gosselin, Government delegate from Canada, suggested that the ILO should share information on practical measures to help people transition from the informal to the formal economy to extend the protections of fundamental principles and rights at work, as well as social protection, to previously excluded workers.

Divergence of views in the Committee on the Application of Standards

38. I sincerely regret the deadlock that occurred during this year's deliberations of the Committee on the Application of Standards, which meant that it was unable to carry out its work. Many delegates expressed their frustration at the fact that the Committee was prevented from fulfilling its role, and I fully support the call of delegates for a rapid resolution to this situation.
39. It goes without saying that the work of this Committee is extremely important for the ILO and its tripartite constituents. The process of reviewing complaints of violations of international labour standards provides a unique forum for dialogue among actors from the world of work at the international level. The blockage that arose over the role of the Committee of Experts on the Application of Conventions and Recommendations (CEACR) is unprecedented in the history of the ILO, and this is the first time such an impasse has arisen within the Committee on the Application of Standards since it was created in 1926. The inability of Employers and Workers to come to agreement on the General Survey, *Giving globalization a human face*, presented by the CEACR, on the relationship between the tripartite Conference Committee and the independent CEACR, on the issue of interpretation of Conventions, and more specifically on the CEACR's interpretation of the Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87), as covering the "right to strike", has meant that the Conference was unable to attend to a number of very serious cases of labour rights violations related to several Conventions. I understand the frustration expressed by Ms Burrow, Representative of the International Trade Union Confederation, and others at the fact that the blockage had denied "the most vulnerable workers the right to be heard, the possibility of protection of the supervisory mechanism of the ILO, protection from further incarceration, torture and oppression".
40. I believe that the consequences of this deadlock were unfortunate, disproportionate and potentially harmful for the ILO. I agree with both Mr Syder, Employers' delegate of the United Kingdom and Employer Vice-Chairperson of the Committee, who said that "no one has won anything from this year's experience because no cases were supervised, and our Committee did not fulfil its constitutional mandate", and Mr Leemans, Workers' delegate of Belgium and Worker Vice-Chairperson, when he said that "we will never be able to take a positive view of the events that have blemished our activities". The basis for the creation of our Organization was social justice to achieve peace, and I endorse the view of Ms Robinson, Government delegate of Canada, who said that in not examining cases this year, "the true victims are the most vulnerable workers in the world who have been left without a voice at this year's Conference".
41. As I said in my remarks to the plenary discussions, I also regret the lack of respect towards the CEACR and ILO staff that transpired in the Committee discussions. The Committee of Experts are a group of distinguished jurists appointed by the Governing Body. Their

calibre, status and dedication honour us. I also said that I fully support the work of staff who serve the Committee on the Application of Standards, who are dedicated, competent and high-quality professionals, and whose impartiality, neutrality and balance are unquestionable.

42. I am a firm believer in the way our social dialogue works in the ILO, and I am sure that with a renewed spirit of dialogue this issue will be adequately dealt with in the near future and the normal functioning of the Committee will resume next year. It is the means through which consensus is achieved regarding the implementation of ILO standards. This was eloquently put by Mr Katjaimo, Government delegate of Namibia and Committee Reporter, when he said that this year's Committee "highlighted the importance of seeking constructive solutions in spite of a divergence of views". Some delegates also called for new and better rules for social dialogue; for example, Mr Blasco, Minister of Justice and Labour of Paraguay, said that "it is necessary to negotiate procedures and clear and transparent work methods so that we safeguard the rights of workers, employers and governments".
43. So let us make use of this crisis as an opportunity to learn lessons. I think Mr Paixão Pardo, Government delegate of Brazil and Committee Chairperson, put it aptly in referring to this year as "a sabbatical, which will help us think about and propose alternatives to break the deadlock we have got ourselves into" in the hope that we can "test our creativity and problem-solving skills for the first time since 1926". As Ms de Coninck, Minister of Employment of Belgium, said: "at this time of crisis, social dialogue must play an essential role in finding specific responses to major challenges".
44. I am glad that a way forward has been agreed by the tripartite constituents and this matter is now being referred to the Governing Body. I commend them for charting the way out of these rough waters. As the Committee was unable to examine individual cases and in order to avoid any further disruption to the functioning of the ILO supervisory mechanism, it decided to request the governments included in the preliminary list of 49 cases that had been drawn up to send a report to the Committee of Experts by 1 September 2012 to be examined at its next session.

Lifting of restrictions against Myanmar on full ILO participation

45. In recognition of the measures undertaken in Myanmar to comply with recommendations of the Commission of Inquiry on forced labour, the Conference has lifted provisions stipulated in the 1999 resolution and restored Myanmar's status and rights as a full and active member of the ILO. The adoption of the resolution concerning the measures on the subject of Myanmar adopted under article 33 of the ILO Constitution, presented by the Conference's Selection Committee, occurs at a historic moment in Myanmar's history as it transitions to democracy. For this reason, the resolution adopted a tone of "cautious optimism", which includes careful monitoring in order "to ensure that progress continued and to protect against backsliding, while definitely sending a positive signal to Myanmar".
46. Several delegates recognized the delicate situation in Myanmar and concurred with this cautiously optimistic approach. Mr Maung, representative of the International Trade Union Confederation, noted that "we need to modernize the country, but we have to walk slowly, so that sustainable development with equal social partners becomes a reality". Ms Knuppert, Workers' delegate of Denmark, also welcomed Myanmar's "path towards establishing democracy and human rights", but acknowledged that "much work remains to be done".

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47. I am proud of the ILO's commitment stretching back more than a decade to keep the channels of dialogue open, even in the face of indifference and silence. In this regard, I fully agree with Mr Sathasivam, Minister of Human Resources of Malaysia, who called for "the support of the global community in the social, economic, and political evolution of Myanmar". Other representatives also acknowledged the continued importance of the ILO's and of the international community's commitment to Myanmar's development. Ms Dimapilis-Baldoz, Secretary of the Department of Labor and Employment of the Philippines, stated that the Philippines "stands ready to assist Myanmar through the ILO technical cooperation programme". Mr Javed, Employers' delegate from Pakistan, also commended the ILO's efforts in Myanmar, which were "proof of the success of tripartism, the Office and the constituents' efforts".

Situation of migrant workers

48. During the plenary sittings, several delegates referred to the needs and rights of migrant workers in relation to fundamental principles and rights at work, youth employment and social protection. This is not surprising, as migrant workers have been among those on the frontlines of the crisis, taking some of the hardest blows as many of the jobs have been destroyed and decent working conditions undermined. In spite of the crisis having reduced opportunities for work in some destination countries, many people continue to seek work outside their home countries. Mr Matula, Workers' delegate of the Philippines, reported how high youth unemployment rates in his country had encouraged large numbers of youth, many of them women, to leave in search of employment, "turning them into unprotected migrant workers". Ms Sufian, State Minister of Labour and Employment of Bangladesh, urged the ILO "to look more at the youth aspect of migration".
49. Ms Afzali, Minister of Labour, Social Affairs, Martyrs and Disabled of Afghanistan, highlighted the fact that, while there are many benefits to nationals working overseas in terms of remittances and increased skills, there are serious risks, including "financial risks, scams and exploitative working conditions that violate human rights". Mr Belbase, Minister for Labour and Employment of Nepal, reported that foreign employment is a significant source of employment and that his country is working actively to develop safe, productive and decent foreign employment through bilateral agreements with destination countries. Echoing the Afghan Labour Minister and others, he called on "the ILO and all Members to work together to ensure that migrant workers enjoy their basic rights". From the perspective of a destination country, we also heard how the United Arab Emirates has launched an electronic contract verification initiative with India that allows workers to examine conditions of employment before travelling abroad.

Situation of workers of the occupied Arab territories

50. Reactions to the situation of Palestinian workers outlined in my Report of the annual ILO high-level mission to the occupied Arab territories in March 2012 were numerous and often impassioned. Many delegates expressed dismay at the further deterioration of the living and working conditions of Palestinians under Israeli occupation since last year's report to the 100th Session of the Conference. Now with the peace process at more of a standstill than at any time since the Oslo Accords were signed in 1993, the position of men and women throughout the occupied Arab territories remains precarious. Mr Foglar, Workers' delegate of Austria, reflected the sentiment of a number of delegates when he said that Israel's settlement policy increasingly jeopardized the economic basis of subsistence for Palestine and the feasibility of the agreed two-State solution based on pre-1967 borders. Mr Khiat, Government delegate from Algeria, reiterated the call to the

international community to “assume its responsibility in regard to alleviating the suffering of the Palestinian workers so as to enable them to earn a livelihood from their work”.

51. Mr Funes de Rioja, Employer’s delegate of Argentina and Chairperson of the Employers’ group, said that employers stand with the business community of the territories in calling for the removal of barriers to trade, calling on the international donor community to reaffirm its commitment to support the ILO and other UN programmes in the occupied Arab territories to enable all people to participate in the economy when peace finally comes to this region.
52. The ILO continues to work with our Palestinian constituents through concrete policies and programmes as they build a fully viable Palestinian State. I very much appreciate the thanks offered by Mr Majdalani, Minister of Labour of Palestine, for the interest and support of the ILO for the people and workers of Palestine and for the “objectivity and professionalism” of the Report. In spite of the difficult situation and limited resources, the Palestinian Authority and his Ministry have endeavoured to develop a culture of social dialogue and a suitable environment for businesses, and continues to implement measures aligned with ILO standards, such as improved labour inspection, the adoption of a minimum wage, and the creation of a National Employment Agency and a Palestinian Fund for Employment and Social Protection. Several delegates concurred with the Minister that until the Palestinian economy would be able to create more job opportunities, it was vital for Palestinian workers to be able to continue to work in Israel.

ILO programme implementation 2010–11

53. Your words of appreciation for the content and presentation of my Report, *ILO programme implementation 2010–11*, are well received and suggestions for improvement welcome. Mr Mitumitu, Workers’ delegate from Kenya, felt that the Report was a “candid, objective and comprehensive” review of outcomes under the ILO’s results-based management model and “made it easy for constituents to evaluate the achievements made so far and the challenges faced and the lessons to be learned in the future”. Mr Varela, Employers’ delegate from the Philippines, was happy to learn from the assessment of the programme outcomes that there had been meaningful progress in countries and regions despite the fact that 2010 and 2011 had been difficult years for the world of work. It was gratifying to see that the gap between the “ideal” and the “practical” was being bridged. Ms Riddervold, Employers’ delegate from Norway, speaking for the employer federations from Denmark, Finland, Iceland, Norway and Sweden, while praising the Report’s overview of the activities, would have liked to see more information on the quality of the results, including measurement criteria that adequately reflect quality, costs and scale of ILO interventions.

Conference statistics – A decline in women delegates and speakers

54. This year’s Conference welcomed 5,327 accredited persons representing 170 member States. While this represents a slight decline from 2011, the sheer size nonetheless attests to the global relevance of the Conference. Among those attending, 151 were ministers, vice-ministers and deputy ministers. Of the persons attending, 282 addressed the plenary.
55. A total of 790 women delegates were accredited to the Conference, representing 26.6 per cent of total delegates and advisers. This decline from 27.9 per cent last year is regrettable, as it is a regression from the goal of improving the gender balance at the Conference. I also note with disappointment that only 17.4 per cent of the plenary speakers were women. I share the deep concern expressed by the Credentials Committee in its report that the

participation of women in the Conference has again not achieved the target the United Nations set in 1990 of increasing the proportion of women in decision- and policy-making bodies to at least 30 per cent. I support the Committee's request to the Governing Body to consider concrete measures in this respect. I strongly urge delegations to revisit their commitment to gender equality. It is imperative that concerted efforts be made to increase female representation among delegates at the Conference.

Conclusion

56. Invited speaker Professor Klaus Schwab, Founder and Executive Chairman of the World Economic Forum, reminded us about the ever-growing complexity, scale and scope of the development challenges of our hyper-connected and increasingly urbanized world and the demands of stakeholders to participate in decisions that affect them. He also felt that the ILO was the UN agency that came closest to the multi-stakeholder concept that the World Economic Forum promotes. In referring to the innovative and entrepreneurial solutions that will be needed to meet these challenges, he called for private business to “work hand-in-hand, as it is doing in the framework of the ILO, with governments and civil society to create the synergies needed to improve the state of the world”.
57. While the ILO is and will remain a tripartite body, this does not mean that we will not listen and learn from other groups outside our constituency which have a direct interest in the world of work. This year, 36 observers took the floor as speakers in the plenary. Our recent experience with the Youth Employment Forum, which gave young people space to contribute in a concrete way to the debate, is an innovation that could enhance the way in which the ILO works in the future: the Organization will be well served by making their demand a creed for our work with stakeholders: “No solution for us without us”.
58. I mentioned in my opening remarks that the ILO's views are more than ever welcomed and considered pertinent and necessary within the multilateral system, and that what we do here at the Conference is of importance far beyond the ILO. This is because we represent what is central to people in their everyday lives, and no other organization has the capacity to connect enterprises, workers and governments – the real economy – to the highest levels of decision making. Appreciation for this role was widely expressed during the plenary, and I thank you for the many compliments you paid to me for my part in helping to expand the ILO's influence. I would like to thank the President of the Conference in particular for his kind words of recognition with reference to my role in leading “the Organization to take its place in the global arena, putting the concept of Decent Work at the heart of the international agenda and endeavouring to give a human face to globalization”. Mr Funes de Rioja, Chairperson of the Employers' group, also underscored the tremendous amount of work done by the Office with multilateral bodies, the World Bank, the World Trade Organization, the International Monetary Fund and other bodies involved in coordinating policy agendas, recognizing that the internal restructuring and reforms, like that of the Governing Body, also contributed to this success: “We are now on a journey together for an ILO which is better known, more relevant in its policy agenda and more pertinent in its structure of governance.” Mr Cortebeek, Chairperson of the Workers' group, recalled the impact and timeliness of our 2008 Social Justice Declaration and subsequently the 2009 Global Jobs Pact addressing the crisis, which “enhanced the ILO's standing as a global partner”. Recognition came from outside the ILO as well: His Royal Highness the Prince of Asturias also cited our multilateral efforts as enabling the Organization to “continue in its pivotal role of promoting employment and labour-related human rights”.

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- 59.** Many of you referred to “decent work” as a legacy I will leave behind. I believe the concept has taken hold because it encapsulates the values and principles of our Organization’s 90 years of history. I am convinced that decent work has resonated so well because the ties between employment, social justice and democracy are so strong. My view is that just as “we were born out of the social struggles of the end of the nineteenth century and beginning of the twentieth century”, now our work continues to “[follow] the heartbeat of real societies, and the changes ahead offer an incredible opportunity for ILO policies”.
- 60.** President Napolitano of Italy reminded us of the lessons of the Great Depression, the rise of fascism, and the devastation of Second World War: when the victorious democratic forces re-emerged from the ruins, they saw the imperative need “for a determined and concrete commitment to pursue policies of development and social justice”. Calling for a return to the policies of full employment that helped rebuild Europe, he emphasized that we should no longer mark goals only in terms of GDP growth and greater financial stability; but that achieving full employment should be an end in itself and “measured in terms of human dignity”. Moving forward some 60 years to the Arab Spring, President Marzouki of Tunisia recalled that the desire for democracy and social justice motivated the most marginalized and neglected regions of his country to rise up, even before the towns and cities, as people understood that eradicating corruption and tyranny was the only way to achieve a life with dignity. He went on to say that the main objective of the revolution remains “decent work which safeguards dignity and allows citizens to practise their citizenship Without decent work, democracy becomes a shallow concept which cannot feed the hungry or clothe the poor.” President Chinchilla Miranda of Costa Rica took this idea further, and in closing I would like to recall her metaphor for what decent work means, which I found both succinct and profound: “Decent work is the cornerstone of the social contract upon which our democracies are built.” I sincerely believe that too.