



## FIFTEENTH ITEM ON THE AGENDA

**Report of the Working Party on the Social Dimension of Globalization****Oral report by the Chairperson of the Working Party, Mr. C. Tomada, Government delegate of Argentina****Introduction**

1. This report provides a summary of the contributions and discussions at the 27 March 2006 session of the Working Party on the Social Dimension of Globalization. The Working Party had before it three agenda items: the discussion of the 2005 World Summit Outcome Document: Implications for the ILO;<sup>1</sup> Follow-up to the report of the Chairperson on the November 2005 session of the Working Party on an ILO forum;<sup>2</sup> and an information note on developments regarding Policy coherence: Growth, investment and employment.<sup>3</sup>
2. Before starting the discussion on those items, the Working Party had the honour of welcoming the European Union's Commissioner for Development and Humanitarian Aid, former Deputy Prime Minister and Foreign Affairs Minister of Belgium, Mr. Louis Michel. In his introduction of the speaker, the Director-General referred to Mr. Michel as somebody who combined strong liberal roots with social commitment. Mr. Michel was a convinced supporter of multilateralism and the social dimension of globalization as well as of an enhanced role for the social partners in development policies. That was already clear when Mr. Michel, as Belgian Minister of Foreign Affairs, had cooperated with the ILO on such programmes as STEP and PRODIAF. Currently, Mr. Michel as European Union Commissioner was engaged in adapting and strengthening European policies for cooperation and development. With his leadership, the European Parliament, the European Council and the Commission had recently adopted the "European Consensus on Development" which represented an integrated economic and social approach with a strong accent on the promotion of decent work.

<sup>1</sup> GB.295/WP/SDG/1.

<sup>2</sup> GB.295/WP/SDG/2.

<sup>3</sup> GB.295/WP/SDG/3.

3. The Director-General observed that the European Commission was a long-established partner of the ILO. In recent times that relationship had been strengthened: Commissioner Vladimir Špidla had visited the ILO three times, Commissioner Jacques Barrot had participated in the Maritime Conference the previous February, Commissioner Peter Mandelson had participated in an event co-organized by the ILO Turin Centre, and Mr. Jean-Claude Juncker, Prime Minister of Luxembourg, then holding the Presidency of the European Union, had participated in the ILO's Regional Meeting in Budapest. The new lines of the European development policy offered many possibilities of reinforced cooperation between the ILO and the European Union. The Strategic Partnership with the Commission signed in July 2004 provided an ideal framework. Finally, the Director-General welcomed Mr. Michel's appointment by the Secretary-General to the recently established High-Level Panel to explore how the United Nations system could work more coherently and effectively in the areas of development, humanitarian assistance and the environment.
4. In his address, the European Commissioner for Development and Humanitarian Aid, Mr. Louis Michel, observed that it was said that jobs had become scarce and that there was not enough work. That was entirely inaccurate: there was not a lack of work but financing work was in fact the real problem. Warning of the danger of high unemployment and poverty becoming an integral part of the global economy, he emphasized that both the ILO and the European Commission were grappling with similar issues. In that context, he also stressed the importance of the Strategic Partnership agreement signed in 2004 between the ILO and the Commission.
5. As a firm belief was in the merits of globalization and the liberal market economy, the Commissioner nevertheless pointed out that the benefits of globalization were not being shared fairly. Adam Smith's invisible hand needed to be supported by a strong and impartial public power. Underscoring democracy as the best means to ensure a fair distribution of the gains from globalization, Commissioner Michel stated that developed countries were not doing enough to attain fairer outcomes. Structured measures, not just charity, were needed. Achieving globalization with a human face, therefore, called for a frank and open discussion of the role of the State. The Commissioner argued for more effective use of fiscal policy to redistribute income by taxing capital more and productive labour less. Economic dynamism and employment creation would be stimulated by such interventions. Ultimately, the role of the State was to bring about social equity and social justice.
6. Referring to paragraph 47 of the Outcome Document of the United Nations World Summit, the Commissioner stressed the significance of its political support for productive employment and decent work as the best and most effective ways of combating poverty and of strengthening sustainable development. He drew attention to the strong and dynamic social dimension of the process of European integration and commended the European economic and social model with its different aspects of employment-related measures, social dialogue and social protection. The social security associated with the European model was indeed a key element behind economic growth in Europe, as it reinforced economic confidence. Also civil society had played a very significant role in the success of Europe, which had rejected the idea of a two-track society. Developing countries could certainly use some aspects of that model in their policy design, although it could not be directly applicable.
7. The Commissioner said that the European Union's development cooperation policy and its emphasis on poverty reduction as a strategy for equitable globalization accorded with the report of the World Commission on the Social Dimension of Globalization, to which the European Union had fully subscribed. The links between development and security, development and migration, development and trade, development and employment as well

as development and environment were of particular importance as parts of that strategy. The major weakness of developing countries was the lack of States with impartial efficient institutions. That concern over governance also shaped the focused interventions foreseen in the 10th European Development Fund, the European Union's budget for the African, Caribbean and the Pacific (ACP) countries for 2008-13. Governance programmes would be discussed with partner States in such areas as social protection, strengthening decent work, preventing child labour, minimum wages, social dialogue and freedom of association. The Commissioner especially highlighted infrastructure, also as a potential to create sustainable jobs for the local population. Decent work for everyone had to be the long-term objective for all Member States of the European Union and for its partners. The quality of national policies and the policies of institutions had a major impact on the capacity of a country to benefit or not from the advantages of globalization and to reduce or not the risks of globalization. The ILO and the European Commission could pool their experience and think collectively about the contemporary social topics and could even implement pilot projects together on a country basis.

8. In response to Commissioner Michel's address, which he had greatly appreciated, the Employer Vice-Chairperson recalled that his group saw globalization as a natural process in the development and evolution of societies, but that to function well it had to benefit all. Referring to the role of the State in development, he stressed that the Employers shared the idea that a market economy with political freedom and property rights promoted not only economic, but also social development. A State that could assure an effective allocation of resources, good governance and reasonable regulation was essential to attract investment, to achieve growth and to increase access to health services and education. Concurring with the Commissioner, the Employer Vice-Chairperson said that his group believed that the market should be inclusive to avoid a two-tier system in society. Political, economic and social stability were essential both for workers' confidence in change and employers' confidence to invest.
9. The Worker Vice-Chairperson also expressed warm appreciation for the quality of the Commissioner's remarks. Noting that he was member of the new High-Level Panel on United Nations coherence, he suggested that coherence was a key issue at many levels of governance, including within the European Union. For the Workers, it was particularly important to factor in workers' rights into the strengthening of coherence. Greater cooperation between the European Union and the ILO would be welcomed by his group. He thanked the Commissioner for his forceful words on the role of the State in development, and for the emphasis he had given to the fair redistribution of growth. Sharing opportunity, not mere charity, also meant that African countries needed the occasion to start with equal opportunity by addressing the debt problem. He also urged the European Union to take a rights-based approach towards those who entered Europe, and to address xenophobia and racism.
10. Several Government members shared the appreciation for the Commissioner's presentation expressed by the groups. Speaking on behalf of the members of the European Union and a number of other European countries,<sup>4</sup> the representative of Austria gave full support to close cooperation between the European Commission and the ILO and emphasized that it was very profitable for both sides. In a similar vein, the representative of Malawi, speaking on behalf of the Africa group, said that the European Union's objective of promoting the Millennium Development Goals (MDGs) in Africa and the ILO's efforts were geared to

<sup>4</sup> The acceding countries Bulgaria and Romania, the candidate countries Turkey, Croatia and The former Yugoslav Republic of Macedonia, the countries of the Stabilisation and Association Process and potential candidates Albania, Bosnia and Herzegovina, Serbia and Montenegro, and the European Free Trade Association (EFTA) country Norway; Ukraine and the Republic of Moldova aligned themselves with the statement.

the same direction, and that their collaboration with Africa should be built on the conclusions of the African Union's Extraordinary Summit on Employment and Poverty Alleviation in Africa. A number of speakers took up the themes of coherence and the need for both social justice and economic growth, stressing the importance of European Union policies in shaping an international environment conducive to development. In that regard, a number of speakers highlighted the further liberalization of trade, in particular for agricultural products.

11. An Employer member delegate voiced her concern about the growth of the informal economy which was to a large extent a problem of state failure and corruption that had become worse during the past 20-30 years. As the European Union had clarified, corporate social responsibility could not serve as a substitute in cases of state failure. On the role of the ILO, she said the focus should be on labour market and social policies and tripartism which were the ILO's particular competence. A Worker member complimented the Commissioner on his understanding of a liberalism that recognized the necessity of a State that regulated, redistributed and reconciled differing interests. However, he questioned whether European economic and social policies really shared that vision, as employment and tripartism were too often neglected. He asked whether the Commission could do more to promote freedom of association in its external relations.
12. Commissioner Michel, replying to the wide-ranging comments and questions asked of him, expressed his satisfaction with the debate. Regarding the key issue of coherence, the Commission had recently adopted a position which identified 11 areas, including employment and development, in which the various competent parts of the Commission would need to take account of policy impacts in other fields. Agricultural trade was also one of the policy areas requiring such a new approach to coherence. Among other issues picked up by the Commissioner in his reply were the importance of: infrastructure investment for Africa, decent work and the standards on which it was founded, political, social and economic stability, a balanced approach to taxation, continuing to make progress internationally on corruption, further developing the European effort to create more and better jobs through the Lisbon Process and developing a Europe/China dialogue on development.

### **The 2005 World Summit Outcome Document: Implications for the ILO**

13. In his introduction of the document, the Director-General summarized the implications of the Summit's Outcome Document, which centred around three areas: policy, management and technical cooperation. The latter two had been discussed in other committees of the Governing Body. The central policy message of the Outcome Document was that concrete progress on the interlinked issues of development, security and human rights would be achieved better and more quickly if the United Nations system reformed by developing new approaches, institutions and operational tools. All entities of the United Nations system had been asked to bring the Outcome Document to the attention of the governing structures and to implement their priorities and programmes in the light of that guidance. For the ILO, the Outcome Document marked an unprecedented leap in the global recognition at the highest political level of the relevance and centrality of the ILO's Decent Work Agenda for the entire international community, as clearly stated in its paragraph 47.
14. The Director-General drew four conclusions. Firstly, the Document placed full and productive employment and decent work for all as a central objective of relevant national and international policies. Secondly, it spelt out explicitly the role of full and productive employment and decent work for all in development strategies and poverty reduction, stressing, in particular, its relevance for women and young people. By setting those as

global goals, together with the MDGs, a glaring gap was filled – the Outcome Document placed both full and productive employment and decent work as means to achieve the broader set of internationally agreed goals. Thirdly, it recognized the linkages between development and fundamental principles and rights at work, acknowledging the importance of the normative dimensions of the work of the ILO. Fourthly, it linked the goals of full and productive employment and decent work for all with fair globalization. That commitment demonstrated unparalleled support of the broader international community to the ILO vision and engagement in making decent work a global goal and national reality.

**15.** Opportunities to operationalize that commitment had multiplied and highlighted a number of aspects of the ILO's current and future work:

- First, the ILO's decent work country programmes (DWCPs) were the main instrument for cooperation with member States, and the expression of tripartite priority setting, engagement and ownership in support of decent work as a central objective of national development strategies and plans. They were the ILO's specific contribution to international development frameworks, such as the UNDAF, PRSs and national MDG strategies.
- Second, the strategies and activities needed to make decent work a global goal and a national reality formed the backbone of the ILO's work programme and were featured in the Programme and Budget for 2006-07.
- Third, regarding the inter-agency level, a recent meeting of the High-Level Committee on Programmes of the United Nations Chief Executives Board had invited the ILO to work with other interested organizations on the development of an employment and decent work promotion tool.
- Fourth, at the inter-governmental level, the Economic and Social Council (ECOSOC) had decided that the theme of its first high-level segment since the World Summit on 3-5 July 2006 in Geneva would be "Creating an environment at the national and international levels conducive to generating full and productive employment and decent work for all and its impact on sustainable development".
- Fifth, the ILO was working with multilateral, regional and individual development cooperation agencies to integrate systematically the objectives of productive employment and decent work into their policy dialogue and programming cycles with countries and regions.
- Sixth, nowhere had the international dimension of decent work been more clearly highlighted than in the Working Party's own discussions on the social dimension of globalization. In order to succeed, coherence required the convergence of international policies around universally agreed development goals.
- Seventh, similarly, many other interested individuals, institutions and networks in the international, national and local public and private scene could add value, knowledge, advocacy, support and broader legitimacy to the decent work objective by mobilizing and extending their support to areas beyond the ILO's reach. The ILO's tripartite constituency could activate a powerful influence ensuring that that included the goal of full and productive employment and decent work.
- Eighth, the ILO was ready to participate in the broader multilateral system policy reform process, for example, through its policy coherence initiative and its active involvement in discussions on the design of development assistance and the

institutional and organizational set-up needed to realize the potential of multilateralism.

- 16.** The Employer Vice-Chairperson expressed his satisfaction with the United Nations Assembly Outcome Document (particularly paragraph 47) as well as with the document presented by the Director-General. He recalled the Employers' support for a broad conception of interrelated rights, as expressed by the United Nations Secretary-General, comprising, among other things, the rights to life, to liberty, to property, to work and to freedom of expression. Those rights were the basis for agreement on common objectives. Referring to paragraphs 5 and 12 of the document submitted by the Office, where the possibility of having new approaches, institutions and tools was highlighted, he drew attention to the fact that the ILO had a special competence, derived from its tripartism, in integrating decent work into national and international frameworks. He agreed with paragraph 14, elaborating on the need for decent work to be a global goal, highlighting the need for policy coherence at all levels and with many partners, particularly other United Nations agencies, respecting each organization's expertise and competence. Referring to the topics covered in paragraphs 17 and 18, the Employers felt that some would need to be examined by the different committees of the Governing Body. Growth, investment and employment were fundamental to development. Action on decent work and the creation of jobs needed to be taken both at the local and the national levels, especially to increase the productivity of micro and small enterprises. It was important that the Outcome Document mentioned the problem of child labour, but it was also vital to address youth employment and the improvement of education systems. The ILO's Policy Coherence Initiative (PCI) fitted well with the direction of the Outcome Document. Similarly, the work of the Committee on Employment and Social Policy on policy tools for decent work could form a basis for the ILO's contribution to operational effectiveness at country level mentioned in paragraphs 31-33. The Employers placed particular emphasis on the need for the full engagement of the tripartite delegations in country programmes. The Committee on Technical Cooperation should take up that issue. The ILO needed to contribute in an efficient way to the collaborative action within the United Nations system as referred to in paragraph 37. The financial issues in paragraphs 41 and 42 necessitated a discussion in the Programme, Financial and Administrative Committee (PFAC), some of which would need to be considered for the next programme and budget.
- 17.** The Worker Vice-Chairperson commended the Office document as thought-provoking and an aid to continuous progress. Agreeing with the Employer spokesperson on the importance of a foundation in rights, he sought reassurance on the inclusion of freedom of association in their thinking, as for the Workers, that was central but not always sufficiently appreciated. In that regard, his group was wary of some discussions about civil society which sometimes seemed to have the intent of diminishing tripartism. It was because of its unique tripartite character that the ILO was able to make a special contribution to connecting the United Nations system as a whole to the concerns of ordinary citizens worldwide. Turning to the three levels of United Nations renewal he agreed that operational issues were best dealt with by the Committee on Technical Cooperation and the management questions by the PFAC. The Working Party could take a more strategic view. He expressed the Workers' support for management reform not merely as a means of saving money, but to help United Nations agencies to help people more effectively. Paragraph 47 of the Outcome Document was a remarkable achievement and created an opportunity for the ILO to be in the vanguard of United Nations reform. It added momentum to the ILO's groundbreaking work on the social dimension of globalization. Furthermore, renewal should also include re-examining how international trade and finance institutions and policies integrated with the goals of full employment and decent work. He agreed with paragraph 11 of the Office paper which emphasized the relevance of the ILO agenda in the broadest policy context, and with paragraph 13 which underlined that fair globalization, productive employment and decent work for all must be

central to the United Nations broad development vision and that decent work should be embedded in the poverty reduction objective. He suggested that there should be an additional point added to paragraph 17 emphasizing the development and strengthening of collective bargaining and other labour market institutions that could help mitigate widening inequality. He endorsed and supported paragraphs 26-30 regarding the improvement of the United Nations system and urged that Bretton Woods institutions and the World Trade Organization (WTO) should be included in the reform process. Working on policy coherence should be expanded and the ILO should pursue strategic reforms through ECOSOC. He hoped that the outcome of the ECOSOC discussion would be to further tripartism as a meaningful tool in the issue of global governance.

18. Many Government delegations expressed their appreciation of the United Nations 2005 Summit Outcome Document, and, in particular, its endorsement of the ILO's agenda in relation to decent work and fair globalization, as set out in paragraph 47. In a detailed statement, the delegate of Austria, who spoke on behalf of the Members of the European Union and a number of other European countries,<sup>5</sup> welcomed the unprecedented support for decent work as a global goal in the Outcome Document, which provided a new momentum for the ILO's work and leadership. Achieving the Millennium Development Goals was the number one priority of the European Union's vision of development. The analysis and proposals in the Office document were thus very useful for further ILO engagement in the implementation of the Outcome Document. The ILO should proactively engage in the process of inter-agency cooperation and, in that regard, the European Union supported a system-wide approach involving all relevant international organizations, including an ongoing dialogue on cooperation between the WTO, the Bretton Woods institutions and the ILO. The assignment of the ILO as lead agency for the high-level segment of the United Nations ECOSOC was important. She expressed support for the promotion of fundamental labour rights, for strengthening of tripartism, social dialogue and governance to make decent work a global goal. The ILO's approach to the integration of social policy and employment goals into international trade, finance and other economic policies could draw on the work done on sustainability impact assessments by the European Commission. The Office should use the opportunities offered by the current programme and budget, including on issues such as basic social pensions, labour migration and responding to the special needs of Africa (e.g. on infrastructure). The recently agreed European "Consensus on Development" underlined the multidimensional nature of poverty eradication, including decent work and job creation. The European Union was committed to increasing financial resources and had adopted a timetable for member States to achieve progressively 0.7 per cent of GNP by 2015, which should see annual aid doubled to 66 billion euros by 2010. The ILO's work with development cooperation agencies to integrate systematically the objectives of productive employment and decent work was appreciated especially on employment and decent work policy tools. European countries encouraged active cooperation of the ILO with the new Human Rights Council, taking into account the respective mandates and capacities, not least because the United Nations relied upon the ILO in areas such as child labour, forced labour, discrimination, freedom of association and collective bargaining. The year 2006 presented a real opportunity to revitalize the United Nations system. The ILO's readiness to contribute to the High-Level Panel on system-wide coherence and to lead the specialized agencies in discussion on the strengthening of the United Nations system including at the country level was welcome. The European Union encouraged the ILO to pursue the decent work country programmes and the other operational activities in close cooperation with the United Nations system, so that it could benefit from the ILO's unique legal and tripartite expertise. As part of United Nations reform, the European Union supported long-term, predictable financing of agencies and expected to see continued, concrete progress on the

<sup>5</sup> See footnote 4.

harmonization and simplification agenda and joint programmes at country level. The focus for the ILO should be on setting achievable milestones for reform over the following three years or so through a structured ILO response to the reform agenda.

19. The Government delegation of Honduras expressed its satisfaction with the Outcome Document on behalf of GRULAC, and supported fully the Office in all its related initiatives. The Summit of the Americas in Mar del Plata had recognized the importance of decent work to economic and social policy coordination and sustainable development. The Government delegate of the Philippines, speaking on behalf of the Asia-Pacific group, concurred with other delegations and stressed that his group wanted the goal of decent work to apply globally, lending his group's support to the Office's work in that respect. The Government delegations of Spain, Japan, Nigeria, Belarus, South Africa and Kenya spoke in a similar tone. The latter two delegations drew the link to the outcome of the African Union Extraordinary Summit on Employment and Poverty Alleviation in Africa, held in September 2004, and highlighted the special challenges in the continent.
20. In welcoming the paper prepared by the Office, a number of delegations offered specific comments and suggestions. The Government delegate of the Philippines (representing the Asia-Pacific group) described the paper as "thought-provoking on how the ILO can take up the challenges posed in the World Summit Outcomes" and asked for the item to be put on the agenda of the November 2006 session. The Government delegate of the Russian Federation concurred with that request. The policy options outlined in paragraph 17 were commented on favourably by several Governments. The Government delegate of Spain highlighted that migration needed to be approached in a way that was fair to host and sending countries, and emphasized the need for specific policies on gender and equal treatment. The importance of gender was also underscored by the Government delegate of Chile, who reported on the efforts made by his Government. The Government delegate of Japan put special emphasis on the strength of tripartism and social dialogue, and the Government delegate of South Africa called attention to the specific situation in African countries. The Government delegate of Australia called the list very comprehensive in its current form, and objected to the proposal made by the Workers to expand the list by the addition of a reference to collective bargaining.
21. There was general appreciation for the ILO's involvement in the ECOSOC high-level segment on employment and decent work. Many delegations endorsed the dialogue of the Office with other agencies, including the Bretton Woods institutions and the WTO. The Government delegate of Honduras, on behalf of GRULAC, congratulated the Office on the progress of the Policy Coherence Initiative (PCI) and underlined its great utility. While supporting the PCI, the Government delegate of India cautioned that no multilateral agency should override the policies of sovereign States. The Government delegate of China emphasized that the Office should, when engaging in dialogue, always proceed from the demands of the Organization's tripartite members. The Government delegate of Japan, while welcoming the dialogue with the financial institutions, stressed that it was their role, not the ILO's, to deal with issues regarding growth and investment, and emphasized that DWCPs should be well coordinated with other programmes in the United Nations.
22. The debate gave general support to the active engagement of the ILO in the wider United Nations reform process. For the Government delegate of the United States, the World Summit Outcome Document represented a significant breakthrough in the global effort to develop an effective, focused United Nations system to serve as a vehicle for development, peace and liberty. According to the Government delegate of the Russian Federation, the ILO had to seize the opportunity the Outcome Document represented and participate in the United Nations reform. The Government delegate of Spain reflected on the consolidation of the United Nations work on peace, development and human rights, and highlighted the ILO's specific role with respect to decent work. A number of speakers called for effective

coordination between the ILO and the newly established Human Rights Council, especially in areas where the Council could draw on the ILO's expertise. The Government delegate of Australia agreed with the Office paper that much had been done with respect to management reform, and highlighted that more needed to be done to implement results-based management. Similarly, the United States was encouraged by the Organization's efforts to build a strong internal system of management and administration so that the ILO could play more effectively its important role in the United Nations system. That role was to be found in the ILO Declaration on Fundamental Principles and Rights at Work.

23. Delegations also brought up a number of related points. The Government delegate of India objected to making any link between the eradication of child labour, to which his Government was committed, and issues such as trade and external development assistance. When pursuing decent work, his country felt that one first had to ensure a job for any potential worker and that thereafter decent work conditions would hopefully follow. The Government delegate of China addressed the role of free international trade in promoting global economic growth and employment, and advocated the removal of protectionism in trade and related aspects.
24. Concluding the discussion, the Chairperson thanked members of the Working Party for their many valuable contributions which the Office would take due note of in its work.

### **Follow-up to the report of the Chairperson on the November 2005 session of the Working Party on an ILO forum**

25. The Chairperson recalled the discussion on the forum during the November 2005 session of the Working Party and invited comments on the paper prepared on the basis of consultations with the Governing Body Officers.
26. The Employer Vice-Chairperson opened by recalling the position that his group had taken in the November 2005 session of the Governing Body. While favouring a high-level dialogue through the Working Party, the group had not given its support at that time to the proposal of a forum on the basis of concerns over cost, staff resources and governance. It was still the position of his group not to support a forum. He reiterated that the Working Party should be used as an instrument for analysis and reflection. His group did not see how an external forum paid for out of the ILO budget would lead to new insights. Further, his group did not feel that other players should be allowed to determine how the ILO exercised its mandate. There would be no added value through a forum, and it would take away resources from other activities. What was being proposed was an event that would be political rather than technical, concrete and practical, and draw the ILO away from its priorities. The latter included, for example, enterprise development, the informal economy, financing for micro-enterprises, employability and questions relating to education, vocational training and the informal economy. Moreover, a forum timed to follow directly the March 2007 session of the Governing Body might not attract the participation of Governing Body members. That would be just ahead of the 2007 International Labour Conference which would discuss an item on decent work. It was for those reasons that the Employers' group could not support the forum. He wanted to be frank about his group's position, and was ready to listen. However, while dialogue sometimes led to agreement, other times it did not.
27. The Worker Vice-Chairperson said that the Employer Vice-Chairperson had put down markers to state how the group felt about the proposal. The Workers' group had expected that, after the November discussion, further reasoned dialogue would produce movement. The Employers could maintain their opinion, but should be transparent and consistent with

previous decisions. In November 2005, the Director-General was invited to prepare a detailed paper setting out the modalities of the forum with the full participation of the Officers of the Governing Body. There was in good faith an understanding by all parties that they were moving forward to a forum in April 2007, and there was an expectation that the Employer and Worker Vice-Chairpersons and the Governments would be involved in further dialogue. There was nothing that would make him believe that tripartite governance would be put in question or that the money would not be spent effectively on a forum. He urged the Employers to acknowledge what had been developed regarding a forum in April of the following year and to join in its further elaboration.

- 28.** A large number of Government delegations lent their support to the proposed forum through their group spokespersons for Europe, Asia and the Pacific, Latin America and the Caribbean, and Africa. The Government delegate of the United States, however, said that he would prefer the Office to prepare a list of topics on the relationship between globalization and labour for debate in the Working Party to the organization of a forum.
- 29.** In specific comments, the theme and title of the forum were widely endorsed. The Government delegate of Austria said that the forum could further develop the work of the Working Party and the World Commission on the Social Dimension of Globalization; it should be part of a process and produce practical suggestions for action. It would, in the words of the Nigerian delegate, generate “fresh ideas from outside this body”. As the Government delegate of France emphasized, the forum would bring together world-level players and give the ILO greater visibility. The delegate of the Russian Federation found the proposals for the forum well prepared and topical. The Government delegate of the United States said that the forum lacked a well-defined purpose and covered subjects very similar to those discussed in the Working Party.
- 30.** A number of delegations offered their comments on the modalities of the forum. The Government delegate of Austria suggested limiting the event to two days. The Government delegates of Canada, Japan and the Netherlands expressed concerns over the timing, shortly before an important debate on decent work at the 2007 International Labour Conference, and proposed holding the forum in November 2007. The Government delegate of the Netherlands, while welcoming the proposed forum, felt that its timing in April 2007 would inhibit the truly open and substantive discussion at the International Labour Conference that decent work and a fair globalization warranted. The Government delegate of the Philippines supported the date of April 2007, as far as that was feasible, and asked the Office to ensure that the forum would build on the outcomes of the ECOSOC high-level segment on creating conducive environments for generating full and productive employment and decent work, and its impact on sustainable development, and that the forum would feed into the discussions of the 2007 session of the International Labour Conference.
- 31.** The Chairperson noted that countries from Latin America and the Caribbean, the European Union, the Asia and Pacific region and several other countries had expressed support for the organization of the forum, as had the Workers’ group. He made a statement taking note that the opposition of the Employers’ group to the forum was mostly directed to the way in which the forum was currently designed. He would continue the discussion on the subject and indicated that he would hold further consultations with the Employer and Worker Vice-Chairpersons.

**Policy coherence: Growth, investment and employment**

32. Given the late hour, the Chairperson suggested that note be taken of the document, which had, in any case, been intended only for information. That said, the Government delegate of Austria, speaking on behalf of the Members of the European Union and a number of other European countries (36),<sup>6</sup> had, in her discussion on the first item, mentioned the European Union's strong support for the PCI meetings and regional seminars. In a concluding remark, the Employer Vice-Chairperson also endorsed the PCI on growth, investment and employment, and the interaction with the other agencies, including the Bretton Woods institutions.

Geneva, 29 March 2006.

<sup>6</sup> See footnote 4.