



## Reply by the Director-General to the discussion of his Report

### 1. Introduction

This year's session of the International Labour Conference was, for me, a prime example of what this gathering is really all about – the most important forum in the world for an exchange of ideas and best practices for promoting the lives and livelihoods of working men and women. And it is good that this year was a rich “laboratory of new ideas”, as I described the Conference in my Report to you, for, in a sense, that was the very theme of this year's session of the Conference: faced with a global jobs crisis, we need as many good ideas as possible to guide our future course of action in the right direction. I believe you have risen admirably to the occasion.

My overall impression is one of general satisfaction among speakers with the direction in which the ILO is headed. Previous sessions of Conferences and the regular work of the Governing Body have consolidated a shared approach around the Decent Work Agenda, making it a global goal, striving for a fair globalization, linking poverty reduction with employment creation and enterprise development, and reinforcing tripartism nationally and internationally to achieve these aims. Decent work country programmes were unanimously supported as the key tool for ILO cooperation with constituents at the national level. There were calls for greater cooperation with other international organizations, which was seen as an important complement to regular ILO activities. The new programme and budget received widespread support.

Let me begin by offering my congratulations to the President of the Conference, Mr. Basim Alsalam, and his Vice-Presidents. They presided over our proceedings with great skill and efficiency, which, in turn, ensured the successful outcome of our work. I am equally grateful to the Chairpersons of our Conference Committees, Mr. Razzouk, Mr. Oni, Mr. Elmiger, Mr. Paixão Pardo, Mr. Békés, Mr. Ribeiro Lopes, and Mr. Abdelmoumene, and their Officers, for a job exceedingly well done. Finally, I would like to express my gratitude to Mr. Philippe Séguin for his most able stewardship of our Governing Body over the past year. The success that we have had relied on the leadership that all of you so clearly demonstrated.

I must reiterate my concern at this stage that the gender imbalance of our proceedings is striking. Of 51 speakers in the sitting on the Global Report on forced labour, only 12 were women. In the plenary sittings, only 35 of the 285 who spoke were women. We must do better than this – and, as some of your delegations have shown, we clearly can. Some 24 delegations had a composition comprising at least 40 per cent women, and I would like to name them: Austria, Barbados, *Belize*, Canada, Costa Rica, *Croatia*, *Estonia*, *Finland*, *Gambia*, Germany, *Ireland*, Italy, *Lesotho*, *Liberia*, *Lithuania*, New Zealand, *Poland*, *Rwanda*, *Saint Vincent and the Grenadines*, Serbia and Montenegro, *Slovakia*,

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*Slovenia*, Sweden, and the United States. Indeed, 14 delegations (those italicized) were at 50 per cent or higher. I think we should all join Ms. Toth Mucciacciaro, Workers' delegate of Croatia, in her appeal to have more young people, and especially more young women, at the next session of the Conference. Women delegates numbered 15.3 per cent of total delegates this year, as opposed to 15.5 per cent last year. In terms of all those accredited to the Conference, women number 22.2 per cent, compared to 23.24 per cent last year. I share the view of the Credentials Committee, which "deeply deplores that this percentage is even less than the previous year's already low figure and represents a step backwards". I believe the Governing Body should agree on a commonly agreed target for all groups.

We were honoured and enlightened by the presence this year of President Bouteflika of Algeria, who is also currently the President of the Arab League, and President Obasanjo of Nigeria, the current Chairperson of the African Union. President Bouteflika spoke to us with great wisdom and knowledge, and, I might say, great candour on the history of challenges faced by his nation and the determined will of all Algerians to overcome them. To me, he evoked the very theme of this Conference when he spoke of his determination to promote a humane and modern model of development "able to absorb the impact of globalization and enable our society to participate in an innovative way", and said that such a model can only happen "if every effort is made to ensure the right to decent work for all people of working age who are able to work". The ILO, he said, "has been able to survive all the upheavals of the contemporary world", which he explained, with considerable insight in my view, in terms of our very mission: "to ensure respect for the rights of workers worldwide". As there will always be old and new threats to ensuring that respect, the mission is an enduring one indeed, the permanent mission of the ILO.

President Obasanjo's address strengthened my conviction that new positive things are coming out of Africa, the most positive indications of which are the anchors of democracy and accountability. The President lucidly drew the link between employment creation and poverty reduction, saying, in reference to the African Union Extraordinary Summit on Employment and Poverty Alleviation in Africa in September 2004, that: "job creation has not always been considered as a major development objective and we [the Heads of State] agreed to make employment creation an explicit and central objective of our economic and social policies at all levels". This he linked to the ILO's Decent Work Agenda by arguing that the jobs had to be "meaningful and dignifying if they are to have the desired effect". I found compelling the President's call for debt relief in Africa when he said: "we cannot run effectively when our hands and feet are bound together".

Discussion in the plenary this year centred on my report to you, *Consolidating progress and moving ahead*, as well as on the four technical items of youth employment, forced labour, occupational safety and health and the fishing sector. Much work was accomplished. A rich abundance of perceptions and ideas were offered, an abundance to which I cannot do justice in my reply. I would, however, like to react to what has been said over the past two weeks and will group my thoughts under four main headings: reflecting on where we are; the work of our Committees, as well as discussion of my Report on the situation of workers in the occupied Arab territories; the need to make decent work a global goal; and the way forward for the ILO.

## **2. Reflecting on where we are**

Almost all of you agreed that, at a moment of ever greater opportunities and threats in the world, it was time for a period of active reflection. Vice-Minister Wang of China put it well when he said: "as the Chinese saying goes, the past, if not forgotten, can serve as the best guide for the future". Minister Menkerios of Eritrea noted that, as we continue to live in a time of rapid change in the world of work, the strategies proposed in my Report "hold

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many new organizational and policy challenges for governments, workers' and employers' organizations". As Mr. Vazirov, the Government delegate of Tajikistan, put it, it was an opportunity "to analyse and mull over some very important issues in the labour field". And in fact, many of you did offer analytical reflections. The Workers' adviser and substitute delegate of Greece, Ms. Lanara-Tzotze, for example, defined the challenge as follows: "Against the backdrop of complex processes related to globalization, we live at a time when globally generated wealth, technological progress and innovation have no historic precedent. Yet, half a century after the end of the Second World War, we also witness accelerating violence and conflict, expanding poverty, deepening inequality, and exploitation in its most abhorrent forms". Minister Basesgioglu of Turkey expressed a similar view, noting rising agreement on the need to establish "balance in the triangle" of liberalization, the social dimension and globalization.

In your reflections, just about all of you had something to say about globalization. I think Minister Ljubetic Godoy of Chile put it well when he said: "the global economy has moved forward only on the basis of monetary and market considerations, disregarding values and the social dimension, particularly those related to work and the dignity of work". As Mr. Andres, Parliamentary Secretary of State of the German Ministry of Economics and Labour, said: "The key question is therefore: how can profits or added value be turned into social progress in the years to come?" I believe there is a widespread sentiment among you that the report of the World Commission on the Social Dimension of Globalization got it right: that there are clear benefits of greater economic interdependence, but not unless we change course, because, at present, globalization is unbalanced, unfair and thus unsustainable. I agree with Mr. Boisson, the Employers' delegate of France, that the report "has succeeded in pulling the debate out of the ideological, sterile confrontation in which it had got stuck". For a good many of you, at least part of the global jobs crisis is in fact globalization's job crisis. With the expiration of the Multifibre Arrangement, for example, as Mr. Ryder, General Secretary of the International Confederation of Free Trade Unions, noted: "millions of workers – predominantly from the developing countries – who have seen their livelihoods disrupted or disappear as a result, have been badly served by a multinational system which has ignored their employment and social impacts".

## **Forced labour**

It is obvious that forced labour, such as that arising from trafficking in women and children, is about as far away from the concept of decent work as one can get – it is "hard to imagine a more indecent form of work", in the words of the Workers' delegate of New Zealand, Mr. Wagstaff. As Ms. Yacob, Workers' delegate of Singapore, put it: "forced labour is all the more deplorable because it affects the most vulnerable and weakest members of our society". This point emerged often from our day-long interactive sitting to discuss the Global Report, *A global alliance against forced labour*.

The Employers' delegate of the United States, Ms. Goldberg, said that forced labour "is neither new nor caused by globalization", and argued that it is globalization's "searchlight of public attention" that has illuminated despicable practices such as forced labour. But others considered that new forms of forced labour, such as those linked to trafficking, constitute in essence "the globalization of slavery", as Mr. Eide, State Secretary for Labour and Social Affairs of Norway, put it, or that globalization has played "an important role in propagating this problem", in the words of Minister El Amawy of Egypt.

While I would have to agree with the Worker Vice-Chairperson of the Governing Body, Mr. Trotman, that the session fell short of being interactive, it was nonetheless a very useful exchange and will assist the Office in charting the way forward both in preparing its Plan of Action and in planning for the High-Level Meeting in 2006. There

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was substantial agreement that forced labour has its roots in many sources, poverty, unemployment and discrimination being prominent among them; that it is a problem facing developed and developing countries alike, and cooperation between source and destination countries for trafficking is essential; that national plans of action, such as those in Brazil, Pakistan, Japan, Afghanistan and Malawi, are important tools for tackling the problem; that action per se relies on the political will of governments, but the social partners also have a major role to play – we all have a role to play in combating forced labour, as Minister Bakoru Zoe of Uganda said; that it is a hidden problem requiring better labour market information and labour inspection; and finally, that the protection of migrant workers is closely related to measures to eradicate forced labour. Indeed, Ms. Amadu, the Government delegate of Ghana, found it ultimately difficult to distinguish migration from trafficking and forced labour. I believe the day showed how well the process of follow-up to the Declaration on Fundamental Principles and Rights at Work serves the Organization.

### **3. The work of our committees**

Let me again congratulate the Chairpersons and the Officers of our committees for their tireless efforts. These efforts very clearly paid off in the form of a rich set of discussions and a variety of meaningful conclusions, including those relative to the programme and budget, which I shall review first.

#### **Finance Committee**

The discussions in the Finance Committee of Government Representatives showed a remarkable degree of consensus on the priorities of the Organization, within the theme of “decent work as a global goal”. Many delegates called for an expansion of our support to constituents based on decent work country programmes, with exceptional priority being given to youth employment.

The Committee also emphasized the need to do more with limited resources. There were many concrete proposals on strengthening our effectiveness and efficiency: enhancing results-based management, productivity and savings measures, strategic planning of investments, heightened transparency, reinforced evaluation and oversight. These are all policies that I have pursued since I became Director-General and intend to continue with redoubled vigour. Let me repeat the commitment that I gave the Committee: we will spare no effort to ensure that our management is professional, our stewardship of taxpayers’ money rigorous, and our action relevant, effective and sustainable. We will do this wherever possible as a tripartite effort, learning from your experience and expertise. We must all be good custodians of our scarce resources.

The Committee decided by an overwhelming majority to support the budget level recommended by the Governing Body. This level is a compromise between those who would have wished to see a more substantial level of real growth and the few who wished to see further reductions beyond the US\$23 million already cut from my original proposals. I sincerely hope that the Conference can approve the Finance Committee’s decision without opposition.

#### **Youth employment**

The Committee on Youth Employment was productive indeed. It recognized that young people are a valuable asset in society, bringing many positive characteristics to the workforce – enthusiasm, new ideas, high adaptability, recent education, motivation. Much is known about the issues of youth employment – about the qualitative and quantitative

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nature of the issue, about contributing macro-, meso- and micro-level policies and programmes, about the role and impact of active labour market policies and programmes. Over 110 Governments and approximately 50 Employer and 50 Worker representatives were present in the Committee, and many delegations included young people. Common values were readily identified: all Governments recognize that youth employment is a critical element of social stability and economic growth; and a society that fails to provide its young people with opportunities for education, training and decent employment is a society that fails in its basic responsibility to future generations.

It is time to move from talk to action: “Eyes are cowardly, hands are courageous”, as Mr. Togari, Vice Minister of Health, Labour and Welfare of Japan, put it. Ms. Mahase-Moiloa, Minister of Employment and Labour of Lesotho, reminded us that “creating jobs for youth will also play a vital role in building and moulding responsible citizens and future leaders of our countries”. It is now time to build on what is known in a practical, realistic way in order to open up decent work opportunities for young people. Clearly, there is no one answer, and solutions need to be tailored to national and regional circumstances, as well as to the diverse characteristics and experiences of young people. Multiple pathways to decent work are required. Young people go through many transitions on the way to decent work – not just from school to work, but also from armed conflict to work as civilians; from child labour to schooling; or from work in the informal economy to work in the formal economy, or other transitions.

There is a need for creative thinking about multiple pathways to decent work for young people, involving all sectors and levels of government, the social partners and, through them, youth representatives. The choice of active labour market policies needs to be based on empirical evidence of their effectiveness. Getting a first job is only one part of the problem young people face – issues of quality of work, working conditions, and rights at work, including equal opportunities and treatment of disadvantaged groups, need to be tackled in innovative ways, particularly since most young people in developing countries work in the informal economy. For example, skilled informal economy crafts workers can be effective trainers of young people, as shown in Niger through an ILO-assisted initiative. The role of cooperatives in empowering young informal economy workers is illustrated by an ILO Programme in Rwanda, Uganda and the United Republic of Tanzania. Many other examples were offered in the Knowledge Fair on Decent Work and the Informal Economy that took place here in the Palais.

We also need a coherent and integrated approach involving all the key stakeholders at all levels and sectors of government, as well as employers’ and workers’ organizations, and through them, representatives of young people and civil society organizations. What is the role of the ILO? We shall continue to play a leading role in the Youth Employment Network (YEN), strengthening its technical advisory contribution. We shall also strengthen its knowledge-building, advocacy and technical cooperation roles in relation to youth employment, building on its tripartite structure and strengthening its collaboration with multilateral institutions and other international organizations. We need to involve the whole of the ILO in the task of promoting decent work for young people.

As circumstances have changed, new analysis is needed, focusing on gathering solid evidence of the effectiveness of different policies and programmes, synthesizing the results of country studies and evaluations, and assessing the evaluation of youth technical cooperation projects. We ought to foster and promote peer partnerships in order to promote better dissemination of information on good practices and to improve performance. Finally, we need to embark on an international promotional campaign aimed at young people to promote decent work with a focus on employment creation, workers’ rights and employability. This campaign should use youth media, student and youth networks, and other forms of communication that are more familiar to young people. Extra-budgetary resources will need to be found.

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The YEN will develop to become a source of peer review of youth employment policies and programmes – and indeed, that was its intended purpose. And I am particularly pleased that this session of the Conference has seen the commitment of both the Syrian Arab Republic and the United Kingdom to become YEN lead countries, and that steps are being taken by the Democratic Republic of the Congo, among a few other countries, to do the same. It is excellent to know from Mr. Eytley, the Employers' delegate of Jamaica, that the Jamaican Employers' Federation is coordinating the YEN for the Caribbean. I am equally encouraged by the invitation from the United States Secretary of Labor, Ms. Chao, to share the experience of youth employment in her country. Collecting and sharing experiences is the very practical "value-added" of what we are about. We are an effective clearinghouse, a hub with the many spokes of our member countries and their initiatives. I therefore also subscribe to the remarks of the United States Employers' delegate, Mr. Potter, in his urging that we direct our resources "towards practical programmes that benefit [the ILO's] tripartite constituents at the national level". The ILO can and does do much in this endeavour.

## **Committee on the Application of Standards**

The Committee on the Application of Standards had a full and constructive discussion on the general report of the Committee of Experts as well as on the General Survey which, this year, was on hours of work. It dedicated the greater part of its time to the discussion of individual cases (25 in total).

The Committee had a special sitting to examine developments concerning the question of the observance by the Government of Myanmar of the Forced Labour Convention, 1930 (No. 29). The Committee in its conclusions deplored the fact that the Government had failed to demonstrate sufficient commitment to the elimination of forced labour, and that recent developments confirmed that the "wait-and-see" attitude that had prevailed among most Members of the Organization since 2001 had lost its purpose and could not continue. The Committee's general view was that Governments, Employers and Workers, as well as other international organizations, should now activate and intensify the review of their relations with Myanmar which they were called upon to undertake under the International Labour Conference resolution in 2000 and to urgently take the appropriate action, including, as regards foreign direct investment in all its forms, relations with state- or military-owned enterprises in Myanmar. A number of other specific measures were requested of the Government to be implemented as a matter of urgency, one of which included the strengthening of the ILO presence in Myanmar and for the Government to issue the necessary visas without delay. The Governing Body was requested at its next session to be ready to consider further steps in the light of developments.

It is also important to note that the Committee, in its conclusions on the application by Myanmar of the Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87) considered, given that the persistence of forced labour cannot be disassociated from the prevailing situation of a complete absence of freedom of association, that the functions of the ILO Liaison Officer should include assistance to the Government to implement completely its obligations under Convention No. 87.

The Committee had a multi-faceted discussion on the General Survey on Hours of Work prepared by the Committee of Experts. The Committee of Experts had pointed out that the issue of working time was a fundamental concern and at the heart of all employment relationships. After reviewing the law and practice of member States, it had concluded that many new forms of working arrangements were likely to contravene the Hours of Work (Industry) Convention, 1919 (No. 1) and the Hours of Work (Commerce and Offices) Convention, 1930 (No. 30); that these Conventions could prevent the implementation of flexible working arrangements; and that changes in work practices

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warranted their revision. The Committee of Experts specifically recommended that consideration be given to a single comprehensive instrument integrating both working and non-working time issues if the requirements of the modern world were to be satisfied. The Committee on the Application of Standards positively received the suggestions made by the Committee of Experts for follow-up action, and recommended that the ILO Governing Body give careful consideration to this important and timely subject. There was agreement on the need for a more in-depth study of working time to take account of all issues; the importance of balancing flexibility with protection of workers' safety, health and family life; and the importance of the role of a regulatory framework and collective bargaining and of the role of the social partners. Many Governments supported the revision of the instruments in the near future. One suggestion made was that the Governing Body should consider holding a tripartite meeting of experts on working time in order to elucidate all the issues with a view to determining future action in this area. It was the general view that such a meeting of experts could prepare a guidance document that would open the possibility of placing the question of working time as an item on the agenda of a future session of the Conference with a view to a general discussion.

The individual cases chosen for discussion covered a variety of technical and fundamental Conventions, concerned both developing and industrialized countries, and represented an overall balance of geographical distribution, although some member countries of the European Union could have been usefully analysed. The discussions were constructive and positive. On several individual cases, the Committee's conclusions included suggestions for technical assistance and cooperation, as well as missions to assist governments. In the difficult and long-standing case of Colombia, the Committee, at the Government's invitation, decided that a high-level tripartite mission should be sent. Regarding Belarus, the Committee urged the Government to accept a mission from the Office to assist with legislation and to evaluate the measures taken by the Government to implement the recommendations made by a Commission of Inquiry last year. High-level missions were also suggested for Venezuela and Swaziland.

The conclusions most often reflected a strong feeling in the Committee that one of the best approaches to the resolution of outstanding issues identified by the Committee of Experts was through coherent and appropriate action within the countries concerned with the technical support of the Office. This is reflected in the request for technical assistance, fact-finding and investigative missions in 16 out of the 25 cases examined. This is a show of the willingness to move to the "how to" by countries wanting to respond to the Committee of Experts' comments. The importance attached by the Committee to technical assistance for the effective implementation of international labour standards will need to be taken on board by the Office in the delivery of its technical cooperation programmes and the implementation of the Decent Work Agenda.

## **The fishing sector**

The Committee on the Fishing Sector successfully completed its second discussion and developed a new Convention and a Recommendation to protect the world's fishers. This outstanding result demonstrates the ILO's firm commitment to providing decent work for all in different sectors. For the first time, an international fishing standard provides real, sector-specific protection with an integrated outlook in the fields of social security, safety and health and hours of work and rest for fishers on large and small vessels. Importantly, the new instruments protect fishers who are paid on the basis of a share of the catch and thus often considered to be self-employed. They account for the majority of fishers worldwide. The new instruments also upgrade existing provisions on work and living spaces of fishers, minimum age, work agreements and medical care at sea and on shore.

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Importantly, the new fishing instruments are flexible enough to be adapted to a variety of situations, while still ensuring meaningful regulation of the sector and adequate protection for fishers. Once adopted by the Conference, given its balance, this new Convention should enjoy wide ratification among fishing nations and achieve the objective of improving the lives of the majority of the world's fishers and thus also of their families and communities.

This revision of seven existing fishing standards and the important additions was a mammoth task that required considerable preparation on behalf of the Office and dedication and stamina on the part of the Committee members. To the credit of all concerned, the new instrument was developed without a single vote in the Committee. This was no mean feat, considering the diversity of the fishing sector and the length of the texts under discussion.

## **Occupational safety and health**

Many of you have called on the ILO to develop our standard-setting activities through a new, integrated approach. The Committee on Occupational Safety and Health (OSH) this year made initial efforts to put such an approach into action. The technical item of OSH was selected to be the first pilot test of an integrated approach following the recommendation for a "Global Strategy on OSH" at the International Labour Conference in 2003. With an estimated two million work-related fatalities each year, it is fitting indeed that OSH was chosen.

The new approach taken by the Committee is the development of an instrument in the form of a promotional framework for OSH, that is to say, one that is promotional and less prescriptive in nature and thus easy for member States to ratify. This new approach to developing our standards system received favourable comments by many of you. The Employers' delegate of Jamaica, Mr. Eytel, expressed his support for this new approach, noting the process as having to be "more promotional and facilitative, rather than prescriptive and restrictive". The Under-Secretary of Labour of Canada, Mrs. Flumian, noted that the Declaration on Fundamental Principles and Rights at Work also represented a new approach and that "we need to continue this kind of innovation well into the future".

A promotional and strategic framework could be thought of as a toolbox. There is no need to add new tools, but to promote the better use of our existing tools, such as the Occupational Safety and Health Convention, 1981 (No. 155) and others. The Committee decided, after a vote, that the instrument establishing this framework should take the form of a Convention supplemented by a Recommendation. After this decision, the Committee discussed and decided the content of the proposed instruments by consensus. This new approach will be tested next year when the texts of the Convention and Recommendation are agreed.

The content is expected to encourage giving higher priority to OSH in national agendas, and to elicit a political commitment from governments and social partners on the importance of a safe and healthy working environment. That importance was raised by many of you during the Conference. As Minister Namuyamba of Zambia rightly said, the protection of employees from disease, injury and death in their working environment [cannot] be over-emphasized, while Minister Bartenstein of Austria said that safer and healthier jobs are a central element of decent work, and offered strong support for work on this item.

The instruments would be based on two fundamental pillars: the promotion of a culture of a safer and healthier working environment based on the principle of prevention; and a management systems approach aiming at the continual improvement of national

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OSH systems and performance through the development of national OSH policies and programmes.

## **The occupied Arab territories**

My Report entitled *The situation of workers of the occupied Arab territories* is an annual record of prolonged conflict. Our fact-finding missions to Palestine seek to illuminate the impact of conflict on working men and women and their families in the region. I believe we have done our job with the Report submitted to you. We have described two things: on the one hand, an economic maelstrom, widespread deprivation; and the political glimmers of hope, on the other. Palestine is indeed wounded and appeals to our conscience, as Mr. Alragheb, the Employers' delegate of Jordan, told us. And yet here too, in situations of conflict, our tripartite base serves us well. We can, within our mandate, seek to sow the seeds of reconciliation – that is what social dialogue is all about, that is its instrumental value. I agree with Mr. Ryder, the General Secretary of the International Confederation of Free Trade Unions, when he says that the ILO's means have an important role to play, and he offers an example: “Our affiliates in Palestine – the PGFTU, and in Israel – the Histadrut, met recently under ICFTU auspices, also look to the ILO and are ready to bring their combined weight to the task of moving the peace process forward.”

The Government representative of Palestine, Mr. Abu-Libdeh, noted that his people “are determined to continue to fight for the recognition of their right to create an independent State”. Several of you, such as the Employers' delegate of Tunisia, Mr. Djilani, offered your solidarity to the Palestinian people and supported their right “to build their own independent State within recognized borders, and to live in peace like other peoples in the region”. We must continue to play, as Mr. Jrad, the representative of the Union of Workers of the Arab Maghreb put it, “an important part in the fight against extremism, in the search for a balanced world based on peace and solidarity between peoples”. The Palestinian Fund for Employment and Social Protection is an instrument of central value in this regard, and the cross-border solidarity of our constituents can be an instrument of even greater effect. “We are a people in search of peace”, Mr. Dahlan, the Employers' delegate of Saudi Arabia said, “and we can solve this issue only by supporting the essential principles of this Organization”.

## **4. Making decent work a global goal**

My Report to the Conference this year appears to have resonated with many of you. “Instead of putting forth new proposals, we should look behind and consolidate the ideas, approaches and resolutions of the past”, said the Indian Employers' delegate, Mr. Somany. Reports serve a purpose when they are digested and acted on. Since 1999, the four major signposts guiding us to today's Conference – *Decent work*, *Reducing the decent work deficit*, *Working out of poverty* and *A fair globalization* – have pointed ever more urgently to one unifying objective: the need to make decent work a global goal. Along with everything else we do in this Organization, the rallying concept, the action plan, is the promotion of decent work. This is the consolidation of progress we have made since 1999, and I have been gratified to learn over the past two weeks that so many of you agree. The Employer Vice-Chairperson of the Governing Body, Mr. Funes de Rioja, speaking on behalf of the International Organisation of Employers (IOE), defined the Organization's key strategic issue to be how the ILO could become more effective and relevant in the real world of work today within the globalization process. I believe this Conference has given great backing to the idea that the ILO should focus on making decent work a global goal.

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The jobs are not there. As Minister Chiriboga of Ecuador, the Government Vice-President of the Conference said: “Policies applied to the world have only produced job losses, worsening poverty, and negative effects on economic, social and cultural rights.” We are facing a global jobs crisis. That is the problem, as I outlined in my opening remarks to you. And yet work is an essential component of sustainable development, as Minister Barbu of Romania put it, and development itself is about the development of people, not things, as was recalled by Mr. Sanjeeva Reddy, the Workers’ delegate of India. The centrality of decent and productive jobs to poverty reduction had been given inadequate attention in the multilateral system. “The centrality of productive employment for poverty eradication needs to be given greater emphasis than was contained in the Millennium Development Goals,” said Minister Larcher of France. And I would certainly agree with Minister Marica of Suriname, who said that the present context, characterized by a strong correlation between poverty and lack of decent work requires that employment be placed “at the heart of national development priorities”. The African Union Extraordinary Summit on Employment and Poverty Alleviation clearly and centrally united the two. And as Ms. Gawanas, the Commissioner for Social Affairs of the African Union (AU), told us, the AU Commission has now received the mandate “to develop implementation strategies for the promotion of decent work in Africa”.

Many of you drew attention to the need for productive employment for poverty reduction. “Access to work is the safest way out of poverty”, Minister Blinkeviciute of Lithuania said. Minister Kim of the Republic of Korea said that his Government fully supported the ILO’s efforts to “reduce poverty, based on its guiding principle of decent work for all”. Ms. Brighi, the Workers’ delegate of Italy said that “employment promotion and fundamental rights at work are key instruments against poverty”. Minister Tomada of Argentina said that “A ‘pro-poor’ strategy can only be successful if employment is seen as the best instrument to break the vicious circle of poverty.” He told us that creating work to eradicate poverty would be the topic of the Summit of the Americas in November this year.

These efforts – the consolidation of our progress based on the indissoluble link between decent work and poverty reduction – need now to be redoubled. Minister Nkili of Cameroon asked whether we could really legitimately talk about liberty and dignity for workers whilst so many in the working population have no employment and while they waste away due to poverty. And several of you drew a link between joblessness and instability. As Minister Mdladlana of South Africa observed: “joblessness and poverty are ... the biggest threats to peace and stability”. Nowhere has this fundamental linkage between decent work and poverty reduction become more evident than in our discussion of youth employment. Again, while our work in the Committee was productive and upbeat, many of you in the plenary sittings registered real concern. Unemployment among young people was described as a “social time-bomb” by the Workers’ delegate of the Philippines, Mr. Mendoza. Monsignor Tomasi, Apostolic Nuncio of the Holy See, went further still: “the risk is unfortunately real that lack of jobs and employment opportunities push the young into the destructive underworld of drugs, violence, criminal activities and even terrorism”. Ms. Awassi Atsimadja, the Employers’ delegate of Gabon, took a similar line in drawing the linkage between youth unemployment and political crises and civil wars.

## **The essential foundation of decent work: Social dialogue and tripartism**

I heard much support for my Report’s proposition that there is a causal linkage between the aspiration for decent work and the essential mechanism through which this must be delivered, strengthening tripartism. As Minister Khaleghi of the Islamic Republic of Iran told us, to make decent work a global goal “would in turn require an all-out effort

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to revitalize tripartism and strengthen workers' and employers' organizations across the world". The ILO was called upon to "lead efforts to reinvigorate tripartism and contribute to the strengthening of trade unions, employers' organizations and ministries in charge of employment, labour and social affairs" by the Workers' delegate of Kenya, Mr. Atwoli. This is a key endeavour, one which calls forth not only the will of the Office, but of the constituents themselves. In this regard, I welcome the improvement of dialogue in the countries of the Gulf Cooperation Council and, in particular, the measures taken in Bahrain on trade union rights reported to us by Minister Al Alawi of Bahrain. To make decent work a global goal, as the Brazilian Employers' delegate, Mr. Lima Godoy, noted, "it is essential to strengthen the tripartite approach in national and world affairs to make sure that trade unions and employers' organizations are prepared and to raise the standing of ministers in charge of employment and labour". The Employers' delegate of Mexico, Mr. Halkin, said that: "progress made in key areas by democratic countries flows from the participation of the social partners, through tripartism and social dialogue". I could not agree more.

Stable, strong social dialogue is the mechanism through which decent work is delivered. As Minister Peet of the Bahamas noted, having among the lowest unemployment rates in the Caribbean region had much to do with the "consensus-based" industrial relations system in place. Mr. Aman, the Government delegate of Bangladesh, echoed this sentiment in saying that "sound industrial relations are a precondition for economic and industrial growth and job creation". The South African experience presented to us by the Employers' delegate, Mr. Van Vuuren, reinforces this view: "Both prior to, and since, our transition to democracy, tripartism has played a key role in effecting political, social and economic transformation."

## **The resonance of our agenda**

Our agenda is connecting with people. It is not surprising. It is people-centred and hits each and every one of us "where we live". Our member States are acting on it. "It is important to underscore the relevance of decent work and its acceptance by an ever wider group of constituents and more", the Workers' delegate of the United States, Mr. Zellhoefer, said to us. As Ms. Dyson, the Government delegate of New Zealand, told us, "we have started on the path of making decent work a key part of New Zealand's social and economic development frameworks". Minister Seneviratne of Sri Lanka said that he was "proud to state that Sri Lanka is currently drawing up the National Plan of Action for Decent Work". There is far to go, but I believe we have come a long way quickly. As Minister Pheto from Botswana put it: "More countries can now talk about their initiatives to integrate decent work into national policy. Some countries can even proudly demonstrate the utility of this integrated approach in their socio-economic development." Our efforts must be directed towards multiplying these examples.

As regards an integrated approach, I heard many of you endorse our efforts to expand decent work country programmes. The Employer Vice-Chairperson of the Governing Body, Mr. Funes de Rioja, speaking on behalf of the IOE, clearly stated the Employers' support in identifying decent work country programmes as a tool for the constituents to address their real needs at the national level. The Government delegate of Switzerland, Mr. Nordmann, held that "decent work country programmes and strengthening tripartism are good initiatives to create synergies for sustainable action". And I thoroughly agree with the Employers' delegate of the Russian Federation, Mr. Eremeev, that national policy coherence is essential in this endeavour. He said: "To transform the concept of decent work into a national policy involves a significant increase in the coordination of interests and activities between the ministries responsible for implementing economic and social policy." Rwanda, too, has prepared a national employment policy based, as the Government delegate, Ms. Muganza, said, on "the promotion of decent work for sustainable development" and looking at "employment promotion in an integrated

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manner”. Minister Nguyen of Viet Nam told us that the Vietnamese social partners and our Hanoi Office have drafted a Memorandum of Understanding on a country framework for the Decent Work Agenda. I fully endorse these approaches. Decent, productive employment has to be at the centre of the development agenda – not a residual. In supporting the decent work country programmes, Mr. Spidla, the EU Commissioner for Employment, Social Affairs and Equal Opportunities, said that: “a more comprehensive and integrated approach to these questions, ensuring that decent work is the driving force behind sustainable development and not just a simple product of growth” is the aim. I heartily agree. And as I said in my opening remarks to this Conference, there is a “disconnect” apparent in the world today between growth, investment and the creation of decent jobs. We need to study this and search for the right policies to reunite growth with jobs. I shall report the preliminary reflections of the Office on this to the Governing Body in November.

## **5. The ILO’s way forward**

Strong support for the idea that decent work as a global goal should galvanize our efforts and determine our programme and budget priorities is a clear outcome of this session of the Conference, in my view. Our interim steps in this endeavour were appreciated by many of you. With our focus on strategic budgeting and results-based management, we are becoming more nimble, I believe, and more accountable to you. I am gratified to hear this from many of you as, for example, from Ms. Levitskaya, the Government delegate of the Russian Federation, who said that: “The implementation after 1999 of a new strategy has enabled the ILO to frame its policy in the light of the existing situation in the world and to react fast to changes.” Minister N’kolo Balamage of the Democratic Republic of the Congo was one to welcome the allocation of more resources to the regions. Many others did so as well, such as the Government delegate of Australia, Mr. Boxall, who backed “the allocation of resources to the areas of greatest priority”. This is our aim.

Not many of you chose to address changes in the format of the International Labour Conference. Those who did appeared to favour greater use of the Internet, a shorter Conference and more efficient use of time, as argued, for example, by Mr. Sánchez Mesa, the Government delegate of Colombia, and more “interactivity” in our proceedings. Some others felt that budget constraints would be prohibitive in considering the holding of the Conference anywhere other than Geneva. The Office will reflect on this advice and report back to you.

### **The ILO is fundamental, but cannot go it alone**

We are tasked with making decent and productive employment the centrepiece of the macroeconomic and social policy agenda. We are appropriately tasked. The workplace is where we live a substantial part of our lives. It is the source of our interventions in this Conference. It is the vantage point from which we measure many decisions in the economic or social sphere that affect us. And it is only the ILO that can do this: our constituents are at the very nexus of the economic and social strains of our lives. We go forward from this Conference to the Millennium Summit in September, and our message ought to be clear: put decent work for all on the agenda. I agree wholly with Ms. Escoto Abreu, the Employers’ delegate of the Dominican Republic, that achieving the Millennium Development Goals requires more fairness and more coordination at the world level. This is our intent and this is a matter for the multilateral system to digest. As the speech by Mr. Leather, the Deputy General Secretary of Public Services International, shows, our constituents are asking the ILO to take a leading role in ensuring policy coherence at

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international level. The way in which we engage with the multilateral system will be crucial for promoting our goal of decent work for all.

As Minister Filatov of Finland put it: “It is now time to forget disputes over the mandates of international organizations, and instead increase cooperation and strengthen the economies of developing countries suffering from poverty.” She also made an observation with which I agree: globalization elicits a wide range of views, but the tone has changed and the time is now ripe to engage in dialogue. Mr. Thys, the representative of the World Confederation of Labour, said that it “was crucial that the ILO be on the same level as the Bretton Woods institutions and also the World Trade Organization”.

I agree with these observations. The core mandate of the ILO must be what we can deliver together with others to our constituents to improve the lives of working women and men throughout the world. We are active in this pursuit. The interdependency of today’s world means that we cannot neglect the various spheres of international economic policy which impact on our fundamental mandate. We are vigilant in this sphere as well, as we must be. We must be vigilant in order to make decent work a global goal. “Collective reflection is needed to assess and address the rapidly changing patterns of work and production” which pose “organizational and policy challenges” to all our constituents, as noted by Mr. Soriano, the Employers’ delegate of the Philippines.

I call upon you to continue our work here and to engage in that reflection by responding to the consultation draft I have placed before you for your insights, *Changing patterns in the world of work*. Our web site will soon be hosting a facility for an exchange of views on this. The more it is used by you, the more thorough and balanced will be our reflections on the many changes in the world of work. This, in turn, and with your help, will provide us with excellent guidance for our next meeting.

