

The Global Jobs Pact: Helping Asia and the Pacific Recover from the Unemployment Crisis

Last month, following a consensus that the world is now facing the prospect of a prolonged increase in unemployment, deepening poverty and inequality, a Global Jobs Pact was agreed by Governments, Worker and Employer Organizations from more than 180 countries at the International Labour Conference in Geneva. The ILC is the annual gathering of the International Labour Organization – the UN agency whose mandate covers the world of work. The Pact outlines strategies to guide a recovery from the current economic and jobs crisis. Sachiko Yamamoto, the ILO's Regional Director for Asia and the Pacific, explains the Global Jobs Pact and its proposals for a sustainable recovery in the countries of this region:

How serious is the unemployment situation in Asia-Pacific and are the needs of this region different from those of others?

Even before the crisis, this region had two-thirds of the world's poor. This year, for the first time in recorded history, the number of unemployed in Asia and the Pacific could pass 100 million. And even if moderate economic growth resumes in 2010 it could take years to recover to pre-crisis levels of employment. Given the sheer size of the workforce in Asia-Pacific, estimated at nearly two billion people, and given its importance to the rest of the world for manufacturing and food production, there is a lot at stake. What happens here will have a knock on effect in other regions too.

What is the Global Jobs Pact and what does it propose?

The Global Jobs Pact is a consensus by the 'real economy' – that is governments, employer and worker representatives from around the world – that they must work together in a comprehensive manner to recover from the crisis. The Pact proposes to address the needs of people and our working environments by putting sustainable livelihood recovery at the forefront of all crisis responses. It also calls for supporting job creation and helping people into work, investing in social protection systems, strengthening respect for international labour standards, and promoting social dialogue.

How can the Global Jobs Pact help the average person who is feeling the effects of the recession?

Helping the 'average person' is exactly what this is all about and the Pact has many recommendations. Many countries in Asia and the Pacific have already introduced stimulus packages that focus on building infrastructure through public works. For many this is an effective and immediate response to the crisis. There are other means as well. Developing the skills of workers, and learning new skills, will help to improve employability. Recognizing the contribution of small and medium-sized enterprises (SMEs) in creating jobs can take things further especially if there is a focus on helping them secure access to credit. In rural areas, agricultural infrastructure development can provide jobs and result in more efficient, greener, food production for the longer term. Creating green jobs by developing a low-carbon, environmentally-friendly economy is essentially a medium to longer term goal, but the present jobs crisis provides the opportunity to begin these initiatives now. In addition to accelerating a return to employment, creating green jobs would help reduce social gaps, spur development in developing economies and provide rewarding and decent work. This is also an opportunity to extend social protection to the informal economy that represents such a large share of the workforce. It's critical that all responses be mindful of the varying needs of women and men when creating jobs and ensuring that any public money spent will have maximum benefit for families, women and men equally.

Isn't this crisis really a job for the big international financial agencies to sort out with Governments – why the ILO?

The ILO brings together Governments, workers and employers – those who shape and run the real economy. At times of heightened social tensions, our role of bringing together these three partners, and ensuring their active dialogue, is vital. Addressing the banking and credit systems is critical but not sufficient; we must also use this opportunity to improve access to decent work. Back in 2004, the ILO had warned that globalization was causing some serious, unwanted side-effects, following a report by the World Commission on the Social Dimensions of Globalization. Here in Asia-Pacific, the Commission heard from many countries in the region and one participant summed up the dilemma this way: "there is no point to a globalization that reduces the price of a child's shoes, but costs the father his job". Now many fathers and mothers have lost their jobs and so it's time to put in place what should have begun five years ago and without further delay. We need to act in the best interests of ordinary working families and businesses if we are going to recover from the crisis in a sustainable way and the Global Jobs Pact provides the terms of reference for our action.

These ideas cost money and many countries in Asia Pacific don't have much of that to begin with – can the suggestions within this Global Jobs Pact be implemented by them?

One must look at them as investments rather than costs. Skills training, improved education, introducing low-cost agricultural improvements that preserve natural resources like fresh water thus reducing the costs of agricultural production, and social protection plans that include access to basic healthcare, protection for children, the old and disabled, social assistance for the poor and unemployed are strategic investments that will result in multiple dividends.