



Seventh sitting

Monday, 14 June 2010, 10.15 a.m.

President: Mr de Robien and Mr Nakajima

REPORTS OF THE CHAIRPERSON OF THE GOVERNING BODY AND OF THE DIRECTOR-GENERAL: DISCUSSION (CONT.)

Original French: The PRESIDENT

Before we reopen the discussion on the reports of the Chairperson of the Governing Body and of the Director-General, I am going to give the floor to Ms Ducci, Executive Director and Director of the Office of the Director-General of the ILO, who will present a message from the Secretary-General.

Original Spanish: Ms DUCCI (Representative of the Secretary-General)

Mr President, dear friends,

As you know, I have been unable to be with you physically this past week on doctor's orders because of back problems. But I have kept in touch by e-mail, daily reports and the telephone, and have thus been able to follow the work of the Conference and be consulted as the need arises.

So I am near and far at the same time.

Remote, but connected.

However, you may well imagine the enormous frustration I feel at not being with you day by day.

Many thanks for your many warm words of encouragement and messages of solidarity you have sent me in these circumstances.

Please accept my apologies for the interviews and meetings with groups that I have had to cancel. These are precious moments for me. Personal contact with you means that I can hear, discuss, understand and compare the diverse realities in which you all live and work out how best to continue to serve the specific interests of each one of you.

Now that the debates in plenary are resuming I would like to make one observation: reactivating the real economy and creating jobs is the only sustainable way out of the crisis – there is no alternative. Faced with the many uncertainties that surround us, we must not lose sight of this.

The virtuous cycle we must promote is built on productive investment, sustainable enterprises, decent work, fair wages, higher consumption and the increased fiscal revenues resulting from growth.

Let us not forget that, unfortunately, we still have the highest rate of unemployment ever registered – some 210 million persons – and that 400 million jobs will have to be created over the next decade to absorb the growing labour force.

The world is suffering not only from a fiscal deficit, but from a huge decent work deficit as well.

Underemployment remains high and the informal economy is swelling.

The most vulnerable sectors and the middle classes in many countries are facing a very precarious situation. The progress achieved in equality between men and women is at risk if job opportunities for women deteriorate. And young people everywhere are wondering where they can find a job – a situation that has hit the Arab world especially hard.

Faced with this reality, it is not clear what the global impact of the interaction between the following situations will be:

- the rapid spread throughout the European Union of fiscal consolidation as the priority of the day, based no doubt on legitimate concerns around debt levels. This at a time of soaring unemployment and reduced growth;
- at the other extreme, high growth in key emerging economies: China, India, Brazil, Republic of Korea and Indonesia, fuelling fears of overheating, or other countries, such as Australia and Canada, that have already started withdrawing some stimulus packages;
- in between, many Asian and Latin American countries showing respectable growth rates, and the United States and Japan with more stable but still uncertain signs of growth;
- low-income countries, particularly in Africa, have suffered from a considerable increase in poverty, amid fears of a decline in international cooperation. However, growth has picked up;
- everywhere, in one form or another, the question arises as to the impact the sovereign debt crisis in Europe will have on the rest of the world.

All of these factors taken together mean that growth in 2010 is expected to be around 4 per cent, according to the latest estimates of the International Monetary Fund. However, the point is that it is still essentially jobless.

Whatever the prevailing policies that each country or region will choose in the short, medium and long terms, their impact on employment – and especially job creation and protection of the most vulnerable – will be the yardstick by which people will measure their success.

Therefore, the policies recommended in the Global Jobs Pact remain fully valid today.

In difficult times, governments have to take difficult decisions.

For example, two weeks from now the G20 Leaders will meet in Toronto. I hope they will take forward the decisions adopted by the Pittsburgh

Summit under the leadership of President Obama, when they committed to “putting quality jobs at the heart of the recovery”. They followed this up with a meeting of labour and employment ministers in Washington, DC.

Dear friends, I encourage you to continue the rich debate begun last Thursday in order to develop policies that will help find balanced and fair solutions to the new uncertainties ahead.

We need to do this with the conviction and in the certainty that here in the ILO, governments, employers and workers, acting in concert, are the international embodiment of the real economy. This confers far-reaching political, economic and social responsibilities on us.

You can count on my full encouragement and commitment.

Original French: The PRESIDENT

Thank you Madam. We have been quite moved by the message that you read to us from the Director-General. We have all taken note of his frustration at not being able to be here, and we would like to ask you to convey our regret that he is unable to be with us. Please send him our warmest wishes for a swift recovery.

We will now continue our discussion on the Reports of the Chairperson of the Governing Body and of the Director-General.

Original Russian: Mr ALAKBARON (Minister of Labour and Social Security, Azerbaijan)

At the outset, allow me to express appreciation for the Report and the items for discussion, which confirm that the ILO’s activities are aimed at furthering social justice, not only in today’s reality but also in the context of future initiatives.

In a globalized world, the crisis has affected all countries without exception, irrespective of their political or economic systems. The only reliable way for us to achieve recovery and economic growth is through effective cooperation.

Experts in the international organizations concur in the view that, thanks to the balanced social and economic policies successfully pursued over the last few years, the Republic of Azerbaijan has been one of the countries least affected by the global economic crisis. The reforms under way in our country are consistent and ensure that social and economic development are mutually reinforcing. This has enabled us to avoid many of the negative effects of the global crisis. Guaranteeing decent work, increasing employment, fighting poverty and developing social protection are all priorities of our government policy.

The stable rates of economic growth registered at the end of the last century have enabled sustained social development in our country and have created the necessary conditions for raising the standard of living, as well as speeding up our country’s integration in the global economy.

The development of entrepreneurship, the adoption of many laws aimed at strengthening investment and anti-monopoly activity, the improvement of fiscal policy and other macroeconomic measures have enabled us to achieve positive GDP growth, which reached 9.3 per cent last year. We have also strengthened our national currency and banking system.

Several presidential decrees in our country, as well as state programmes, aimed at poverty allevia-

tion and social and economic development of the regions, improved delivery of targeted social assistance, and the implementation of an employment strategy – all attest to the action taken, as a result of which, as in previous years, we have achieved an improvement in the well-being of our people. Just since 2003, the poverty rate in our country has decreased from 46.7 per cent to 11 per cent; the unemployment rate has fallen from 10.7 to 6 per cent, and the average monthly wage has increased 3.9 times. Over the same period, more than 856,000 jobs have been created, 72 per cent of which are permanent jobs. According to the results of the monitoring carried out by international experts on the implementation of our Targeted Social Assistance system, we are pleased to note that 90 per cent of our social assistance is targeted. This attests to the implementation of an effective and sustainable state policy in the area of targeted social protection.

At this stage, the measures to implement state employment policy in our country are aimed at resolving current problems in this area and achieving effective employment. Together with the measures that we have taken to reform labour and employment legislation, create new jobs and improve social protection for workers who have been temporarily laid off, our Government is focusing, in particular, on improving the functioning of the labour market, developing human resources and more effective utilization of our labour potential.

Through decrees of the President of the Republic of Azerbaijan, we have adopted and successfully implemented many state programmes aimed at further improving the standard of living of our population and carrying out major social programmes. Major programmes include the State Employment Strategy for 2006–15, the state programme for regional development, the state programme for sustainable development and poverty reduction, the state programme for demography and population growth, the state migration programme and the state youth programme.

It is no accident that the objectives of the subregional conference, Decent work priorities and anti-crisis response for 2010–13, held last December in Baku, were prompted by the need for closer ties with other countries and coordination of our efforts to overcome the global economic crisis and to mitigate its effects. It is noteworthy that the Conference led to the adoption of country priorities for the second phase of the Decent Work Country Programme for 2010–13.

In addition, we have taken some important steps to improve the effectiveness of job creation measures and mitigate the effects of the global economic crisis.

I feel it is important to emphasize the fact that, despite the many resolutions of the United Nations and the Council of Europe on the territorial integrity of our country, acts of aggression have continued to be perpetrated by Armenia over the past 20 years, resulting in over 1 million displaced persons and forced migrants, and the problem of employment of this part of the population, which includes a considerable share of women and children.

Azerbaijan has defined three main priorities in the implementation of the Decent Work Country Programme: first, strengthening coordination and establishing effective mechanisms for labour market regulation; second, enhancing the quality of the workforce and of jobs; and third, implementing

measures for social integration of vulnerable groups.

All of this will enable us to mitigate the effects of the global financial crisis at the international and national levels, with the ILO as a valuable forum for international cooperation. I would like to wish all of the participants of this Conference success in our work.

Original Spanish: Mr PALACIO (Government, Colombia)

I have the pleasure of addressing the Conference, aware of the uncertainty of the economic situation in certain European countries and aware of the impact that this might have on the labour market and social welfare. Likewise, there are huge question marks surrounding the way in which this situation might affect the rest of the world.

Two years ago, in the 2008 Conference, we discussed with you the mechanisms that might make it possible, within the framework of a clear policy of decent work, to break out of the worst economic crisis that has been faced by the world since the crisis of the beginning of the last century.

With the help and guidance of the ILO and thanks to the Global Jobs Pact, adopted by consensus at the International Labour Conference of 2009, we managed to set in motion anti-cyclic programmes, backed with public or private funding. This allowed us to minimize the impact and, at the same time, continue down the route of implementing a policy that will make it possible to enhance and improve labour conditions and the competitiveness of our countries.

Colombia, despite these problems, managed to make progress. The unemployment rate, although high, did not fluctuate greatly because of the global economic crisis, as happened in other countries. We did see an increase in informal work, which means that the future Government, working with employers and workers, has to continue resolving the situation and developing programmes to help with the problems.

In a globalized world that is becoming ever more interconnected, not only for good but also for bad, we need more and better communication between ourselves. That is why, in February of this year, with the assistance of a large number of countries, Colombia held the Fifth Andean Regional Conference on Employment. We were trying to analyse how the labour markets in our region, the Andean region, could draw up regional strategies for generating and protecting decent work.

With that in mind, the Director-General pointed out, in his Report for this year, that our countries, and especially each one of us, whatever our role may be or whatever group we may represent, need to start thinking. We have to converse with one another and interact in order to build the right policies that will facilitate recovery and give shape to sustainable growth that generates decent work for all.

Implementing this message, which seems simple and does not meet with any opposition, means facing an enormous challenge, which we cannot afford to ignore. Everyone involved, employers, whether major, medium-sized or small; workers, whether unionized or not and in both the formal and informal sectors; and governments, not only national but also departmental and municipal authorities, have to find pragmatic mechanisms which will make it possible to specify the measures to take.

To achieve this goal and specify and implement measures, we cannot be afraid of compromise. We

have to be prepared not just to discuss, but also to build something solid; we should not block any possibility for agreement. The differences, which truly exist and cannot be ignored, have to be the basis that will make it possible for us to come together and create, imagine, build and draw up public policies that will be good and beneficial for everyone.

In Colombia, elections will be held to elect a new Government in the next few days. I had the chance to talk with the two candidates standing in these elections, and each of them expressed their interest in maintaining and strengthening mechanisms for dialogue with all of the social actors, and to try to find mechanisms to make it possible to continue strengthening the achievements of the Tripartite Agreement on Freedom of Association and Democracy, which was signed in 2006 by the Colombian Government, employers and workers as part of the International Labour Conference.

Before finishing my speech, my last before the ILO Conference as Minister under President Álvaro Uribe, I would like to reiterate the thanks of the Colombian Government to the ILO. The commitment of its Director-General, its team in Geneva, its team in the Regional Office in Lima and the representatives of the Director-General in Colombia: all this has meant that, together with employers and workers, we are on the right track that we have to continue on. We have to push forward and call on other State bodies, such as the High Council of the Colombian Judiciary, the Attorney-General's Office, the police and the high courts, among others, to continue supporting this process that, without doubt, has enriched the country.

We hope, as we have mentioned in previous meetings, that we can carry on counting on the support of all of you. We hope that, in the transition period of the new Government, the Tripartite Agreement and the technical assistance of the ILO will be given a very important place, to give continuity to the process which has meant Colombia has been able to make progress in recent years, and to help improve the scope of this very valuable instrument which we cannot afford to forget.

Original Spanish: Mr LOZANO ALARCÓN (Secretary of State for Labour and Social Security, Mexico)

The Director-General's Report provides a genuine point of reference. The world changed in 2009, and the labour market experienced the drastic consequences. Today, more than ever, job creation must, and can, be a national objective for each of our countries. It should be the overriding collective priority, as it reflects the most human face of economic policy. The creation of jobs in the formal economy needs to be the most urgent objective for the State as a whole, and not just for governments.

Last year, we experienced the crude workings of a global system which offered both benefits and had serious drawbacks. Many countries had played no part in the causes of the international economic crisis. Nonetheless, we also suffered the consequences, and paid a high price.

In Mexico, in addition to the global financial crisis, we are also experiencing other problems. We witnessed the emergence of the A(H1N1) virus, we saw a fall in production and in international oil prices, and we experienced one of the worst droughts in the history of our country. We also have to deal with the problem of organized crime, which is a scourge in our country.

Nonetheless, and somewhat earlier than many had predicted, we have begun to make progress. We have experienced a recovery in terms of economic growth and employment. There are three fundamental factors at work here. Firstly, the responsible management of public finances has made it possible to maintain a balanced budget. Secondly, we have implemented a number of countercyclical measures, in order to mitigate the negative effects of the crisis. Last, but not least, a mature and fruitful social dialogue has taken place, involving all the productive sectors and the Government.

So, the first results have appeared on the horizon. In the first quarter, we experienced a growth in GDP of 4.3 per cent, and in the first four months of the year we created 450,000 new jobs in the formal economy. This is the best indicator for such a period that our country has seen. Unemployment in Mexico currently stands at 5.42 per cent, which is one of the three lowest rates among all the OECD countries.

However, none of this has happened by chance. As the Director-General quite rightly stated, many governments have had to take tough measures in these difficult times, in order to create jobs and attract investment during the recovery process. This has been the case in Mexico.

Last year, it was necessary to take two harsh measures, namely to shut down an expensive and inefficient public utilities service, the electricity provider Luz y Fuerza del Centro, and to establish a new social contributions system. In both cases, measures were taken after much thought and deliberation. They were necessary to generate income and savings without incurring a dangerous or unmanageable level of debt, as this would hinder recovery and drain the resources needed to deal with an increase in social spending. It is not possible, or advisable, to suddenly cut all social spending, which includes measures to mitigate the negative impact of the global economic crisis. Although economic growth and employment are beginning to recover, it would be irresponsible to ignore the impact of the global crisis and not to focus on preventative and corrective measures, as well as subsidies, within our various remits, as such measures are vital in order to ensure the responsible and prudent management of our finances and our economy.

In any case, social dialogue is the basic precondition for labour peace and for undertaking new measures to foster renewed economic growth. In Mexico, we do not merely believe in this approach, we are also putting it into practice on a daily basis. For example, social dialogue has made it possible to strengthen tripartism in institutions responsible for social security and protection. Social dialogue has also contributed to efforts to promote decent work and in the field of productive labour. There is a sense of mutual understanding and responsibility that is shared by workers, employers, trade unions and major workers' organizations and, despite the economic difficulties I have mentioned, 2009 saw the fewest number of strikes in the history of modern Mexico. Strike notices were issued and amendments to salaries and contracts were made within a framework of respect and understanding between true partners.

However, there are exceptions to any rule. Recently, a strike was called in the main copper mine in our country, Cananea. The reasons for the strike included motives that were not strictly labour rela-

ted. Fortunately, the strike ended after all legal avenues had been exhausted and new investments were announced to support the regeneration and reopening of the mine. However complicated and difficult the situation may have been, both in this case, and in the case of the public utilities company, the Government acted strictly in accordance with the law and fully respected the rights of workers.

Our President, Mr Calderon, has embarked on an economic programme to make our economy more competitive, in order to attract investment and create new jobs. We have an unwavering commitment to fostering the right conditions to ensure decent work for all.

We are currently in the process of reforming our labour legislation, within the framework of social dialogue and with the utmost respect for the collective and individual fundamental rights of workers.

As you all know, Mexico will always respect and comply with ILO criteria, Conventions and Recommendations.

Ms KNUPPERT (*Worker, Denmark*)

We have all been shocked by the speed and impact of the crisis. We also know that the situation in almost all countries, particularly in the South, is very bad.

Due to our system of unemployment benefits, most Danish workers are able to retain a decent standard of living even when they face unemployment and, because of our investment in an active labour market policy, most of the unemployed will have a fair chance of getting a new job.

It is in times of crisis that we must rise to the occasion and show our highest efforts, and I would like to take this opportunity to emphasize that a prerequisite for making a difference is to recognize the fundamental importance played by standards in the world of work. With these standards, the ILO can make a difference. The ILO Declaration on Social Justice for a Fair Globalization and the Global Jobs Pact are both visionary, and I would like to call upon governments and employers not to forget these important commitments which will guide the ILO through this important moment of history.

Millions of workers around the world have now lost their jobs and their livelihoods because of the greed of the few. Right now, the ILO must assist governments, employers and workers to bring sustainable growth and sustainable enterprises back on track.

It is my hope that the Committee for the Recurrent Discussion on Employment will finalize its work this afternoon because it is clearer than ever that we have to create coherence among economic, financial, employment and social policies.

We have noted with great interest the report from the ILO Liaison Officer in Burma, and I would like to express our sincere thanks to him and his team for their work. What really concerns me deeply, however, is the denial and negligence on the part of the regime.

Decent work for domestic workers has been one of the major challenges for this session of the Conference, with a great deal at stake for millions of those workers all over the world. I note with great satisfaction that we now have an agreement, and that next year's session will bring about a Convention and a Recommendation with which we will hopefully make a tight and secure safety net for one

of the most vulnerable groups of workers on the planet.

My congratulations also go to the Committee on HIV/AIDS for a job well done. It has created an important new labour standard on HIV/AIDS and the world of work which will enable the ILO and member States to strike back and effectively combat this terrible pandemic. Now we need to do more to promote and ensure the implementation of this new instrument.

We have to express our disappointment in the Employers' group for its approach in the Committee on Application of Standards. The final list of cases excluded the serious violations of trade union rights in Colombia and the case of the British Airline Pilots' Association (BALPA) in the United Kingdom. The important work of this Committee is one of the cornerstones of this Organization, and it is therefore even more important that it be respected by the ILO's Members.

This year's report of the Committee of Experts on the Application of Conventions and Recommendations includes a case against Denmark on the ILO Right to Organise and Collective Bargaining Convention, 1949 (No. 98), regarding the Danish International Ships Register Act. The Committee of Experts encourages the Danish Government to engage in dialogue with the most representative workers' and employers' organizations on the issue. This case has already had its 20th anniversary without any positive results. We sincerely hope that this will be the last time we have to appeal to our Government to follow the Committee's recommendations.

Let me conclude by stressing that we believe the ILO to be at the forefront of efforts to promote and ensure decent work and a decent life for millions of people all over the world.

Original Portuguese: Mr LUPU (Minister of State for Labour and Employment, Brazil)

Now that a year has passed since the adoption of the Global Jobs Pact, we see with some concern that the crisis is still an obstacle to recovering millions of jobs throughout the world, particularly in more developed economies.

However, as the Director-General has reminded us in his Report, thanks to our capacity for dialogue and our tripartite approach, we have been able to come up with some valid proposals to overcoming these challenges by looking for balanced solutions.

The recommendations of the Ministers of Labour to the G20, adopted by consensus in April 2010, aim to place employment and decent work at the heart of policies for recovery and development.

In the case of Brazil, this is due to the fact that economic growth, accompanied by considerable expansion and strengthening of public policies on employment and social security, have been a fundamental stamp of the Government of President Lula.

In the context of this crisis, the Brazilian Government has established the goal of ensuring that the process of economic recovery is effectively accompanied by the creation of more and better jobs.

In this way, the solid investments made by the Government guarantee that our economic growth will not be affected, by injecting billions of dollars into the domestic market and guaranteeing jobs and incomes for Brazil's people.

This decision has meant that more than a million new jobs were created in 2009, returning us to pre-

crisis level, while the big powers are still suffering record levels of unemployment.

Besides this, job creation in the first few months of 2010 has hit a record high in our country. In the first quarter of the year, GDP in Brazil rose by 9 per cent. Next week, I will be introducing the General Employment and Unemployment Register, a barometer of job creation in Brazil. The first five months have already seen an increase of more than 1 million new jobs.

If we examine the period from 2006 up until the present day, we find that Brazil has significantly expanded employment, driving unemployment down from 10 to 7.3 per cent by April 2010, the lowest figure in our history.

Over the seven years of President Lula's Government, the policy of raising the minimum wage, which is planned to last until 2023, has allowed the minimum wage to rise by 73 per cent over inflation, benefiting millions of Brazilians.

The average monthly income of all Brazilian workers in the past seven years has seen an average real gain of 26 per cent above inflation. These figures indicate to the world that Brazil, above all, is promoting the distribution of wealth, thereby reducing inequality.

We believe that true emancipation of the people can be achieved by creating jobs and distributing wealth across the base of the pyramid. Here, I would like to highlight one measure that is symbolic of the social inclusion development model adopted by Brazil: its sectoral plan for vocational training.

The partnership that we have formed with a number of ministries has meant that Brazil has made vocational training a priority. In just two years, a million young people have been given vocational training to prepare them for the job market.

Linked to work financed as part of the growth acceleration programme, which has been a driving force for our economy, the implementation of the sectoral plan for vocational training has been a flagship activity of President Lula's Government, encouraging improvements for workers in the job market.

We also have a national plan for decent work, which is an important instrument for South-South cooperation. On Tuesday, Brazil will deposit the text of Convention No. 151, thereby fulfilling one of President Lula's commitments to public servants and employees in our country. It is a great satisfaction to see the significant commitment of civil society, particularly workers and employers, to the process of social dialogue as a means of promoting decent work.

Brazil supports the adoption at this session of the Conference of a Recommendation on HIV/AIDS in the workplace, in order to promote policies to prevent discrimination and promote the inclusion of people living with HIV into the labour market. We are now prohibiting employers from testing workers for HIV during the recruitment process.

The question of migrant workers, who are often victims of prejudice, is another important area, particularly in times of crisis. In May 2010, the Governments of Brazil and Italy held a tripartite seminar at the Turin Centre to exchange good practices for tackling discrimination against migrant workers.

To conclude, I would like to welcome the ILO's participation in MERCOSUR as a permanent observer, and reiterate my conviction that the Global Jobs Pact, centred on improving basic social protection

and opportunities for decent work for all, will serve as a framework for policies that, despite the effects of the crisis, will enable us to make progress towards achieving the Millennium Development Goals by 2015. We must continue moving forward in our quest for social justice.

Ms CHARALAMBOUS (*Minister of Labour and Social Insurance, Cyprus*)

Two years after the crisis first hit, employment in many countries is still shrinking, unemployment continues to rise and the number of people in underemployment, in vulnerable employment and in working poverty is increasing.

In response to the global economic crisis, countries have implemented a range of measures, including fiscal stimulus packages, measures for increasing labour demand and supporting employment, training for skills upgrading, and income support measures.

There are important lessons to be learned from the crisis at both the national and international level. A basic lesson for all of us is that there is a need for an effective, credible and transparent mechanism for monitoring the financial system, which should not be left to operate without control. A second basic conclusion is that there is a need for better links between development, stability and the quality of work. It is evident that the crisis has demonstrated the value of instruments introduced by the ILO, such as the Global Jobs Pact and the Decent Work Agenda.

Having before us a difficult setting and, bearing in mind that the labour market recovery is not yet visible, our attention should stay focused on areas for the support of employment and the effective social protection of vulnerable groups. In this respect, further promotion of active labour market policies is essential for the fast reintegration of the unemployed into employment and for their adjustment to structural changes.

Our aim should be to put in place exit strategies, within the framework of the Decent Work Agenda, which will promote employment creation; will protect employment mainly in small and medium-sized enterprises; will enhance innovation and investment in sustainable enterprises; will hold and reverse pressures on wages; will build a "social protection floor" by protecting the vulnerable; but will also address the challenges which were evident even before the crisis, such as globalization, and labour and social imbalances.

If recovery plans are to have a chance of success, they need to be widely accepted, economically viable, socially inclusive, environmentally friendly and, also, give the individual citizen hope that through decent work he or she can have a decent future.

Above all, we must put the lives of people first; balancing their accounts by unbalancing people's lives is not a way out of the crisis. On the contrary, it will create more problems and conflicts.

Now it is more important than ever to strengthen social dialogue in order to promote recovery. Through tripartite cooperation, countries need to develop recovery plans that are widely accepted and balanced. Employment, social protection and growth should remain the ultimate goal of all actions taken.

The Cyprus economy, as all other economies, is facing serious problems due to the global crisis, and

2010 is expected to be a difficult year. It is in this light that the Government adopted a series of measures to support development, to support employment and also to support unemployed persons. At the same time, great attention was given to the introduction of targeted measures to support vulnerable groups. All measures were decided upon after extensive social dialogue between the social partners.

Exit from the crisis must entail attention to public finances, social equality and respect for the social and labour relations practices of each country and must be based on ILO principles, especially the Decent Work Agenda and the principles of social justice for a fair globalization.

In this respect, I would like, once again, to underline the fact that for the Government of the Republic of Cyprus the promotion of the principles and goals of the ILO go hand in hand with our efforts for the solution of the Cyprus problem – the lifting of occupation and the reunification of our country. A just and viable solution of the Cyprus problem that will unite the people, the economy, the land and the institutions of Cyprus will open up immense prospects for increased growth, welfare and decent work for all Cypriots – Turkish Cypriots, Greek Cypriots, Maronites, Latins and Armenians.

Original Portuguese: Ms TAIPO (*Minister of Labour, Mozambique*)

The global economic and financial crisis has revealed the weaknesses of the social and economic strategies and policies of our countries. This was made worse by financial deregulation in a world economy that is increasingly a global one. As a result, developing countries, in particular those in Africa, have become the victims of this international system. While there is talk of recovery in the major economies, countries like Mozambique are beginning to suffer very seriously the effects of the disorientation of the current system. In fact, pursuing the objectives laid out in the Global Jobs Pact demands a greater effort in our countries and regions. For that reason, the recent meeting of Southern African Development Community (SADC) ministers of employment and labour and social partners, held in April 2010 in Mozambique, adopted the theme "Recovering from the economic and financial crisis through decent work and greater productivity", in order to find a common approach to minimize the harmful effects of this crisis.

In this context, Mozambique, in its role as President of the Committee of Ministers and Social Partners, is responsible for ensuring that in the next 12 months the objectives laid out in the Global Jobs Pact and in the employment, labour and social protection policies of the SADC are pursued. In line with the Report of the Director-General, in order to be able to face the crisis, the Government of Mozambique has given priority to combating urban poverty, in particular through youth employment. To this end, the five-year plan focuses on providing support to the most vulnerable groups, made up mainly of women, young people and people with disabilities, because these are the groups that face the most difficulties in entering the labour market.

Currently, we are implementing policies and programmes to promote jobs and vocational training. We are also preparing a strategy to reduce poverty in urban areas and are establishing a job-creation fund.

As for regulating the labour sector, in 2008 the Government of Mozambique approved regulations on domestic work, an instrument that will make it possible to ensure that the rights and the interests of domestic workers are safeguarded. This is a challenge that fully reflects the need to pursue the creation of decent work. We welcome the discussions on this topic at this session of the Conference and we hope that they will continue until the final adoption of the respective Convention and Recommendation. However, we would like to draw attention to the fact that adopting new instruments is not an end in itself. For many countries, the major challenge lies in the ratification and implementation of these instruments. The Government of Mozambique will continue to do everything possible to promote decent work and to attach priority to labour inspection and respect for tripartite social dialogue. We count on the support of the ILO in this regard to ensure that the objective of promoting social justice becomes a reality.

In conclusion, I would like to thank the Governing Body of the ILO for its decision to promote the campaign to ratify the 1986 instrument of amendment to the Constitution of the ILO. We would encourage those countries that have not yet ratified it to do so. The time has come for the ILO, an organization that campaigns for dialogue, social justice and equity, to reflect these noble principles in its structure of governance, and allows for a fair and balanced representation of all the continents in the Governing Body.

Original Portuguese: Ms ANDRÉ (Minister of Labour and Social Solidarity, Portugal)

This is more than just an annual meeting: it is a renewed opportunity for us all to assess the progress made in the labour market and the various conditions and policies that have been adopted at global level in the midst of the turbulence created by the global crisis that has affected us all.

For modern societies, productive and sustainable employment and decent work are crucial for development and for the social inclusion of citizens. Citizenship cannot become a reality while people still work in inhuman conditions, while the phenomena of child labour and forced labour persist, or while discrimination at work based on gender and other grounds continues to threaten the dignity of individuals.

Here I would like to stress the importance of respect for international labour standards, as defining instruments for relaunching our economies and promoting development from an integrated global perspective, in line with the Global Jobs Pact and the Decent Work Agenda, so that we can help our societies to establish the structures needed for stability, and equip them to respond to future crisis situations.

Where there is exclusion and poverty, societies will become even more economically and socially impoverished, which damages interpersonal relationships and undermines family bonds, conditioning how our societies will be in the future.

We must learn serious lessons from the causes and consequences of the current crisis; we must also plan for the future. We must improve coordination and integration of different policies, whether macroeconomic, microeconomic, social, labour or environmental, and at the same time align these policies against the sustainability of public spending.

It is also essential to ensure better coordination with the various stakeholders in their activities – international institutions, governments, representatives of workers and employers at all levels, whether international, regional or local – as well as pursuing better international regulation of financial markets.

In a forum such as the ILO, social dialogue and the tripartite approach are fundamental elements in achieving consensus on policies, strategies and programmes for growth and better jobs, promoting social inclusion and respect for the environment and natural resources.

Allow me in this context to refer to the three principal challenges that I feel face us globally and in my own country, Portugal, with regard to labour and social solidarity. The first is to promote high-quality jobs and overcome unemployment. The second is to reduce inequality and poverty even further. And the third is to formulate social security and public policies that embody these goals. In order to develop these objectives and policies, we need strong social dialogue. Hence, in line with the work of the ILO, we consider that the Global Jobs Pact represents a fundamental approach. In Portugal, we have already begun discussions on developing a pact to generate opportunities for more employment by encouraging entrepreneurship and job creation, with a focus on competition within the economy, developing human resources and providing opportunities for social progress, on which social cohesion depends. The objective of such a pact must be to create and maintain high-quality jobs, and it must enjoy social consensus in responding to the challenges that face our countries in moving towards greater productivity and more just distribution of its fruits. To this end, sustainability and long-term planning are fundamental, as is the role of the social partners. Reinforcing the role of collective bargaining is also vital in building balanced, fair and effective relations between workers and employers, within the framework of public policies.

Lastly, I would like to stress that global recovery and the transition to stronger, more equitable growth, based on more sustainable policies, continue to be a challenge for us all. The ILO, with the help of each of our countries, must play a fundamental role at several levels: internally by enhancing its knowledge and making that knowledge available to others, and by developing new instruments and promoting the application of existing ones, and globally by reinforcing financial controls in the various international organizations.

Original Arabic: Mr AL-AFASI AL-MUTAIRI (Minister of Social Affairs and Labour, Kuwait)

It is an honour for me to address this Conference on behalf of the Government delegations of the member States of the Council of Labour Ministers of the Gulf Cooperation Council (GCC), comprised of the United Arab Emirates, the Kingdom of Bahrain, the Kingdom of Saudi Arabia, the Sultanate of Oman, the State of Qatar, the State of Kuwait and the Republic of Yemen.

The GCC countries are aware of the objectives and implications of the Global Jobs Pact entitled “Recovering from the crisis”. They had already taken a proactive stance by adopting programmes and mechanisms to strengthen the labour market. They had also adopted a range of measures to deal with the impact of the global crisis in the short term by

helping enterprises to adapt to the new circumstances arising from the crisis. Accordingly, they stepped up state investment and allowed greater flexibility on the labour market.

The creation of decent jobs for young people has always been primary concern of our member States, which have implemented policies and programmes in every area in order to promote sustainable development and to meet their commitments in this respect. Accordingly, countries in our region have amended their labour legislation in the past few years to bring it into conformity with international standards.

The State of Kuwait, just a few months ago, adopted the Labour Code for the private sector, which governs labour relations in accordance with the international standards and represents an important step forward in improving labour relations in Kuwait.

The Kingdom of Bahrain has finished work on a draft new Labour Code which contains very progressive provisions on labour market regulation and ensuring decent work. This draft has been submitted to the legislative branch with a view to adoption.

In the application of Labour Code amendments in the Sultanate of Oman, the constituent assembly establishing the General Federation of Oman Trade Unions was held. This is the first trade union federation representing all of the workers in the Sultanate of Oman. Similarly, the Sultanate has set up a committee for social dialogue in order to strengthen dialogue between the social partners so as to boost production, enhance competitiveness and achieve a better balance between the interests of workers and those of employers, in the context of efforts to secure sustainable global development.

In the framework of support to small enterprises as a means of job creation, His Highness the Amir of Kuwait launched a pioneering initiative during the Arab Economic Summit, which was held in Kuwait. This initiative is geared to providing the necessary financial resources in order to support small and medium-sized enterprises (SMEs). It was allocated a budget of about US\$2 billion, of which Kuwait contributed \$500 million. The Summit also declared this decade the Arab Employment Decade.

In the context of promoting job creation for young people, the "Your Link" Foundation was created by the Amir of Qatar in order to meet the need for jobs for youth, not only in Qatar and the Gulf as a whole, but also throughout North Africa and the Middle East. This Foundation is also aimed at facilitating young people's access to capital and markets.

Our countries have launched a set of comprehensive programmes to provide jobs, mitigate unemployment and to invest in human resources. The Kingdom of Saudi Arabia has set up a recruitment strategy backed by a practical programme for online recruitment to help to bring down unemployment. The Kingdom of Bahrain, following the success of its national employment project, has launched an ambitious programme for the recruitment and training of university students.

Given that the GCC countries are major labour-receiving countries, they have endeavoured to ensure that their legislation guarantees the rights of migrant workers in accordance with international labour standards, providing them with decent living and working conditions, with more transparent policies and measures in place. Our countries are inte-

rested in establishing a channel for direct dialogue with the migrant-sending countries.

The GCC countries would like to thank the ILO and the Director-General of the International Labour Office for his annual Report, *The situation of workers of the occupied Arab territories*. They reiterate their call for the necessary support to meet the immediate and urgent needs of the Palestinians and implement programmes leading to an improvement in the situation of Palestinian workers and employers, who are facing hardship as a result of the arbitrary practices of the occupying forces.

Original Chinese: Mr WANG (Government, China)

The international financial crisis has brought severe shocks to our economies and grave challenges to employment in the world. The labour world has responded proactively. Last year ILO adopted the Global Jobs Pact, which countries have taken active measures to implement with initial success.

The Chinese Government has implemented the Pact in an all round way in the light of Chinese conditions, promoting a more active employment policy and improving the social security system to actively address the challenges of the crisis.

First, job promotion is an important target in the economic stimulus package to expand domestic demand, boost employment and promote economic growth. Creating more jobs has been a primary consideration in all government investment and the two-year investment plan the Chinese Government has introduced is expected to create 22 million jobs.

Second, enterprises must stabilize employment to help them overcome difficulties and secure existing jobs. A social insurance contribution policy has been introduced to reduce the burden on enterprises. Meanwhile, we provided social insurance subsidies and job subsidies to struggling companies through unemployment insurance funds.

In 2009, the reduced corporate burden and increased subsidies totalled 41 billion Yuan, which benefited over 1.6 million businesses and helped secure over 60 million jobs.

Third, workers' employability must be improved. A special vocational training programme was launched and subsidized by the Government, providing larger skilled training to improve employees' occupational skills, to improve employment and minimize job losses.

In 2009, 21.6 million people received government-subsidized training and over 60 million people received public employment services.

Fourth, social security systems should be improved. The Government substantially increased financial input into social security. In 2009, 290.6 billion Yuan was earmarked in the Government's budget to social security funding. In rural areas a policy programme of the new rural old-age insurance scheme was launched. For the first time 130 million rural residents in China are covered by this insurance and the number of people covered by medical insurance reached 1.2 billion.

Fifth, tripartite cooperation should be promoted. We encouraged employer organizations and trade unions, through policy formulation and implementation, to overcome difficulties and to pursue joint development. A host of measures adopted by the Chinese Government to implement the Pact has stabilized the employment situation in China and promoted decent employment for many workers. By

the end of 2009 the most difficult period for employment in China was over.

Eleven million new jobs have been created in urban areas. The employment situation for young people is better than in previous years. Job losses slowed down in companies and the amount of workers increased significantly. The number of rural migrant workers has increased by almost 5 million.

The international financial crisis is still going on, and in particular job recovery in many countries lags far behind their economic recovery. China calls on the international community to make continued efforts to strengthen cooperation for common development.

Firstly, job expansion should be a priority in economic and social development. Development strategies and microeconomic policies should be designed to support employment creation, and policy consistency and stability should be maintained. Particular attention should be paid to small and medium-sized enterprises.

Harmonious labour relations should be built on the basis of strengthened tripartite dialogue and consultation. Tripartite cooperation should be greatly promoted to protect the legitimate rights and interests of workers in achieving win-win results.

Efforts should be made to advance vocational training and keep improving the employability of workers. The international community should boost financial and technical support to developing countries.

As the destiny of countries is interconnected in the world, we need to work together to overcome the impact of the crisis, strive to build an environment with greater social justice for a fair globalization and achieve early recovery and inclusive growth through decent work.

Mr LOVERDOS (*Minister of Labour and Social Security, Greece*)

Greece, my country, is going through the most difficult period of its history since the Second World War, but we shall win this battle, we are sure of that.

I would like to present certain major issues that I have to deal with as Minister of Labour and Social Security.

Within a few months we have made many significant changes in the labour relations and the social security system. The changes in relations in the labour market favour competitiveness, in an environment of unemployment exceeding 12 per cent, while the changes in the social security system are a matter of rationalization, maintaining social justice to the greatest extent possible and, at the same time, lifting the fiscal threat which has been created by the pension system as it is today.

More specifically, the dramatic deterioration in the financial conditions of the social security system is due to three main reasons: first, the demographic changes; second, the squandering of the potential of the "pay-as-you-go" system, which has allocative functions; and third, the patron-client relations in the politics of my country during the past 35 years. In this context, we are struggling to drastically reduce the prevalence of undeclared work (a specific aspect of which is domestic work) in all its forms, which is an item on the agenda of the present Session of the Conference.

Rapid changes are currently taking place in Greece in order to overcome the crisis. Employees

are bearing the greatest burden. Employers, however, must prove that they are capable of meeting the obligation to promote action for growth, which will pull our country out of the recession and reduce the present 12 per cent unemployment rate. Despite our difficulties, and with the support of the European Social Fund, our state finances are being used to enhance youth and women's entrepreneurship, subsidize employers' and employees' social insurance contributions, promote training, retraining and lifelong learning and implement programmes targeting vulnerable groups of employees, such as those aged from 55 to 64 years.

Nevertheless, while we are fighting this great battle, the situation is disappointing as far as the combat against speculation in the international financial markets is concerned. Although there have been positive developments in the United States and in Germany with respect to the reduction of the uncontrollable and speculative activities of the "gamblers" of the international financial system, at the recent G20 Conference we were disappointed that there was no reaction as a whole. This means that the peoples' struggle is in danger. It could go to waste. The rationalization of public expenditure and the efforts for growth seem to be of no avail against speculation, the exaggeration of CDS markets and short selling.

Therefore, the international community must react through its established institutions. Especially, the ILO – an institution with such a long history, with authority and prestige – can and must actively work to this direction. Employees and individual States should not have to carry alone the burden of the crisis. The regulation of the financial system at the global level is essential to ensure both the growth of our economies and the chances of our citizens to find and keep a decent job.

Mr MONKS (*Representative, European Trade Union Confederation*)

I take the floor to alert this Conference to two key European developments. The first concerns the economic crisis of 2007–08. The leaders of the world avoided the grave errors made by their predecessors in 1931. They did not cut public expenditure at the same time, unlike the President Hoover generation of leaders. Indeed, many introduced stimuli packages of one kind or another. Those actions led to the crisis not descending into a repeat of the Great Depression.

But now that fiscal stimulus is coming undone. All EU Governments are cutting, or proposing to cut, their deficits, primarily by reducing public expenditure, prompted by fear of the financial markets moving against them, but also by pressures from the International Monetary Fund and the Organisation for Economic Co-operation and Development.

This is crazy. It will risk plunging the EU and much of the rest of the world into depression, just as similar action did back in 1931. There will be huge cuts in public sector services, jobs, wages and pensions, and so in purchasing power and demand. We therefore face a bleak midwinter, or perhaps several, with few rays of hope. Maybe the impressive Asian growth rates will pull Europe forward. Maybe the US will establish a firmer base for its economic growth. Maybe countries can export their way back to growth. Maybe, maybe. But optimism is difficult when faced with a combination of a weak recovery and major cuts in public expenditure. This, of

course, is not just an EU problem. The EU accounts for 30 per cent or so of the world's GDP, so it is everyone's problem.

Unions are mobilizing for growth and development and against austerity in a wide range of European countries and the European Trade Union Confederation itself will be arranging a European day of action on 29 September. We will not give up on growth and on jobs.

My other, completely different point, concerns a recent ILO Committee of Experts ruling on a case involving an airline pilots' union from the United Kingdom. This ruling rightly found serious weaknesses in both EU and United Kingdom labour law.

We understand that the employers, especially the British employers, are blocking further action in the ILO. But today I give notice that we will use the ruling of the Committee of Experts to press the European authorities for decisive action to ensure that the free movement principles of the EU do not dominate the collective rights of workers, including the right to strike.

Recent decisions of the European Court of Justice in the Laval, Viking and other cases are leading in that direction and are establishing that economic freedoms are superior to worker rights. When the exercise of fundamental social rights conflicts with business interests, trade unions must now prove that their actions are legitimate and strictly necessary. This is the wrong balance, the wrong approach and it violates ILO standards.

Now we say that the EU needs to put this right with clear social progress protocol emphasizing that fundamental rights are fundamental not secondary; that there should be no scope for the European Court of Justice to apply a proportionality test and so countermand a union view about the appropriateness of industrial action; and that better traffic rules for free movement, especially for posted works, should be established.

So, thanks to the Committee of Experts for their support and I demand today that the ILO continue to take a close interest in these affairs and holds the EU, and the United Kingdom, to proper account.

(Mr Nakajima takes the Chair.)

Mr ROSOCHA (*Government, Slovakia*)

It is impossible to prevent the current economic and financial crisis from causing unemployment. However, if we react promptly we can prevent the liquidation of jobs and help many people find new and better jobs. All available means must be used to reduce the impact of the recession on the workers. Many enterprises are at risk from diminishing global demand and limited access to financing.

The Government of the Slovak Republic has adopted several measures to support entrepreneurs and the investment environment. The strategic aim is to contain the growth in unemployment caused by the world financial and economic crisis, and to provide assistance in the shape of state contributions for employers and employees in the event of a shortening of the working week; the establishment of social enterprises; measures to support sole traders; and financial assistance for people to build up "strategic enterprises" with the help of the State.

We are focusing on small and medium-sized enterprises, which employ 90 per cent of workers worldwide. We have adopted measures to support independent, meaningful employment and to make

small loans available to small businesses and start-ups. We have established "one-stop shops" to reduce the administrative burden of setting up companies. We have also made changes in the area of taxes that will reduce the negative impact of the crisis on the financial situation of businesses.

Our view is that when assisting disadvantaged groups on the labour market, it can be a great help to invest in increasing their qualifications and adjusting their skills to market needs, and to focus on active employment policies, training, the linking of training with work experience, and more effective public employment services.

It is important to find a solution for the lack of information available to parents and students regarding future opportunities on the labour market. Free choice in education must also go hand in hand with objective information on the careers that can be expected after graduation. One possibility is to introduce an occupational projection system that would evaluate future needs and disseminate the findings through career guidance services in schools and among families and students so as to ensure that they have more information to use for making a free choice. In this context, an "integrated system" has been created in Slovakia.

In these times of crisis, when many States are decreasing social protection, it is necessary to ensure that minimum social standards form part of the law of each State, particularly in the area of social security. The Government of the Slovak Republic is aware of the need for the coordinated cooperation of all the relevant actors in order to overcome the negative impacts of the financial and economic crisis. In this respect, I would like to emphasize the role of social dialogue and the necessity of decent work, even in times of unfavourable economic development. Successful social dialogue has become a new driving force for the economy and for the social model itself. The role of social partners in resolving the current situation is undeniable. The concept of decent work is more relevant than ever for addressing the crisis and its repercussions. In 2009, in order to strengthen social dialogue, the Slovak Republic ratified the ILO Collective Bargaining Convention, 1981 (No. 154), and the Workers' Representatives Convention, 1971 (No. 135).

The Government of the Slovak Republic would like to thank the International Labour Office for its technical assistance and cooperation in helping amend its Collective Bargaining Act.

Original French: Mr JURCA (Worker, Romania)

I have come here with a message of distress from the workers of Romania, a message that has never been brought before this tripartite authority before.

Of the States that have been hardest hit by the global crisis, Romania stands out for the drastic, almost indiscriminate measures that have been taken and for the extent to which we have been affected.

For this we blame a summary parliamentary procedure which has not taken into account the consultation of the social partners, especially the unions. The Romanian Government has decided to cut all salaries paid out of the state budget by 25 per cent across the board, without doing anything by way of an authentic and pragmatic reform of the public administration system. Without going into details, one of the reasons for this situation is the excessive politicization of the administration, an inheritance

from preceding Governments about which hardly anything has been done.

Another area where the Government can be blamed is pensions, which are expected to be reduced by 15 per cent. If we were just talking about a few thousand pensioners receiving large pensions, I would not even bring it up here. But judge for yourselves: more than 5 million pensioners are currently living on pensions that place them below the poverty line, and yet they will be losing another 15 per cent.

I am embarrassed to have to speak about other measures promulgated by the Government, and there are many more, especially since their content and gravity are well known throughout the world. I would like to formally protest against the measures, announced by the Government in their letter of intention to the IMF, to modify our Labour Code substantially. These amendments are aimed at working hours and work schedules, collective bargaining, recruitment and dismissal. Not content with attacking the Labour Code, the Government plans to amend the laws on collective bargaining and labour disputes – all in an effort to deregulate them and make the workers' status more precarious. Those who know about this understand that the Labour Code was the fruit of 12 months' work, of joint efforts of unions, employers and Government alike. In this they were assisted by the Office and analyzed by the European Commission, which makes the Government's attack on stability all the more heinous, not to mention the fact that these measures will go against ILO Conventions that have been ratified by Romania. If you add to this the disappointing trend in the Economic and Social Council, which tends more and more to be purely decorative, the overall picture of tripartite social dialogue in Romania is very gloomy.

Given this situation, a permanent mission of the ILO is justified as a means of helping the Government, which is responsible for social dialogue, to return to the right path.

We, the representatives of Romanian workers, have come here to help promote a pragmatic and functional standard-setting framework at the international level for industrial relations and for economic and social equilibrium.

We have come here to say "No!" to child labour, to contribute to decent conditions for domestic workers and to support workers who suffer from HIV/AIDS. We have come here also to say "Yes" to an integrated, coherent approach to employment policy.

But unfortunately, for the reasons I have given, we face a fierce battle to ensure respect for the basic rights and freedoms of male and female workers in Romania. It is a battle in which we are counting on the support of our brother and sister workers throughout the world, as well as of this unique tripartite international organization whose name is engraved on our hearts, the ILO.

Original Spanish: Mr LACASA ASO (Employer, Spain)

Rarely in the past has the role of the ILO had such an impact on the generation of social progress for the future. We are undergoing a global economic crisis which has affected most countries around the planet and has run counter, in a severe and drastic way, to the social progress made in recent years. Moreover, it has called into question many of the efforts which have been made to prevent problems

arising from social injustice and threatens to generate much broader pockets of marginalization.

My country has without a doubt been particularly affected by this crisis; the number of companies which have disappeared in recent years and the corresponding increase in the unemployment rate in Spain have been just as intense and drastic as the impressive job creation was in the years leading up to the crisis. Our efforts at the moment are focused not just on bringing about a rapid economic and jobs recovery, but also on trying to offset the irreversible effects of unemployment. If the future economic recovery does not generate enough jobs, we run the risk of creating pockets of long-term unemployment, or losses of qualifications and skills, which, in turn will lead to permanent exclusion and higher levels of structural unemployment.

Our social dialogue has enabled us to create a climate of social stability in recent years and has also introduced some changes to the regulatory framework. Nonetheless, our major challenge at the moment is to tackle, on a consensual basis, more ambitious structural reforms of the labour market; these reforms are vital to generate an enabling climate for economic recovery and the creation of jobs. To do all this, it is essential to be bold and, at this delicate moment, to take a positive focus and see it as an opportunity not to be missed. It is with this in mind that the Spanish Confederation of Employers' Organizations (CEOE) and the Spanish Confederation of Small and Medium-Sized Enterprises (CEPYME) approached the recent negotiations for labour reforms in Spain. We were not able to achieve agreement on this occasion but we will carry on with the same effort to engage in dialogue with the workers.

In the current context of incipient recovery of the Spanish economy, which has to be underpinned, the proposal put forward by the Spanish Government to the social partners, concerning very important subjects, such as recruitment, dismissal and increased flexibility within companies, is insufficient and in fact could be counterproductive, in certain respects, to the objectives of the sort of labour reform which the Spanish economy currently needs.

That is the challenge which is faced by many other countries too. In this environment, we believe that the ILO's role could be crucial and we believe that the discussions which have been taking place concerning the employment situation are very pertinent. We would like the ILO to foster responsible and intelligent attitudes which favour sensible and intelligent reform on a consensual basis within the framework of social dialogue, but which nonetheless are incisive and broad ranging. In definite terms, it needs a focus based on so-called "flexicurity", which is a very useful concept on which the European social partners want to work in the future. And that is why the term has been reflected in the joint statement on the future 2020 Strategy of the European Union.

The Global Jobs Pact and the Decent Work Agenda of the ILO, with its four strategic objectives, give us a good foundation for achieving these goals, and we have seen this clearly in the course of this session of the Conference. Nonetheless, allow me to stress two ideas which we cannot afford to forget if we are to ensure that our economic recovery policies meet with success. The basis for sustained economic growth is macroeconomic stability, which requires a purging of public accounts and a redress

of the major imbalances. With that in mind, the debate on the strategic objective of the ILO to enhance the coverage and effectiveness of social protection should not lose sight of the fact that this effectiveness is directly proportional to its economic viability in the present and the future.

The ILO has to collaborate in creating environments which are conducive to enterprise creation and development, do away with outdated regulatory frameworks and overcome prejudices. This is one of the best avenues to move forwards on the path of sustainable and widespread recovery in the field of employment.

Original Spanish: Mr COLMENARES (Government, Bolivarian Republic of Venezuela)

The Bolivarian Republic of Venezuela is attending this 99th Session of the Conference at a time of crisis in the global capitalist system, which has generated a social and unemployment crisis and, as a result, greater poverty. The crisis we are experiencing is one of the most serious challenges that has faced humanity for decades, and is the most serious threat to the well-being of our people.

Looking at the Report of the Director-General, we agree that there is no doubt that workers have thus far been burdened with more than their fair share in paying the price of the crisis. We would like to highlight that 1.02 billion people go hungry on a daily basis on our planet. At the end of 2009, 212 million people were unemployed globally. Millions of heads of families are losing their personal property, including their homes, on a daily basis. Barriers of intolerance and xenophobia towards migrants have been put up, there has been a reduction in social benefits, and labour and trade union rights are being weakened, making labour conditions and safety and health at work more precarious and flexible.

So we can say that those who generate wealth through their work, under exploitative conditions, are those who are paying for the crisis that was caused by capitalists. Those who have capital are turning to States, not to shoulder their responsibilities, but rather to have their companies bailed out, using public funds, by means of loans and financial subsidies.

In anticipating the most devastating effects of the crisis, our Government, from the onset of the crisis, has been implementing structural measures of a humanist nature, rejecting the privatization policy advocated by neo-liberal governments and choosing to nationalize companies as a way of combating outsourcing and the increasingly precarious nature of working conditions. A significant amount of public spending in our country is going to investment in infrastructure, stimulating economic activity and generating employment, while addressing the shortcomings resulting from years of underinvestment in education, health and housing.

To illustrate the transformation in my country, we would like to highlight the reduction in unemployment. In March 2010, it was 8.7 per cent. There has been an annual increase in the national minimum wage, an increase in the number of pensioners and the harmonization of their income with the national minimum salary. Meanwhile, employers are fabricating falsehoods about freedom of association in the Bolivarian Republic of Venezuela. Between January 2008 and April 2010, more than 1,000 trade

unions were registered and there was an increase in the number of collective agreements.

In terms of foreign policy, we have developed relations based on cooperation, complementary interests and integration, going beyond mere economic and mercantile interests, and this has resulted in organizations such as UNASUR, PetroCaribe and ALBA. We have had meetings with Arab, Asian and African countries, and the Russian Federation, demonstrating that it is possible to have a multipolar world that is not subordinated to a central imperial power.

At the international political level, we have placed human rights above profits and, when faced with the aggression of the people of Gaza, our Government did not hesitate to show solidarity with the people of Palestine and to put an end to any relations with the aggressors.

We call for a change to the existing economic model and for the development of policies based on the principles of solidarity, complementary interests, reciprocity, fairness and recognition of the asymmetric nature of the situation; a system based on social justice, that restores the human condition of our societies and does not reduce them to mere consumers and goods.

We also appeal to institutions of the world, particularly financial institutions, to open up to peoples and to workers. They need to become more democratic and to address the causes of the capitalist crisis. The ILO must be more democratic and stop being an instrument of manipulation against the people. We also appeal in particular to the Committee on the Application of Standards to make its working methods more efficient, impartial, transparent and objective.

The sovereign position of our Government, together with the people, will defend and deepen the achievements made this decade in our revolutionary struggle against those who want to lead us back to the past and make us regress.

We appeal to the ILO not to let the tripartite mechanism be used to impose labour reforms that require a sacrifice on the part of workers to the benefit of capital. Social dialogue must be an instrument to further human rights and not to regress to barbarous behaviour.

Ms MIRACHIAN (Government, Italy)

This year's session of the International Labour Conference gathers new momentum. The Conference addressed for the first time a recurrent discussion introduced by the 2008 Declaration on Social Justice for a Fair Globalization, thus fostering a much-needed exchange of views on the impact of occupational, financial, economic and labour market policies on employment in these crucial times.

In the current difficult phase of the international economy, resulting in a persistent negative impact on employment, the ILO has confirmed its capacity to provide assistance to its constituents on the basis of the four strategic objectives of the Decent Work Agenda and thanks to the triumph of tripartism, the backbone of the Organization.

The conclusions adopted as a result of the discussion on employment are the operational bridge, with actions undertaken following the adoption of the Global Jobs Pact last year. They reinforce the capacity of the ILO and stress the need for more coherence with other relevant international organizations

and institutions in placing social justice at the core of any governance of globalization.

Italy confirms its full support to the ILO's action towards reaching the fundamental goal of promoting dignified working conditions for all. Full employment remains the ultimate line to cross despite, or even because of, the world economic juncture. The recent G20 labour meeting in Washington, DC, recognized the need to focus on human capital investment to ensure a swift and effective economic recovery, placing employment and social protection at the centre of the crisis response, as provided for by the Global Jobs Pact.

The world economy is showing signs of recovery, but uncertainty continues to affect the labour markets heavily. The occupational crisis is still serious. Like other EU and other non-EU countries, Italy has adopted a fiscal consolidation plan based on rigorous control of the public budget. The Italian Government is committed to significantly reducing unproductive public expenditure to make resources available for recovery, restructuring and development. It is also finalizing a three-year strategic plan to promote employment, with special attention to youths and women, recognizing that the national labour market needs to be freed from many obstacles in order to function effectively.

Training workers remains a crucial factor in both national and international policies. Governments and organizations alike must invest more and better in it. The ILO is at the forefront in this respect; the excellent work of the International Training Centre in Turin is widely recognized. The Centre provides valuable contribution, not only in terms of capacity-building programmes, but also in the elaboration of strategies and exchange of best practices. A good example was the tripartite workshop on labour migration, recently organized in Turin at the initiative of the Brazilian and Italian Governments, which looked at labour migration from a post-crisis perspective, with special reference to the protection of migrant workers and their inviolable right to a fair job and fair treatment.

This Conference is about to adopt, with Italy's full support, a Recommendation on HIV/AIDS: a new instrument, proving how vital the ILO normative function is, more than 90 years since the Organization's inception, in addressing issues relevant to our society.

Italy has also actively participated in the work of the Committee on Domestic Workers, with a view to adopting a normative standard next year. Domestic workers are a category, mostly all women, but also migrants in great numbers, needing specific action to ensure the respect of their rights beyond domestic walls, on the same grounds as any other worker.

Two days ago, we celebrated World Day against Child Labour and we had, in this very assembly, an important discussion on what can and must be done to fight and eliminate this appalling plight by 2016. The Global Report on child labour provides a worrying picture of the situation. Italy confirms its firm commitment to responding to the urgent call of the Organization to put an end to child labour. As highlighted in the European Union statement, much more needs to be done to achieve our goal; the road map approved at the Global Child Labour Conference in The Hague in May shows the way forward.

Last, but certainly not least, I want to refer to the decision to expand the ILO cooperation programme

in the Palestinian territories, in order to express the Italian Government's appreciation and full support. We share the view that more access and freedom of movement of the labour force will contribute to the development of the local economy and, more importantly, to a lasting solution of the conflict, based on two States living side by side in peace and security.

Original Portuguese: Mr PATAH (Worker, Brazil)

It is a great satisfaction for me to be at this meeting and to share with you the fact that Brazil has now ratified Conventions Nos 102 and 151. We are also working towards ratifying Convention No. 158. We would also support the ILO in developing a specific Convention on domestic workers.

The workers of Brazil have been concerned for some time about the suffering of humanity. We are concerned about hunger, poverty, violence, social injustice; we are concerned about the economic and financial crisis, with its added social and environmental effects, that is the product of a civilization model based exclusively on the law of the market and has resulted in increased exclusion and exploitation of man by man.

Two actions, among many others, have sustained this attempt to establish a new cycle that undermines the fabric of society, benefitting the predatory accumulation of capital: first, the expulsion millions of workers from the labour market; and second, private initiatives to appropriate State resources at a magnitude never before seen in world history, the justification being to overcome the crisis.

The current development model effectively consists of the accumulation of predatory capital, which is the result of pure speculation, without any real basis in production, consumption or employment. For this to be criminal accumulation to be successful, proposals are afoot to reduce the role of the State, and policies that are scandalously devoid of any ethical basis are being implemented. Everyone here knows that corruption has never before been so rife, nor had such damaging effects. We need to apply the brakes to corruption in our countries.

While social security funds are diverted to rescue national economies from the pitfalls of international financial speculation, slave labour is on the increase, more and more children are being abandoned, and an army of unemployed people live without any social security. We do not even have the minimum we need to guarantee support for our people.

Different media, mostly allied to the holders of predatory capital, subject society to discussions of how to solve the current crisis through capitalism without any social perspective, as if there were no alternative for society to consider.

We, the workers of Brazil, suggest the creation of a new political ethic in our civilization process. This means an immediate discussion on building a structured society in order to combat all forms of oppression and the commercialization of essentials such as health and education.

However, the state of the world today leaves little room for optimism. The promised cuts in social spending will not solve the financial crisis, but will certainly increase critical unemployment rates even further, as is already occurring in countries such as Portugal, Spain and Greece. If the crisis is tackled with solutions suggested by those primarily responsible for it, already difficult access to essential pub-

lic funds and services, including health, education, food, housing, sanitation and environmental protection, will be impeded even more. In Brazil, we have suffered before from such ideas, and we offer the world the example of decades of lost potential for social and economic development. There must be alternatives – there are alternatives!

Suffering and poverty are the results of such policies. Neoliberal models that lead to a fall in the quality of life in richer countries take on tragic proportions for people in developing countries. In this type of capitalism, with no social face, speculation reigns supreme. Health systems, social security systems, education, housing, become no more than another commodity for accumulating capital.

We know this challenge is enormous, given the difficulty of formulating policies when States are weakened, societies are fragmented and the financial sector, even in crisis, is stronger than the State. Within the new financial order that we need to establish, there must be a new role for regulatory instruments, so that they are not subject to market forces.

Under the Government of President Lula, a worker and trade unionist, we are proud of having raised 30 million Brazilians out of poverty and hunger. This is the role and the contribution made by Brazil in the international quest for a better, more just, more democratic world that will overcome social, economic and political inequality.

Our objective must be to build a social and environmental system that is just and can guarantee quality of life and work for all. We need a strong State, grounded in democracy and the rule of law, to face up to powerful economic and corporate interests. We, the Brazilian workers, want to help build a better world. A better world is possible.

Original Farsi: Mr SHAKHALESLAMI (Minister of Labour and Social Affairs, Islamic Republic of Iran)

The dream of the elimination of poverty, as expressed by the United Nations Economic and Social Council (ECOSOC) in its 2001 session, only a short time after the Millennium Development Goals were set, has become but a distant dream, mainly because of the premeditated crisis originated by greedy and merciless international cartels and financial institutions.

Analysing the underlying causes of such a crisis distinguishes between genuine human values and profit-seeking market values. The result of such analysis clearly demonstrates the differences between productive investments and the speculative and opaque gambling of the financial institutions in Wall Street.

Globalization, as we have seen, has been unable to raise the small voice of the poor and underprivileged and has not fulfilled their aspirations for minimum quality of life and decent work.

Many disputes and battles around the globe are centred on water resources and arable lands. The unfortunate phenomenon of terrorism, and the unjustified presence of bullying powers around the globe, and particularly in the Persian Gulf, can easily be attributed to this unrelenting quest for wealth.

An undeniable example of this merciless greed is the violent crime perpetrated by the regime occupying Palestine, which has denied its innocent and oppressed people hope for recovery and growth through decent work by confiscating land, levelling and razing factories, eliminating job opportunities,

destroying and contaminating water resources, depriving them of health and medical care and, above all, the shameful building of a 700 kilometre Separation Barrier and the unceasing blockade of the Gaza strip.

The efforts of international organizations, in particular the ILO, in respect of poverty eradication, elimination of child labour, promotion of employment and sustainable enterprises, and the fulfilment of social justice aspirations depend on fair and equitable management the world over.

Justice must prevail over the management of global affairs and all countries of the world must play a more serious and meaningful role. Those States that exclude others from new social and economic arrangements and use any possible means to meet their illegitimate goals are not real advocates of human dignity.

The Government of the Islamic Republic of Iran has established its social and economic plans on the solid pillars of the teachings of Islam, which promote justice.

My Government never undertakes any economic development plans at the expense of underprivileged groups. On the contrary, it always draws a distinct line between the protection of human values, dignity of work, provision of social protection, safeguarding families, social coherence and bridging the gap between social classes on the one hand, and market economy values on the other.

In the financial sector, banks have allocated a large portion of their resources to productive investments. The Government, in the meantime, has developed a national employment policy and a comprehensive social security system intended to provide new, ample employment opportunities and social protection for all, especially the vulnerable.

The establishment of a professional training system and the distribution of shares of some profitable state companies, and the dividends thereof, which have been implemented under a justice share scheme to the workers, teachers and women heads of the household and other vulnerable groups, is another example of the Government's measures for justice, social security extension and poverty alleviation.

Measures have been taken to broaden the insurance system to include construction workers, prohibit any sort of unemployment contrary to decent work initiatives and, in particular, establish a plan for nationalizing subsidies.

The Government is determined to rapidly implement such measures to ensure social justice, decent life and work for all vulnerable groups.

Mr YIM (Government, Republic of Korea)

The persisting global economic crisis has left many workers around the world to suffer. According to the Report of the Director-General, more than 34 million people lost their jobs between 2007 and 2009. This trend is likely to continue for some time.

As employment directly shapes the livelihood of people, the right to work can be considered as the foremost and basic right of workers.

I believe that creating more jobs and increasing the demand for labour can further enhance the rights of workers, as a demand for human resources will lead to better treatment of workers.

In this context, I commend the efforts of the ILO, including the adoption of the Global Jobs Pact, and the ILO's collaboration with other international bo-

dies such as the IMF and the World Bank, in order to overcome the current employment crisis.

The Republic of Korea has also suffered from the current crisis and experienced a decline in its economic growth. Based on the belief that employment is the best solution, the Government of the Republic of Korea has done its best to provide new jobs – stable and better jobs – for its people in response to the crisis.

In order to minimize the hardship of the most vulnerable group, a budget amounting to 6 per cent of GDP was allocated to stimulate the economy. A huge amount was injected to increase spending on public works and to support employment measures such as job retention, vocational training and improving employment services.

Such efforts by the Government were supported and backed by workers and employers. In February 2009, a tripartite agreement was signed between workers, employers and the Government.

In the agreement, workers and employers committed to reducing the negative impact through job retention and job sharing. The Government committed itself to providing support for such efforts. The agreement on job sharing actually prevented a sharp rise in unemployment.

Thanks to the concerted efforts of the tripartite constituents, the Republic of Korea is now considered to be one of the countries that has recovered fastest from the crisis, with its unemployment rate during the crisis not deviating much from pre-crisis levels.

In addition to the efforts to overcome the crisis, the Korean Government has placed employment as the top priority on its national agenda this year, and is redirecting its resources in this regard.

The President of the Republic of Korea himself presides over the national employment strategy meeting, which is held every month to review both the short-term response to the crisis and the mid- to long-term strategy to reinforce job creation capacity.

In addition, the Ministry of Labour will be renamed the Ministry of Employment and Labour next month, reflecting the commitment toward creating and securing jobs.

As jobs have become the biggest concern for the people in the Republic of Korea, workers and employers are also working together towards productive industrial relations, building on the cooperative atmosphere of last year, in order to address such concerns.

Business circles have promised to spare no expense to create three million jobs while trade unions are moving away from confrontational approaches towards more rational ones.

In addition, remarkable progress has been made in the regulatory framework of industrial relations through tripartite dialogue and agreement. The long-standing issue of reforming the system of full-time union officials and introducing multiple unions at the enterprise level, which had been postponed over the past 13 years, has been resolved.

With the rapid integration of the global economy, countries are facing common labour market problems such as youth unemployment.

As such, I believe that the ILO should increase its efforts to solve labour market problems faced by member countries.

For a start, I would like to welcome the Director-General's commitment to building the Office's ca-

capacity to manage and disseminate knowledge, as expressed in his Report.

In this regard, I would like to ask the ILO to continue with its efforts in documenting and analyzing member countries' employment policies and to spread the best practices.

Let me share the Government of the Republic of Korea's policy on youth unemployment; the problem of youth unemployment coexists with labour shortages in SMEs. In order to address this mismatch, the Government has expanded its job referral system by setting up a database of colleges and vocational high-school graduates and a database of well-performing SMEs.

Secondly, I would like to call for ILO activities to reinforce technical cooperation in order to ensure decent work in developing countries. The Government of the Republic of Korea is committed to cooperating and providing support for such efforts to the extent possible. For the past decades, the Republic of Korea has made remarkable progress in the area of skills development, which started with aid from advanced countries. Based on this experience, the Government plans to set up an International Skills Development Centre by 2012. The Centre is expected to provide training directly to trainers and experts from low-income countries and transfer the Republic of Korea's accumulated experience of skills development and relevant systems to other countries. In an effort to realize fair globalization, the Government is planning to continue to increase official development assistance to low-income countries.

I am convinced that the current employment crisis, however serious it may be, can be overcome soon if all countries work together. I expect that the ILO will play a critical role in overcoming the crisis by strengthening its efforts to address labour market problems. Finally, I also hope this Conference will serve as a forum for the sharing of various policy responses to overcome the crisis.

Original French; Mr GRINIUS (Government, Canada)

We have all fought against the repercussions of the global recession and, although we are currently witnessing recovery, this is fragile and too many people are without employment.

While our country's economies are starting to recover from the recession, we must continue to put an emphasis on the creation and preservation of jobs. This includes the adoption of social protection measures as well as intervention policies for the labour market that are targeted at helping the unemployed who need assistance to adapt to an economy in transition.

I would like to take the time to speak to you now about what we are doing in Canada.

(The speaker continues in English.)

The Government of Canada, through its Economic Action Plan, has invested CAN\$19 billion this year to protect and create jobs, strengthen Canadian innovation, and build a strong foundation for Canada's future.

Specific measures for Canadians include personal income tax relief; stimulus to modernize infrastructure and improve social housing; and investment in post-secondary education and research, technology and innovation and environmental protection.

Targeted efforts are also being made to support the industries and communities hardest hit by the

economic downturn. Greater access to employment insurance benefits has been granted to long-tenured workers. Work-sharing measures have been enhanced to extend agreements and provide greater flexibility for employers. The Wage Earner Protection Program, which protects workers in the case of employer bankruptcy, has also been expanded.

(The speaker continues in French.)

Moreover, the Government has invested massively in training linked to the labour market. Young workers are receiving assistance to acquire the experience and skills that they need to find work. One of the main priorities of the Canadian Government is to create a flexible, adaptable and capable labour force that is able to deal with the economic challenges of tomorrow and to overcome them.

(The speaker continues in English.)

Moving beyond Canada's domestic measures, I would like to highlight some of the important work being done at this Conference.

The ILO Global Jobs Pact developed at last year's Conference has been widely endorsed. The Pact outlines principles for recovery and development and a range of policy options that can be adapted at the national level to provide for a job-rich recovery.

The first follow-up discussion under the 2008 Declaration on Social Justice for a Fair Globalization, and its focus on employment policies, has provided an opportunity to exchange information on good practices and to consider how the ILO can best assist member States in implementing strategies in line with the Pact.

In addition, the ILO's work in analysing responses to the crisis and in developing an international training strategy are examples of this Organization's positive contributions to recovery efforts.

(The speaker continues in French.)

With regard to domestic workers, Canada recognizes the need to strengthen protection measures for these vulnerable people and we call on all delegations to continue their work to establish useful instruments that will be implemented on a large scale.

Canada also welcomes the Recommendation on HIV/AIDS, which has just been added to our existing tool kit for fighting this illness that affects millions of people.

(The speaker continues in English.)

Before concluding, it is my privilege to announce the Government of Canada's ratification of the Maritime Labour Convention, 2006. This new global standard for the world's maritime sector supports decent working conditions for seafarers and fair labour rules for the shipping industry. We look forward to the entering into force of this Convention in the near future.

Finally, the outcomes of the Committee for the Recurrent Discussion on Employment will inform discussions at the forthcoming G20 Summit in Toronto. The G20 is emerging as the premier forum for international economic cooperation. At the Toronto Summit, leaders will discuss ways to restore the health of the global economy and lay the foundations for strong, sustainable and balanced growth.

Together, through concerted efforts aimed at supporting workers and employers and promoting de-

cent work, our economies will emerge from this crisis stronger and more stable than before.

Ms KHATTIYA (*Government, Lao People's Democratic Republic*)

I would like to extend my strong support for the Report presented by the Director-General regarding the effective abolition of child labour. In this regard it is very important for human resource development to promote employment, income generation and poverty reduction, which are the priorities of developing countries.

In order to implement the Minimum Age Convention, 1973 (No. 138), which was ratified by the Lao People's Democratic Republic in 2005, we revised the Labour Law in 2006, which clearly states in Chapter V, article 41, regarding child labour, that an employer may employ children aged between 14 and 18 years, provided they do not work for more than eight hours a day and are not employed in sectors involving the performance of heavy work or that are dangerous to their health.

Furthermore, legislation on the protection of the rights and interests of children sets out principles, rules and measures relating to the administration, monitoring and inspection of measures to protect children's rights and interests, including punishment of those committing offences towards children. This ensures that children are whole in body, mind and spirit, and that they have a good attitude, knowledge and ability and are able to lead good lives, play an active role in society and become good successors of the nation. In order to effectively enforce this law, we have made efforts to cooperate with the parties concerned in order to carry out regular evaluation and monitoring in labour units, and local and international investment projects.

Efforts are being made to implement the Decent Work Agenda of the ILO, the Asian Decent Work Decade, the Millennium Development Goals and the National Socioeconomic Development Plan of the Lao Government. In that regard, attention will be paid to studying the possibility of ratifying the remaining core Conventions of the ILO based on the reality of the situation in the Lao People's Democratic Republic. In addition, we will attach great importance to translating regulations into reality and effectively enforcing them, especially the four pillars of the Decent Work Agenda. In this regard, we will closely collaborate with the ILO at the regional and subregional levels in order to enhance technical cooperation.

In conclusion, I would like to express sincere thanks to the ILO for its continued technical cooperation and the support it extends to the Lao People's Democratic Republic.

Original French: Ms BULIGA (*Minister of Labour, Social Protection and Family, Republic of Moldova*)

The effective elimination of child labour is a moral necessity and we, the Members of the ILO, are obliged to promote and respect this principle, first of all by reducing poverty.

The measures that have been taken against the worst forms of child labour over the last decade, together with the International Programme on the Elimination of Child Labour (IPEC), have brought significant progress.

International assistance and cooperation aimed at banning and effectively eliminating the worst forms of child labour have complemented national efforts

and have been implemented together with employers' organizations and trade unions. These actions are aimed at eradicating the worst forms of child labour before 2016.

However, the global economic crisis has imperilled all the progress that we have seen over the last few years and means that we must intensify our efforts to eradicate child labour.

The Government of my country, together with the unions and employers' organizations as well as civil society organizations, is doing everything possible to combat child labour through extensive action at the national and international levels.

The Government is committed to eliminating child labour and has ratified several international instruments in this area, including the UN Convention on the Rights of the Child and the ILO Conventions on minimum age and the worst forms of child labour.

The prevention of, and fight against, child labour is an integral part of the Republic of Moldova's Decent Work Country Programme for 2008–11, thanks to financing by the United States, Germany and Norway. Over the past five years the Republic of Moldova has benefited from technical assistance projects to combat the worst forms of child labour. We have also been supported by IPEC and the ILO in joint activities with employers' organizations.

In the context of collective bargaining in 2007, the Government, trade unions and employers' organizations concluded a national collective agreement on the elimination of the worst forms of child labour, with a list of the types of work that children are not allowed to do.

In December 2007, the National Federation of Employers in Agriculture and the Food Industry adopted a code of conduct for employers with a view to the elimination of the worst forms of child labour in those sectors.

In February 2009 a Permanent Council on Child Labour was established within the National Commission for Consultation and Collective Bargaining.

Throughout 2009 and 2010 the unions and employers' organizations of the Republic of Moldova signed collective national agreements on the most serious forms of child labour in the construction and transport sectors.

With IPEC's assistance, the Government of the Republic of Moldova is drawing up a National Plan of Action to eliminate child labour within five years, as clear proof of our commitment to this objective, along with an indication of the institutions responsible and the budget that has been allocated.

The opportunity for children to grow up healthy, to have good education and to be protected from the worst forms of work are prerogatives that are guaranteed by the State, but the personal happiness of each child is also linked to their family environment and to their relations with their parents. It is through their families that children can blossom and use their skills. The family shows them their path in life by inculcating in them values and hopes so that they can overcome difficulties and achieve their goals. The life of a child can be safe, full of meaning and hope if they are brought up in a healthy family that does not condone child labour.

I would like to take this occasion to express our appreciation of the International Labour Office and its Subregional Office for Central and Eastern Europe for the assistance that they have offered the Republic of Moldova in implementing its employ-

ment and social protection policies and in the area of social dialogue.

We call for the extension of these activities so as to implement and attain the goals of the Decent Work Country Programme and the National Plan of Action for eliminating child labour. We will do everything possible to implement the decisions and the conclusions of the 99th Session of the Conference.

Ms KOPAČ MRAK (*State Secretary, Ministry of Labour, Family and Social Affairs, Slovenia*)

It is a long time since our society faced such serious challenges as it is facing today. And the values promoted and defended by the ILO have never had as much importance.

The crisis is still here, and I completely agree with the President of Switzerland, Ms Leuthard, at the opening ceremony, that "[w]e cannot believe that we have fully emerged from the recession as long as we have widespread unemployment and underemployment". Unfortunately, for many people recovery has not yet started.

The employment crisis remains pervasive in all our countries' labour markets, and consequently the sustainability of our social security systems is seriously affected by the crisis.

As I stated at the meeting of the European Union Council of Ministers for Employment, Social Policy, Health and Consumer Affairs in Luxemburg last week, Slovenia strongly supports the G20 Labour and Employment Ministers' recommendations to the G20 leaders, especially the recommendation on placing employment and poverty alleviation at the centre of national and global economic strategies.

A rebalancing between economic, social and environmental goals at the global level is vital for recovery from the crisis. Even more important, the sustainable development of our civilization is possible only if we put all three dimensions – social, environmental and economic – on an equal footing. In this context, the ILO's capacity needs to be enhanced. We must further strengthen the international social standards, promote their universality and consistency and ensure their effective implementation.

Slovenia fully supports the ILO's work on developing decent work oriented approaches to economic and social policy. Decent work calls for a balanced combination of measures converging towards four strategic objectives, namely rights at work, employment, social protection and social dialogue.

As stated in the Director-General's Report, Slovenia is among the countries hardest hit by the crisis, but this is also, and should be, the opportunity for structural reforms, such as labour market reform and the modernization of the pension system, which have been postponed for too long in Slovenia.

Although we were facing conflicts between human values on the one hand and market values on the other, and conflicts between speculative and productive investments, while picking out the policy options for responding to the crisis, I strongly believe that we have made the right choices.

Close cooperation with the social partners resulted in the adoption of two acts to preserve employment, especially in the sectors hardest hit by the crisis.

The first was the Partial Subsidy of Full Working Time Act, which has enabled companies to organize work into shortened working time, for which they have been entitled to a subsidy. In exchange, the

employers must undertake not to dismiss workers for business reasons.

The second was the Partial Reimbursement of Compensation Pay Act, which has enabled companies to place workers on temporary leave, during which they have the right and the duty to undertake training while waiting for work.

In July 2009 the One-off Solidarity Aid to Socially Disadvantaged Persons Act was adopted. The act provided for solidarity aid in the form of a single cash benefit for all segments of the population that were hardest hit by the crisis.

Statistics show that social transfers in Slovenia still have a major impact on the rate of people at the risk of falling below the poverty line. If social transfers and family and social benefits were not considered as income, the rate of people at risk would almost double to 23 per cent.

Since we consider employment and social security as basic human rights and social policy as an investment in human capital, we have substantially increased financial resources for the implementation of policy and measures in the fields of employment and social protection for the period 2009–11 as compared to 2008.

Slovenia's response to the crisis has also been guided by the Global Jobs Pact and the 2008 Declaration on Social Justice for a Fair Globalization. I am convinced that the policies of the Global Jobs Pact have helped us to mitigate the rise in unemployment, sustain consumption and aggregate demand, and protect the most vulnerable.

Allow me to conclude my statement by saying that in Slovenia, we remain firmly committed to our joint work. Only together – governments, workers and employers – and by dint of hard work and consistent policies, and with the support of the ILO, shall we prevail and find our path out of this crisis.

Original German: Mr BRAUKSIEPE (Parliamentary State Secretary, Federal Ministry of Labour and Social Affairs, Germany)

Despite some hopeful signs, this crisis is far from over. People are experiencing this fact on a daily basis in their countries, in their regions and around the globe. They are concerned about their future and about their children's future.

Structural problems are being revealed by the magnifying glass of the crisis. Financial speculation is exacerbating existing problems and creating new ones. People want political responses to a crisis in the economic and financial system that is clearly out of control. We all need to act and ensure this doesn't recur.

This is a major challenge and this means nothing less than laying down effective rules for the financial markets that will re-establish the primacy of political decision-making. We need to consolidate national budgets, without watering down job-promoting incentives; this is a problem that is now apparent in almost all industrialized countries following the major rescue packages deployed in response to the financial crisis.

At the same time, we should not disregard long-term development. We need now to come up with responses to demographic change with all the challenges it represents for education systems, organization of work and social security. Our responses must place the needs of people at the centre – people including single parents, older people, and people from a migrant background.

This means we need to control structural changes. They are constantly creating new challenges for people but also new opportunities. You just need to think about new occupations in the services sector. We need to promote technological change and direct it in the interests of people and of the environment. Now such a package is something that is currently being developed in Germany. If you spot parallels between this and the ILO report that was drawn up together with the OECD, *Accelerating a job-rich recovery in G20 countries: Building on experience*, that is no coincidence.

The ILO, which I would like to thank for this Report, draws our attention to two important conditions for such a package to be implemented.

We need to view labour market, social, economic and financial policy as a whole. And we also need social dialogue: for example, working with trade unions and employers, we have made successful use in Germany of short-time working subsidies to maintain employment throughout the crisis.

This means responses to these difficult challenges can only be found if we work together to identify and tackle challenges and objectives.

That is what is meant by policy coherence, and it is in practice more easily said than done. Coherence means ideally that different basic policy initiatives are mutually reinforcing. This is an objective we have not yet achieved, and all too often we content ourselves with finely turned declarations of intent.

How can we get over this inability to create binding commitments? I am convinced that policy coherence requires common economic, financial and social objectives. The most important objective in my view is to ensure that labour market policy and social policy are reflected in the context of economic and financial policy. Stable economic growth requires social stability and justice. Growth that does not serve people or is actively harmful to them solves no problems and indeed creates them. This we have learned through bitter experience.

To spell it out, this means that the market economy has a social dimension if the State sets the fundamental conditions for economic activity, rather than the other way round.

This principle is more relevant than ever. Recent years and months have shown that a market that feels no sense of obligation to the wider community and acknowledges no rules of conduct cannot promote sustainable economic activity and certainly no social equity. This is what we are experiencing at the regional, national and international level. That is why the EU has decided to establish new rules for new forms of economic activity. This is an important step. It restores the margin for manoeuvre which we appear to be losing in global cyberspace.

But we are also advocating for further steps, and we need help, because no nation, however large, can on its own solve the problems of the global economy. A global economy requires globalized action.

One thing we have learned. If we are to achieve our objectives, then financial and economic policy, employment and social policy, must be placed on an equal footing and have equal priority.

Only when the interaction between one policy area and another is considered from the outset can social systems play the stabilizing role that economies need. Only then can we protect our populations from the consequences of financial crisis and prevent new crises. Only in the interplay between

the major areas of policy can we tackle future challenges through social and political action, to ensure the sustainability which should be the hallmark of our model of economics and growth.

In recent years, it is certainly true that labour and social policy have enjoyed too little focus. Fortunately the crisis has changed this. We now need to be careful that the pendulum does not start to swing back. That is why the role of the ILO, with its emphasis on the need for coherence between these policy areas and its Decent Work Agenda, is so important. Financial and economic policy decisions need to be taken within a social context if they are to succeed. The Committee on Employment has proposed a framework which would help governments to achieve greater policy coherence, and promote cooperation with other international organizations. We welcome this. Let us pursue this approach in order to honour our responsibilities towards the future.

Original Arabic: Mr LUQMAN (Representative, Arab Labour Organization)

Last year, we were much more optimistic than this year about the possibility of overcoming the crisis on an economic and financial level, even though we were aware that the employment crisis would continue in the long term. The Organization, at the time, had responded in a clear, rapid and decisive manner by adopting the Global Jobs Pact in order to overcome the crisis and create new employment opportunities. In collaboration with the ILO, we in the Arab world discussed this important Pact in a forum in Beirut last October.

At that forum, we established an Arab labour agenda in the context of the Global Jobs Pact. The activities and programmes of that agenda were decided on by a tripartite monitoring committee. We launched a wide-ranging cooperation programme between the two organizations to support production in the Arab countries and strengthen decent work during this period of crisis. We are convinced of the need for regional cooperation and our conviction has been reinforced by the solidarity shown by the European Union during the crisis experienced by some of its members.

We still feel that it is not fair that the developing countries that have nothing to do with the crisis are paying for it. There are moral requirements here and we must reinforce international North–South cooperation, but also South–South cooperation as well.

In the Arab countries, we held a summit in Kuwait in January 2009 where we launched the Arab Decade for Employment. At this summit we also decided on specific objectives, the most important of which are halving unemployment and poverty among workers, as well as promoting technical education and training, increasing productivity by 1 per cent every year and facilitating mobility for workers. We also decided to create observatories and a network for sharing information and data on the labour market, reconcile the needs of the labour market with teaching curricula, and create research institutions on emigration and labour in the Arab world. For all of these projects, we are trying to get the support of Arab and international financial organizations whose objectives are in line with the Arab programme of action in the context of the Global Jobs Pact.

Cooperation between our organization and the ILO is even stronger now and is reinforced by the existence of a real will on the part of their leaders.

Last year, the Director-General said that the humanitarian and economic situation in the Occupied Palestinian Territory was bleak. It is even more so this year. Today, Gaza has turned into a real industrial graveyard and Palestinians continue to be chased from their land and homes in Al-Quds and the West Bank. They are enclosed by the wall and by colonies, and are even prevented from living with their families and on their land. The negotiations are at a dead end and Israel is pursuing its policy of expanding its colonies in the occupied territories, in spite of all the international resolutions and calls by numerous countries for the establishment of peace, and the resolution concerning the implications of Israeli settlements in Palestine and other occupied Arab territories in connection with the situation of Arab workers, adopted by your Conference 30 years ago.

This situation, which has been ongoing for such a long time, does not fail to incite anger and indignation. The report of the Office is very clear. It talks about the need for the international community to work more actively to end the continuing deprivation of which the Palestinian people are victims.

Our Organization has a Constitution, which assigns it roles and responsibilities. We know, however, that its possibilities are limited, and that is why we have asked the Director-General to make a personal call at a donor conference for an increase in the Palestinian Fund for Employment and Social Protection, which the ILO had adopted and to which it helped create, but which is now practically stalled owing to a lack of resources. We hope that your Organization will hear our call.

Original Korean: Mr KIM (Worker, Republic of Korea)

It is my great honour to be here to discuss common challenges and what should be done to deliver decent work to all workers around the world. We are in the midst of an unprecedented economic crisis, and again, it is workers who are forced to pay. While a huge bailout has been provided to the financial sector, workers around the world are losing their jobs and are forced to accept wage cuts. Workers are bearing the lion's share of the burden for which they are not responsible. This is not what fairness demands and workers are now taking to the streets and chanting the slogan, "We will not pay for the crisis!". This is why the ILO adopted the Global Jobs Pact, which puts decent work at the heart of recovery. Economic recovery should not simply mean positive GDP growth, but rather should deliver more and better jobs for workers who have already suffered. In this regard, on behalf of the 15 million workers in Korea, I welcome the Report of the Director-General and I sincerely hope that the ILO will continue to play a critical role in realizing decent work for all workers.

As the Report points out, a recovery that does not create jobs is simply unsustainable. Some observers praise the Republic of Korea for being the first OECD member State to recover from the crisis. However, this is no more than an illusion. The reality in the Republic of Korea is more severe than ever. Jobs have reduced considerably, and the number of unemployed has risen to over 3 million, or 10.8 per cent. The rapid recovery of the Republic of Korea is, in fact, a jobless recovery, and recent gov-

ernment policies have not improved the situation but, unfortunately, have made it worse. Countless government policies which were introduced to cope with the economic crisis ended up increasing precarious jobs, including temporary jobs, short-term work and agency work. It is hard to say that these jobs are decent.

This is not what the Global Jobs Pact asks for. Even worse, some of what the Government calls employment policies have actually contributed to weakening workers' rights considerably. Now decent jobs are not being created and workers' rights are suffering. So what are these so-called stimulus policies meant to achieve? Workers in Korea have heard about recovery but have not seen decent work.

On 10 June in this room, Mr Yuson, the General Secretary of Building and Wood Workers' International, gave a yellow card to the Government of the Republic of Korea for its repression of labour rights. Today I give a yellow card to my Government. Misguided by the dogmatic perception that strong unions in the public sector and major companies are obstacles to the labour market, the Government is attacking unions in the labour market, and in the public sector by cancelling collective bargaining agreements. It is trying to paralyse unions in major companies by introducing an unreasonable time off system which cuts full-time union officers by up to 75 per cent. Furthermore, in the Republic of Korea, a number of union leaders are facing disciplinary dismissals, prosecutions and lawsuits for compensation for damages in retaliation for union activities. For example, more than 200 teachers and public servants who donated a small amount of money to a progressive party are at risk of dismissal. Last year, union leaders in the same sectors were dismissed when they exercised their freedom of expression. Once workers are dismissed in this way, the Government then denies the union's legitimacy on the grounds that the unions have dismissed workers as their members.

The Korean Government Workers' Union, which has been recognized as a lawful union until recently, is now treated as an illegal organization on these grounds. Unions in the construction and transportation sectors are facing similar situations because they include workers who are not covered by labour laws. Workers of the Ssangyong Motor Company, whose sit-in struggle drew international attention after the ILO's emergency intervention last year and the leader of the Korean Railway Workers' Union, who led a fully lawful strike, are now in jail. I would urge employers' groups and workers' groups to realise the urgency of this case.

Original Portuguese: Mr GOMES PIRES (Minister for Labour, Solidarity, Women and Family, Sao Tome and Principe)

Combating child labour is one of the priorities of the Government of Sao Tome. Much work has been done in this area, with considerable support from the representative trade union organizations in the country, which led the Democratic Republic of Sao Tome and Principe to ratify the Convention on the Rights of the Child in 1991, and, subsequently, the Worst Forms of Child Labour Convention, 1999 (No. 182), in 2005. Within this context, and in order to understand the reality of child labour in Sao Tome and Principe, surveys on child labour were conducted in Sao Tome between October and December 2007 and in Principe two years later. The

results of these surveys led to the conclusion that, in Sao Tome, 65.3 per cent of children have a job, with 42.3 per cent working part time and 37.4 per cent working full time. In the case of the region of Principe, it was found that 28.6 per cent of children have a job, with 12 per cent of them working full time. Our large families, polygamy, poverty, orphaned children, unemployment and a lack of any education policy to support needy children of school age are basically the underlying factors that determine the reality of child labour in Sao Tome and Principe. The reports that resulted from the surveys indicate that the sectors with the highest prevalence of child labourers are farming, mechanics workshops and informal trading, in other words street sellers.

It should be pointed out that there are more boys in this labour force than there are girls, the latter being involved more in domestic labour such as washing dishes, preparing meals and looking after their younger brothers and sisters while their mothers work in the fields or sell in the market.

I would like to say how much I appreciate the discussions at this session of the Conference of the issues of HIV/AIDS and gender equality in the world of work as integral parts of decent work. Sao Tome and Principe has been investing heavily in this area, promoting education campaigns at the workplace and in communities. To this end, in 2005, a document on a national policy for combating HIV/AIDS was drawn up, aiming to reduce the risk of infection by HIV/AIDS, reduce vulnerability to the infection and reduce the impact of the epidemic. The Ministry of Labour, Solidarity and Family, together with worker and employer representatives, will reassert their commitment by strengthening and broadening social dialogue on the implementation of the measures adopted by the Government on this issue, which has already been identified as a problem area in many working environments.

Domestic labour is, in Sao Tome and Principe, a sector of capital importance, both with regard to the number of jobs that it provides as well as the social and economic implications of this type of work. Women are essentially the heads of household. They work long hours every day and then at the end of their working life they are abandoned, with no rights and no protection provided by their employers. To overcome this injustice, we are currently working on the approval of a legal system for domestic work in Sao Tome and Principe with a view to formalizing the labour relationship and establishing a set of rights and obligations that will reinforce mutual respect and trust between the parties and also the right to social protection, which will mean that when domestic workers find themselves in difficulty they will have more effective protection from the State.

Sao Tome and Principe has not been spared from the global crisis that has been affecting countries in general. However, every effort is being made by the Government to honour substantially our debt to the International Labour Organization. We are doing everything we can to ensure that we act on our commitment in the coming years.

In conclusion, I sincerely hope that the work of this Conference will be a success and that it will be a landmark in the history of our distinguished Organization.

During the 98th Session of the Conference a year ago, we adopted the Global Jobs Pact. This important document was supposed to move things in such a way that the financial and economic crisis should not become a global employment crisis. We are now in the third year of a global economic crisis, and around the world unemployment and poverty are increasing and threaten to grow still further.

Last year we set out guidelines for employment policy which included the following elements: preserving jobs; promoting job creation, including green jobs; measures to ensure rapid reintegration in employment and combat wage deflation; and, last but not least, measures to help people and families hit by the crisis, especially the most vulnerable members of society. This should be achieved through measures to improve social protection systems.

Last year was challenging for all of us. Efforts were undertaken, through public programmes, to protect jobs. It became clear that where governments placed the preservation of jobs at the centre of decision-making, the increase in unemployment was not proportional to the fall-off in economic performance. The social partners focused on the preservation of jobs in their collective bargaining and made an important contribution to preventing job losses.

However, we are not yet over the crisis. On the contrary, we are now at serious risk of a double-dip recession. Current developments in Europe are aggravating that danger. That is because the only people who so far have made no contribution at all to recovery are the very people who caused the global crisis in the first place – those in the finance industry. Now that governments have handed over surreal sums of money, in the billions, to support the finan-

cial economy, those involved in it can now carry on regardless as before. Through their speculations, they openly attack entire countries such as Greece and entire currencies like the euro. Global or national regulation that would put an end to this is nowhere in sight.

Governments should now by rights be intervening in the financial economy as regulators, in order to ensure that those in that economy have to help pay for the consequences of the crisis. But instead they just keep going back to the stale old recipes which endanger jobs and offer no way out of the crisis. The austerity measures adopted by European governments are useless and indeed threaten the demographic development and future viability of entire societies. High earners are once again exempted. Active labour market policy has been cut beyond recognition. Benefits for the long-term unemployed are cut, and jobs are being cut in public services. But there is no such burden for the people who caused the crisis. It is the vulnerable who suffer the cuts, not the high earners.

The Global Jobs Pact adopted last year includes the promise that “the world should look different after the crisis”. But we cannot just wait for this to happen: we must start work now. It does not look as though many economic representatives and governments feel bound by this promise. I find this to be a great pity. A precondition of this is that democratic governance must have primacy over an unbridled market economy.

That presupposes a willingness to change direction. We are in need of a social order which is resistant to the crisis, an order which strengthens the social state and guarantees the dignity of labour; an order which secures peace and democracy.

The Conference adjourned at 1.30 p.m.

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