



FOURTEENTH ITEM ON THE AGENDA

**Report of the Committee on
Employment and Social Policy**

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1. The Committee on Employment and Social Policy (ESP) met on 10 and 11 November 2008. Mr Shahmir, representative of the Government of the Islamic Republic of Iran, was appointed Chairperson upon nomination by the representative of the Government of Japan on behalf of the Asia-Pacific group (ASPAG). The Employer and Worker Vice-Chairpersons were Ms Goldberg and Mr Patel, respectively.
2. The Chairperson explained the change in the order of the agenda items agreed earlier by the Officers.

A. Implementation of the Global Employment

Agenda: An update

(Second item on the agenda)

3. The Committee had before it a paper¹ entitled *Implementation of the Global Employment Agenda: An update*.
4. A representative of the Director-General, Mr Salazar-Xirinachs (Executive Director, Employment Sector), introduced the paper. He acknowledged some concerns which had been expressed by the Committee in the previous sessions with regard to the methodology of the Global Employment Agenda (GEA) implementation update and the need for a more evaluative document with a stronger focus on impact. For that he invited the Committee to engage with the Office in rethinking the GEA implementation strategy, especially in the light of the ILO 2008 Declaration on Social Justice for a Fair Globalization.
5. The Worker Vice-Chairperson reminded the Committee that its current session was the first since the adoption of the 2008 Declaration. It was also the first session since the full extent of the financial crisis had become evident. In that context he considered it vital that the Committee find an opportunity to reflect how the crisis would influence the ILO's work. Potentially, decades of modest social progress could be wiped out if wrong policy choices were followed. He recalled the request by the Workers' group in the March session of the Committee for an Office assessment of the impact of the economic turbulence and possible responses in the framework of the GEA. In his view, the ILO had a constitutional and moral mandate to act. It could not be "business as usual" for either the ILO or the ESP Committee.
6. He noted the growing consensus on the need for an internationally coordinated response to the crisis, including a global stimulus package. Ideology was no longer the basis for public policy-making but, instead, a new pragmatic approach was emerging. The components of such a stimulus package needed to be identified: should it contain solely fiscal and monetary elements or should it involve labour market tools and responses?
7. The Workers' group strongly believed that there was a critical role for the ILO and its constituents in that debate. The GEA itself offered a key basis for ILO intervention, and in that context the Worker Vice-Chairperson referred to the GEA core element on the role of macroeconomic policy for employment generation. In the view of the Workers' group, the required policy response should include at least the following components: macroeconomic policy for growth and employment aimed at increasing the aggregate demand for labour; improved wages for workers, particularly the working poor, to help stabilize demand through wage stimulus packages, promotion of collective bargaining and

¹ GB.303/ESP/2.

minimum-wage policies; expansion of income support through social security measures aimed at the unemployed and poor households; major public investment in green jobs; and rapid upscaling of physical and social infrastructure, particularly health, education, roads and housing. In short, the repair of society and the environment should be the focus of the fiscal stimulus package so that the systemic effect would be to fix the problems caused by some of the very policies that had led to the financial crisis.

8. The Worker Vice-Chairperson proposed that the Committee should devote a considerable part of the session in March next year to the financial crisis, and that the Office should prepare an update on the latest developments in the global economy and a review of the success of the ILO's interventions in that field, as well as measures that had been used successfully in past economic crises.
9. He expressed disappointment at the text of the paper since, in his view, it did not meet the governance criteria expected by the Committee. In addition, the underlying work that had been carried out was not inspiring. As an example, he pointed to the weak section on the special needs of Africa. He emphasized that future updates of the GEA needed to give the Committee an idea of the magnitude of the work done, some indication of resource allocations, the impact of achieving GEA goals, the constraints identified, and areas where the Committee needed to provide guidance. In addition, the appendix to the document did not fully capture the guidance offered by the Committee, nor did it provide a satisfactory report on the follow-up, including on export processing zones, Poverty Reduction Strategy Papers and GEA implementation. The criteria used to measure progress towards the Millennium Development Goal (MDG) on employment should be based on the decent work indicators that had been developed at the recent meeting of experts. He concluded with a request that the Office should rethink the GEA implementation strategy and develop a new reporting format that would allow the Committee to carry out its oversight role.
10. The Employer Vice-Chairperson endorsed the call of her Worker counterpart to rethink the GEA implementation strategy and the current reporting practice. With regard to the financial crisis, she stressed that, although mistakes had been made, the integrated global economy had, in fact, helped the world to prosper to an extraordinary degree over the last three decades. Open markets and investment policies, coupled with major advances in technology, had enabled more people than at any other time in history to escape poverty.
11. She warned against hurried policies that could roll back the gains made and exacerbate the current economic situation. In particular, she expressed concern about the possible return to the failed economic policies of the past, such as protectionism, which had led to disastrous results.
12. She said that governments must focus on getting policies right and that pro-growth policies were needed. In her view, such policies would include: measures to encourage entrepreneurial activity, investment in skills and education, ensuring that labour markets facilitated maximum participation, providing sustainable social safety nets, promoting mechanisms of dialogue, adopting macroeconomic policies that would stimulate sustainable economic growth, and implementing policies to retain jobs, particularly in small and medium-sized enterprises (SMEs) – the sector most severely affected by the current crisis.
13. One of the key policy levers was regulation, but regulation had to enable enterprises to flourish, provide protection to all workers in the workplace without hampering enterprise start-up and development, and underpin productivity efforts and national competitiveness. She cautioned that hastily implemented regulation could hamper economic recovery.

14. She considered that the ILO needed to play to its strength of being the only organization with a genuine connection with the “real economy”. Its response must be focused on specific achievable proposals. Resources therefore needed to be put behind those efforts.
15. Finally, regarding the paper, she endorsed the views of the Worker Vice-Chairperson. In her view, such papers should focus on impact. They should be forward looking in order to assist the Committee in advising and shaping the work of the Office.
16. The representative of the Government of France, speaking on behalf of the group of industrialized market economy countries (IMEC), thanked the Office for the paper. He noted that it provided a useful basis for discussion and enabled the Committee to carry out and consolidate its governance functions. He noted that the Decent Work Agenda had become an explicit objective for all multilateral institutions. That would support progress towards achieving the MDG of halving extreme poverty and hunger. He pointed out that the examples described in the document strengthened the idea that the GEA remained an adaptable, operational and organizational concept. He highlighted the need for complementing the GEA with the results of the last session of the International Labour Conference (ILC), especially the resolution concerning skills for improved productivity, employment growth and development. He concluded by stressing the connection between the GEA and the follow-up to the 2008 Declaration.
17. The representative of the Government of India complimented the Office on the paper. He added that the time had come to further analyse and operationalize the GEA within the current economic context, that jobless growth needed to be counteracted, and that market forces had to be reconciled with the objective of decent work. He emphasized the need to act quickly during the current financial crisis and, as a recent example of such action, he pointed to the encouragement given recently by the Prime Minister of India to Indian industrialists to avoid resorting to layoffs during the crisis. He believed that, for any development strategy to be sustainable, it must focus on employment growth accompanied by productivity growth and direct interventions to combat poverty. The Government of India was currently pursuing such a strategy, which aimed to strike such a balance between growth and equity. He was pleased that the Office paper mentioned the Indian draft employment policy on which the Ministry of Labour and Employment and the ILO had been working for some time. That policy was closely aligned with the GEA and addressed the supply and demand aspects of the labour market as well as equity issues. He expressed gratitude to the ILO for supporting that important activity.
18. The representative of the Government of Lebanon asked for more information on how the ILO intended to reach its objective of full productive employment in the context of the current financial crisis. She also inquired how Decent Work Country Programmes (DWCPs) could identify their priorities, given that not all member States had identical priorities within the four decent work objectives.
19. Mr Salazar-Xirinachs thanked the Committee members for their constructive comments. He proposed convening further discussions in order to clarify the terms that the Committee would wish to use in future reporting on the GEA. He reiterated his openness to the Committee’s guidance for improving the reporting format, especially in the light of the 2008 Declaration and the evolving role of the Committee.
20. The Employer Vice-Chairperson, in her concluding remarks, noted that the discussion had related primarily to the governance function of the Committee. According to her, the Committee needed to be flexible and pragmatic. Referring to the current financial crisis, she stressed that the focus should be on pragmatism and on getting the policy right, and warned against falling back on ideology. She concluded by saying that all social partners had the responsibility of working together.

21. The Worker Vice-Chairperson welcomed the Office's willingness to prepare a paper on policy responses to the current financial crisis for the March 2009 session of the Governing Body. He called for evidence of ILO responses at the country level. He also strongly recommended that the ILO develop its own position and views on the crisis. He used the example of the forthcoming meeting of G20 leaders in Washington, DC on 15 November 2008 as one opportunity for the ILO to express its position.
22. He stressed that the current reporting format on GEA implementation did not allow the Committee to play its governance role. It did not give a measure of success or demonstrate the scale of interventions undertaken. The Committee would need to revise the agenda items for the future in view of the present economic context. He was pleased that both the Employers' and Workers' groups concurred on a number of issues, especially regarding the importance of regulation, the need for pragmatic approaches and the need to rethink policies. He referred to the Employer's group's call to retain open economies, and noted that progress in maintaining open economies required key governance deficiencies to be addressed. In that context he called for a global social regulatory framework which would need to include the issue of global collective bargaining, better regulation of capital markets, active measures to combat income inequalities and a trade model that promoted employment and decent work.

B. Employment and labour market implications of climate change (Fourth item on the agenda)

23. The Committee had before it a paper² on the employment and labour market implications of climate change.
24. A representative of the Director-General, Mr Campbell (Director, Economic and Labour Market Analysis Department), introduced the paper. He stated that the central aim with regard to the theme under discussion was to combine existing issues of growth and development with the need for adaptation to climate change on the one hand, and to create strategies for reducing greenhouse gases, on the other. He pointed out that a smooth transition in that process required a tripartite effort in order to formulate proposals for the greening of employment that would be a part of our existing employment and labour market policies. It was argued that the ILO's existing focal areas, whether in employment-intensive works programmes, social protection, skills development, or the provision of employment services, were activities through which changes could be affected. Most critically, institutions for collective bargaining and social dialogue, occupational safety and health provisions, and requirements for sustainable enterprises, were all particularly apt mechanisms through which the greening of the global development process could be realized. Similarly, the reduction of informality, the rapid response to crises, and standards and rights, were activities within which those newer issues could be placed.
25. While there were considerable information gaps, in principle the core concerns of ILO activities were not only potentially amenable to the greening of jobs, but would reinforce the ILO's original concerns. As an institution, the ILO needed to participate actively in UN system-wide action and give impetus to the matter in country, regional and international forums. In the context of the present global downturn, governments would look for labour market support, and in that regard, he emphasized the importance of both creating new decent and green jobs and converting existing ones. In particular, the UN climate change

² GB.303/ESP/4.

negotiations might benefit from having an explicit employment dimension for sustainable development.

26. The Employer Vice-Chairperson endorsed the Office view that responding to climate change was core ILO work, given that dealing with transitions on account of changes in economies and labour markets fell within its mandate. She emphasized that definitions and assumptions about “green jobs” had to be broad and comprehensive in order to match the diversity of business, employment and national conditions and priorities. There was no clear line between green and non-green jobs. The goal should be the “greening of all jobs”. She also noted the role of innovation in the workplaces and economies of the future. She called for clear, predictable and stable frameworks for long-term planning and investment and risk management, as well as proactive measures to meet climate change and sustainability challenges. She noted the importance of institutional frameworks, including intellectual property rights protection and the removal of trade barriers, for deploying advanced technologies to foster greener economies. Regarding collective bargaining, she considered that climate change was not necessarily a collective bargaining issue, and stressed that maximum flexibility for constituents to respond to climate change should be retained.
27. Assuming the availability of sufficient resources, she recommended that the ILO should continue with existing programmes in the following areas: the special needs of employers in developing countries and vulnerable regions, particularly with regard to SMEs; opportunities for capacity building in developed and developing countries; the impacts of climate-related policies on jobs and competitiveness; the impact on jobs of sectoral approaches; addressing climate, environmental and energy issues through management systems and partnerships; adaptation challenges; and technological innovation and deployment. She suggested convening a meeting of experts to discuss the issue further.
28. The Worker Vice-Chairperson recognized that climate change was a valid and important area of ILO work, and noted that the first challenge was to develop a new deal on green jobs which would respond simultaneously to the climate change agenda and the current economic challenges. Noting the current research gap, he proposed that the Office should quantify the full potential of creating green jobs that help repair the damage of global warming and reorient economic activities in a new, sustainable direction. In addition, he recognized the ILO’s role in advocating measures to expand green jobs that were also decent jobs. He supported the idea that all four sectors of the ILO had key roles to play in promoting the initiative. He emphasized that ILO work programmes should adopt an integrated approach, in which all four strategic objectives of the ILO were used simultaneously. He mentioned two possible areas of work for the ILO, namely technical work in defining a “green job” and green technology transfer. Referring to the recent surge in biofuel production that had raised food prices, he recommended that the Office should actively consider the social dimension of greening economies.
29. He noted that addressing the basic needs of people in developing and developed countries, such as safe and affordable public transportation and access to energy and decent housing, would have significant positive impacts on the environment and on climate change. Thus, assuring particular social equity goals would generate green outcomes. He urged action following the best scientific knowledge available and affirmed the considerable roles that States could play in greening economies. As examples of measures to that end, he mentioned public procurement of green products and services and incentives to invest in green jobs, both of which should also involve conditions to promote fair labour standards in such jobs.
30. Taking issue with the point made by the Employer Vice-Chairperson regarding the role of collective bargaining, and recalling the case of Spanish trade unions and employers, he

emphasized that unions and shop stewards could be centrally involved, not only in shaping responses to job losses, but also in identifying opportunities in greener economies. He stressed that collective bargaining was a flexible tool for bringing workers' voices into initiatives to shape green jobs and green economies and workplaces. The ILO could promote the greening of collective bargaining.

- 31.** The representative of the Government of France, speaking on behalf of the IMEC group, thanked the Office for its paper. He noted that the ILO could claim expertise and therefore legitimacy for becoming involved in a broad range of labour market institutions and interventions when challenges induced by climate change arose. He highlighted the responsibility of the ILO, in cooperation with other agencies, to assess and raise the profile of the employment consequences of climate change and promote a holistic view encompassing employment, growth and poverty reduction. He welcomed the ILO's initiatives in exploring the challenges and opportunities offered by the implementation of more environmentally sustainable development, encouraging employment opportunities and developing green job pilot projects, or working with the Food and Agriculture Organization, in view of the vulnerability of the agricultural sector to climate change and environmental degradation. He highlighted IMEC's appreciation for the actions developed within the "green jobs initiative" framework, such as the recent joint report produced by the Worldwatch Institute, and the ILO's contribution on that topic at the last G8 Summit in Japan. He also noted that many IMEC countries had taken positive steps to promote re-employment and green jobs within the framework of sustainable development. He pointed out that the ILO might need to aid the labour market during the transition towards sustainable growth, through an assessment of the impacts on employment and its redress via the development of education, vocational training and lifelong learning. Various ILO technical cooperation programmes could help to combine economic development with social and environmental objectives. He also noted the need to create green jobs that complied with the requirements of decent work and social inclusion, and the fact that social dialogue and DWCPs would play a key role in mobilizing government, social partners and enterprises.
- 32.** The representative of the Government of Australia supported the IMEC statement. He said that a paper clarifying the links between the ILO's work on green jobs and each pillar of the Decent Work Agenda would prove useful in providing a helpful strategic focus and promoting research and programmes which would take the best advantage of the ILO's areas of expertise. He emphasized that the ILO should have the same role in climate change as it did with economic restructuring, and that a positive approach for the ILO might involve examining and explicitly incorporating the lessons learned from past structural changes to the global economy, and applying those lessons to proposed action in relation to the current global challenge of climate change.
- 33.** The representative of the Government of the Republic of Korea supported the IMEC statement and thanked the Office for the report's comprehensive approach with regard to climate change. Recognizing the importance of creating green jobs, she highlighted the Republic of Korea's implementation of its "Low Carbon and Green Growth" strategy. She welcomed the ILO's Green Jobs Initiative and offered some suggestions such as more in-depth studies and sharing of information and practices among member countries with respect to the Green Jobs Initiative. She requested that the Office look into the roles of active labour market policies in possible decent job creation in the new energy sectors.
- 34.** The representative of the Government of India commended the Office for the paper and noted that economic and social implications in the context of climate change constituted both risks and opportunities for employment. He emphasized that the Committee's discussion on climate change should focus on labour and employment only. While countries must undertake development in a manner that would not limit their capacity to

cope with adverse impacts of climate change, the standards and norms applied in developing countries had to reflect their stages of economic development. The policy direction should therefore be focused on adaptation and technical and financial cooperation to assist developing countries to address climate change. He emphasized the need for care in promoting the social transition to green jobs, so that the promotion of green jobs would not act as a constraint on the growth of developing economies, especially in areas of trade. He noted that small enterprises required particular assistance in acquiring technical knowledge and information on climate change, and emphasized the need for skills development in order to avoid skills shortages becoming a constraint on achieving sustainability.

35. The representative of the Government of the United States thanked the Office for the paper and expressed support for the IMEC statement, agreeing that the policy reactions to climate change could be an important source of economic restructuring and that would have major labour market implications. She noted that an ILO response to labour market transitions would be a natural extension to its regular work. She commented on the paper's aim of defining the ILO's role based on its expertise and experience in the promotion of training, employment services, occupational safety and health, and standards and rights. She highlighted paragraph 53 as being a useful synopsis of the ILO's areas of expertise, and suggested that the ILO could use those areas to address the challenges associated with climate change.
36. The representative of the Government of the Bolivarian Republic of Venezuela addressed the impact of climate change on the employment and labour market and highlighted his Government's own efforts in building awareness of energy efficiency and the elimination of wasteful systems. He noted various measures adopted by his Government to make its economy greener and the fact that the Bolivarian Republic of Venezuela had created many decent green jobs. He encouraged other countries to follow its example.
37. The representative of the Government of Spain stated that the challenge of the twenty-first century did not appear to be the climate change but change – which included the climate as well as the technological and social dimensions – in a new globalized context. He found the ILO initiative on green jobs very noteworthy and supported it in its entirety. He stated that in Spain issues related to climate change had been the subject of social dialogue and consultations and thanked the Workers' group spokesperson for referring to this experience. He also indicated that it would be appropriate adding to the green jobs initiative the "green enterprises" initiative, so as to conceptually expand the commitment to the entire production process.
38. The representative of the Government of Bangladesh expressed his gratitude at being a part of the ILO's three current country studies on green jobs. He pointed out that generating "green jobs" would not address the full implications of the effects of climate change. He expressed his concerns regarding the effects of global warming on Bangladeshi farmers and workers and called for specific studies on how climate change could affect labour markets and joblessness.
39. The representative of the Government of South Africa addressed the immediate consensus of the ILO on its role on climate change. He also mentioned that he would like a more indicative paper for discussion in March, while emphasizing that social dialogue was central to that institution and topic.
40. Mr Adyanthaya (Worker member) criticized the biofuel policies of developed countries, drawing attention to a recent study published by Oxfam. He observed that food insecurity and inflation, for which biofuel production was partly accountable, hit the poor the hardest, and called for caution with regard to biofuel policies.

41. The Worker Vice-Chairperson appreciated the discussion in the Committee and the response given by the Office. He observed consensus and useful suggestions regarding the areas of ILO focus and follow-up activities. Additionally, he drew attention to the fact that green jobs ought to be available in developing countries. However, he noted a big awareness gap in green job creation opportunities, and called for the ILO's advocacy activities to raise policy-makers' awareness of the importance of investing in those areas. He reiterated the importance of green technology transfer in development. He asked the Office to provide a quantified picture of the potential impact of greening strategies on jobs, which could assist ILO advocacy on the fiscal stimulus packages that were being developed.
42. The Employer Vice-Chairperson warned of the danger of confusion arising over the definition and usage of the term "green job", and suggested that it should not be overused. She noted that there were many areas for the ILO to work on, and considered that a meeting of experts might offer a way forward.
43. Taking up the point made by the Worker Vice-Chairperson, she stated that a deeper examination of the employment impacts of the phenomenon of green jobs needed to be undertaken. She observed that gaps in our existing knowledge were still large, and even some of the research that did produce data on the employment impact of climate change was based on a simple growth elasticity calculation that had clear limitations. She also noted that the ILO's Policy Integration and Statistics Department was presently involved in developing a fairly sophisticated econometric model that could go some way towards addressing that concern.

C. Presentation of the first issue of the global wage trends report (First item on the agenda)

44. The Committee had before it a paper³ on the presentation of the first issue of the global wage trends report.
45. A representative of the Director-General, Mr Diop (Executive Director, Social Protection Sector), introduced the first issue of the *Global Wage Report*. He recalled that in March 2007 the ESP Committee had asked for a periodic report on wages, recognizing that wages were a central component of decent work and that the ILO needed to fill the serious knowledge gap in the area of wages and wage statistics. He explained that the paper before the Committee was intended to communicate information about the main findings of the first *Global Wage Report* which would be released before the end of the year, as well as to seek guidance about issues to be explored in future reports. He also asked the Committee to provide guidance on whether there should be a periodic discussion on wage reports in the ESP Committee in the future. He emphasized that future reports would require further efforts in terms of data collection and analysis, particularly regarding issues such as gender wage inequality. He also hoped that the findings of this first *Global Wage Report* would contribute to strengthening the ILO's capacity to respond to growing demands for technical assistance as regards wage policies.
46. A representative of the Director-General, Ms Tomei (Director, Conditions of Work and Employment Programme), highlighted some key trends regarding the first issue of the *Global Wage Report*. Referring to the Office paper, she pointed out that average wages had grown by less than 2 per cent per year in half of the countries over the period 2001–07;

³ GB.303/ESP/1.

that on average wages had increased by 0.75 per cent for each extra 1 per cent growth in per capita GDP; that the share of wages in GDP had declined in 70 per cent of countries between 1995–2007; that inequality between top and bottom wage earners had increased in 70 per cent of countries since 1995; and that the gap in wages between men and women was closing in 80 per cent of countries, although at a slow rate. She then formulated some considerations about wage policies. She noted the reactivation of statutory minimum wages around the world which had helped to reduce inequality in the lower half of the wage distribution. She also noted the overall decline in the coverage of collective bargaining, emphasizing that, where levels of collective bargaining were high, wages were more responsive to economic growth and contributed to reducing overall wage inequality. She then presented some recommendations on the policy design of minimum wages and on ways to promote collective bargaining. Finally, she sought the guidance of the ESP Committee on the way forward. She proposed that the Office monitor the impact of the global financial and economic crisis on wages, assist member States in improving wage governance in the new context, and improve the quantity and quality of wage statistics. She also proposed some themes for future reports.

47. The Worker Vice-Chairperson congratulated the Office, noting that the paper was an excellent response to the request made by the Committee 20 months earlier and that it met a number of criteria: the speed with which it had to be produced; the usefulness of the data to the constituents; the timeliness of the data in the light of the national and international context; and the establishment of the ILO as a centre of knowledge on wage issues. He also noted that the report summed up the contemporary experience of workers, and because wages constituted the primary earnings of 1.5 billion people across the world, it was timely that the ILO would be publishing a regular, authoritative report on wage trends. The paper showed that, in recent years, workers had not enjoyed their fair share of the wealth that had been created globally, earnings lagged behind productivity, income inequality was rising and workers often did not benefit fully from economic growth, although they were among the first to suffer during periods of economic crisis. It did, however, show that minimum wages and collective bargaining did make a difference. The policy implications section was interesting but needed further work, in particular the observation that single national minimum wages fitted better with collective bargaining than occupation-specific minimum wages required supporting data. This could be a matter for further discussion in March 2009 when minimum wages would be included on the ESP Committee's agenda. His suggestions for improving the report included upgrading the wage database and increasing the regularity with which the report was published. He called for new policies to reverse the systemic shift of rewards to profits instead of wages and of increases in global output that are not underpinned by growing domestic demand, as well as inadequate wages in many developing countries.
48. Regarding the programme for future work, the Worker Vice-Chairperson said he would be examining both a programme to help countries achieve a minimum living wage, and policy initiatives to strengthen collective bargaining. By way of future policy themes, he identified the issue of the extension of collective agreements to non-standard employment and the informal sector. In his view, the Committee in the future would annually receive a report and presentation of global wage trends and policy implications. In conclusion, although there was potential to improve the report, he appreciated that the Committee had for the first time a paper that quantified the situation as regards the wages of 1.5 billion people, and that was a solid start.
49. The Employer Vice-Chairperson thanked the Office for the substantial work that had been done. As to the issue of governance, she expressed her concern that the Office was seeking guidance on a report which the constituents had not seen. Regarding the substance, she began by outlining the overall context in which wage policies should be addressed. First, she noted that countries with poor investment climates would struggle to attract investment

and generate sufficient indigenous growth-oriented enterprises. That would have a negative impact on wages, increases in which must be based on increases in labour productivity. Second, she recalled that increasing inequality did not necessarily mean that people were getting poorer, because average real incomes for poor workers could increase even with widening inequality. In addition, wages were only one part of total compensation and costs, which were influenced by policy and economic changes such as trade openness. Furthermore, she emphasized that some degree of inequality was inevitable but not necessarily bad, because it would be the result of compensating talents and contributions. Finally, she suggested that bald comparisons between countries were not helpful to policy-makers. She stressed the fact that the evolution of income and wage inequality was a complex phenomenon, driven by many factors such as foreign direct investment (FDI), technology and skills shortages. Solutions should include the improvement of the functioning of the labour market through up-skilling and labour law reforms; the reduction of labour costs and the tax wedge thereby improving disposable income and making work pay; increasing access to education and training; and keeping borders open to trade. She expressed reservations regarding the paper's finding that collective bargaining was the key factor in reducing inequality, and emphasized that in her view the impact of minimum wages tended to be limited to certain groups of workers and that, if set excessively high, they would act as an employment barrier.

50. As regards future work, she proposed that the Office should not only improve wage data but also examine productivity issues. Focus should be on the impact of new trends in wage determination and the trade-offs involved in determining the level of minimum wages. She emphasized the importance of collaborating with other organizations in the area of wages. The next issue of the *Global Wage Report* should look at the factors that drove wages, investment and productivity, and the conditions under which those driving factors worked best. In future, research could be carried out into non-wage costs, public/private sector wage discrepancies, and gender inequalities.
51. The representative of the Government of France, speaking on behalf of the IMEC group, thanked the Office for the first issue of the *Global Wage Report*. Recognizing the importance of wages for workers and the whole economy, he stressed that it should be the duty of the ILO to continue to improve the knowledge base on wages. The Office was encouraged to continue its research and to focus on informal sector pay, wage-fixing systems, performance pay and the impact of skills on wages. He also supported further work on the underlying causes of changes in the gender pay gap.
52. The representative of the Government of the Republic of Korea supported the statement of the IMEC group. She warned of the risk of generalization, and requested the Office to conduct in-depth research on the relationship between collective bargaining coverage, economic growth and wage inequalities. She also reiterated the importance of improving wage statistics in terms of quality and coverage.
53. The representative of the Government of China said that the ILO should be an excellent knowledge centre on wages, and welcomed the *Global Wage Report*. He supported the future work outlined in the paper and proposed that the focus should be on the improvement of wage statistics, the productivity outcomes of different pay systems, and effective wage policies in the context of the current financial crisis. The report should also be translated into other languages.
54. The representative of the Government of the United Republic of Tanzania, speaking on behalf of the Africa group, commended the Office for the report and endorsed the Office proposals for future work in the area of wages. He noted that the issue of minimum wage fixing and its implications were of concern to African countries. Although some developed countries, such as the United Kingdom, had opted for a national minimum wage, some

African countries, including the United Republic of Tanzania, had recently decided to implement sector-specific minimum wages. He explained that the aim of such a move was to target those sectors with weak collective bargaining, including the domestic worker sector.

55. The representative of the Government of the Bolivarian Republic of Venezuela said that he welcomed the first *Global Wage Report*, which showed wage trends around the world. The Venezuelan Constitution guaranteed a wage that made a decent life possible, and the Government had recently increased the minimum wage by 30 per cent as a way of achieving poverty reduction, non-discrimination and social justice.
56. The representative of the Government of India complimented the Office on the *Global Wage Report*. Highlighting the report's key findings, he noted that the spirit of tripartism influenced policy developments in India and that collective bargaining remained the best way to improve working life. He also reported on India's positive experience regarding minimum wages. He highlighted the challenges relating to wage statistics and wished to know how they had been addressed in the report. He asked whether there might be inconsistencies in the Indian data contained in the presentation. He suggested that the impact of inflation and the economic crisis on wages, as well the improvement of wage statistics, could be included in the future work of the Office.
57. The representative of the Government of Spain felt that the report was transcendental in two ways. First, the report showed that globalization had benefited humanity in an unequal manner, that per capita GDP had increased faster than average wages, and that the gender pay gap had closed only slowly and remained an important issue. Second, the report demonstrated that the ILO was right to promote a fair globalization and to continue promoting the objective of balancing social protection and economic efficiency. Employers in Spain were not opposed to minimum wages.
58. The representative of the Government of the United States noted that the *Global Wage Report* had not yet been made available, but that the paper provided a preview of the findings. She pointed out that the section on wage trends lacked methodological information, while the discussion of policy implications did not fully acknowledge the role of market forces as the main determinant of wages. She expressed her disappointment at the timing of the report's release, as the Committee was not able to provide feedback on the report or evaluate it. She requested further clarification regarding the sources and quality of the wage data set used in the report.
59. The representative of the Government of Mozambique said that some of the criteria for setting a minimum wage outlined in the report were not applicable to Mozambique. He noted that the criteria had changed and that there was greater emphasis on productivity. He hoped that Mozambique would be included in the next issue of the *Global Wage Report*.
60. The representative of the Government of Argentina thanked the Office for the report on a topic of special importance. He emphasized that the Office should continue its work on wages and should explore empirically how wages evolved during economic cycles and how different policy measures could help to improve wage outcomes during downturns. He encouraged the Office to continue to give priority to the analysis of wage inequalities and the concentration of wealth in particular sectors, the gender pay gap and the minimum wage as a means of reducing inequality and improving the purchasing power of workers.
61. The representative of the Government of South Africa welcomed the report, and said that wages should be the focus of the ILO's work. He referred to the major wage trends reported in the paper and agreed on the need to improve labour market institutions. He stressed that in the case of South Africa, the challenge had been to monitor trends in wages

and poverty and that overall, more statistical work was needed as regards African countries. He found the comments of the Employer Vice-Chairperson disturbing, and emphasized that he did not agree with the conclusions of the reports of the World Bank and the Organisation for Economic Co-operation and Development (OECD).

62. Mr Diop thanked the delegates for their very constructive interventions. He regretted that the Office could not make the full report available to the Committee. He emphasized that this first report focused on the basics, with a view to filling an informational gap on wages. It would be followed up in the future with more data collection and empirical analysis and should be seen as a starting point for the work of the Office on wages.
63. Ms Tomei appreciated the useful comments that had been made and the lively discussions that had taken place, as well as the support expressed by the delegates for the idea of monitoring the impact of the economic crisis on wages. There was strong consensus on the need for better wage statistics. It had not been possible to include statistical details in the paper because of the limit on length. She provided clarification on the seemingly inconsistent data for India. She noted that the October Inquiry data had potential but that it needed to be streamlined and improved so that it could be put to better use. The possibility of an annually published update of the report would depend on the availability of financial resources and experts.
64. The Employer Vice-Chairperson concluded by noting the complexity of wage data and by highlighting the need to understand the sources, limitations and different interpretations of the wage statistics. She cautioned against blanket policy recommendations or policy recommendations that were too prescriptive; there was no “one-size-fits-all” solution. Different governments faced different policy issues and relied on varying policy mixes. While no one was saying that minimum wages were always a source of exclusion from employment, she wished to know what represented a reasonable level for minimum wages.
65. The Worker Vice-Chairperson concluded by emphasizing that there was a broad consensus on the value of the work on wages carried out by the Office, as well as on the importance of continuing data collection. He nevertheless disagreed with much of the statement made by the Employer Vice-Chairperson, and regretted that she had chosen to highlight the complexity of the data rather than engaging in more fruitful dialogue. He noted that the report showed that wage increases lagged behind increases in productivity; he cited evidence of very substantial absolute poverty (1.4 billion people living on less than US\$1.25 a day); he drew attention to a range of studies – from the OECD, the World Bank and the ILO – that showed the social and economic damage of growing income inequality; he noted some of the job losses associated with trade liberalization; he pointed to a growing consensus that inequality was driven by greed and abuse of market power; and he said that informal economy growth exacerbated the trends shown in the Office paper and that average wage increases obscured the impact of rising income inequalities on the wages of low-income workers. He challenged the idea of wages being more responsive to market forces, calling it a euphemism for weakening trade unions and collective bargaining, and his group called on employers to recognize the grim reality that had been set out in the Office paper. At the same time he was encouraged by the statements of many government representatives, including in particular the recognition of the importance of collective bargaining and minimum wages by the representatives of China and India. He concluded with an invitation to support calls to strengthen the Office’s work on wages and wage statistics, and to provide adequate resources and publicity for that work. He supported the translation of the report into different languages and said he was looking forward to further policy discussions on wages in the future.

D. Social security standards and the ILO campaign for the extension of social security

(Third item on the agenda)

66. The Committee had before it a paper⁴ on social security standards and the ILO campaign for the extension of social security.
67. A representative of the Director-General, Mr Diop (Executive Director, Social Protection Sector), recalled the importance of adequate social security mechanisms for the protection of workers and their families in view of the global financial crisis, and referred to social security systems as being among the most powerful means of alleviating poverty. He referred to the Office paper as the second update on the development of the Global Campaign on Social Security and Coverage for All, following that of March 2004. Important progress had been made, and he highlighted some of the achievements. He underlined the fact that the Organization should ensure that the right to social security for all workers and their families became a reality. The ILO would continue to reinforce the capacity of constituents to influence national social policy for the extension of social security, and was convinced of the Committee's continuing support.
68. A representative of the Director-General, Mr Cichon (Director, Social Security Department), presented the Office paper. Recalling the Campaign's mandate to promote the extension of social security coverage to all, he presented the four-tiered strategy developed in response to ILO constituents' needs, and its interlinked components: generation, management and dissemination of knowledge; policy development; technical cooperation; and capacity building. The overall assessment of the Campaign showed that it had had a positive impact and that important lessons could be learnt from the process. He stressed the important role and substantial influence of existing social security Conventions, but emphasized the need for a new mechanism to promote universal access to priority benefits to combat poverty. In concluding, he asked for advice, guidance and discussion on paragraph 47 of the Office paper.
69. The Employer Vice-Chairperson thanked the Office for the paper and recalled the Employers' support for the Campaign. The present debate was not on the goal of social security for all, but rather on the best way to proceed in the medium to long term. She stressed the longer-term aspect of establishing programmes, institutions and resources for social protection. Social security was an important element of social compacts, and employers had a special role to play. The paper, in the Employers' view, sought to extend the ILO's normative capacity in social security, change the Campaign as developed in 2001, and channel all technical assistance into DWCPs. Existing social security standards had not been effective in extending social security as the ratification rate was low. However, no new international labour standards were necessary for the Office to invigorate or carry out its work. While the ILO's normative framework was an important reference for policy-makers, further reflection was needed on widening the appeal of the ILO Social Security (Minimum Standards) Convention, 1952 (No. 102).
70. She suggested developing an overarching, non-binding instrument that would set out the core ILO social security principles. Such an instrument would be drawn up by a consultative tripartite meeting and adopted by the Governing Body. She recalled the purpose of the Campaign and the wide support for the 2001 resolution, which had not envisaged a new standard-setting route to achieve its objectives. Social security for all was

⁴ GB.303/ESP/3.

still an aspiration to be realized, although some progress had been made. However, the Campaign had not been properly resourced and she suggested a bottom-up approach, focusing on practical interventions and partnerships to achieve its goals.

71. It was recommended to the SILC Steering Committee that social security should be a priority area for review in 2011. A relaunch of the Global Campaign in 2009 was proposed, with a strong emphasis on national campaigns which would proceed through piloting the Campaign in five countries. Partnerships would have to be strengthened for its delivery and preliminary research could be conducted on social security issues in the pilot countries. Subsequently, policy lessons would be learnt for an extended roll-out of national campaigns. As a part of the guiding principles of the national campaigns, social security should be considered as a springboard back into employment and, given the economic climate, as a safety net. It should take account of economic reality and be aimed to help the most needy.
72. Steps should be taken to establish a high-level advisory panel to oversee the Campaign and an international donor peer-review mechanism to measure the impact of social security interventions. There was a need for both a major international media campaign to raise awareness on the role of social protection and a strong link to the MDGs.
73. Concerning the paper, she asked whether partnerships with other agencies were envisaged for data collection. She suggested peer review to examine the affordability of the basic package, and asked whether there had been an evaluation of the Global Social Trust (GST).
74. Concerning paragraph 47, the Employers agreed to 47(a), (b) and (d). With regard to 47(c), they preferred a meeting of experts in 2009 to review the Campaign, discuss strategies to revitalize it, find ways to increase international collaboration, and to review best practices.
75. The Worker Vice-Chairperson observed that there was renewed interest in the role of social security in development and in combating poverty, as well as in its function in complementing economic growth. The Workers welcomed the Office paper and noted that the Campaign was a key element of the Decent Work Agenda and that the extension of social security measures to provide a basic income to all in need was a core function of the ILO, confirmed in the 2008 Declaration on Social Justice for a Fair Globalization. There was a strong consensus within the ILO on the need to extend social security to all. Poverty alleviation required decent employment and universal social security. Social security was a human right and an investment in people but also an imperative of macroeconomic stability. At a time of financial crisis and global recession, it had an important role to play in providing income protection and stable pensions. He stressed the need for governments to strengthen social infrastructure and access to adequate health care, thereby contributing to job creation. He raised concerns about the financing of social security systems and the need to guarantee adequate returns, in particular for old-age pensions, in view of recent investment trends. He cited an OECD study that calculated a \$2 trillion loss in the value of pension fund assets in the United States. There was an urgent need to design safeguards that protected pensions against market risks, on which the ILO should provide policy advice. Extending basic social security coverage was even more important in view of the global crisis, and tax-funded large-scale transfer systems were needed to protect the poorest. The ILO had the mandate and expertise to help governments in designing social security packages which would reach out to the poor, and the Office should provide guiding instruments and advice. The full implementation of Convention No. 102 and of other social security standards remained a goal for all developing countries. Technical studies and assistance were needed on viable ways for countries to ratify the Convention. The development of a guiding mechanism and instrument setting out a basic package of benefits in line with the social assistance concept, clearly identified as a first step towards

the ratification of Convention No. 102, would be helpful. Guidance to constituents on how to achieve universal coverage was a matter of great urgency for workers and their families. In conclusion, he stressed the usefulness of a tripartite meeting, on the understanding that it would focus on the means to improve social security coverage and would not be a review of Convention No. 102 and of other up to date social security standards.

76. The representative of the Government of France, speaking on behalf of the IMEC group, thanked the Office for the paper, which provided a clear picture of the actions and strategies adopted by the ILO to organize and promote the Campaign. He reiterated support for the Campaign, its promotion and the work of the ILO on social security, which was particularly important in view of the principles and priorities set out in the 2008 Declaration. As had been shown by the success of projects reported by the Office, future activities should stress the need to establish social security systems for all in line with national circumstances and needs. Improvement of the knowledge base on social security should be pursued through research. Ratification of the fundamental social security standards, or at least respect of Convention No. 102's basic principles, should be promoted and linked to technical assistance and information. The IMEC group welcomed the course of action proposed in the paper, in particular the proposal to improve the Campaign's visibility and to pursue tripartite consultations on ways of improving social security coverage in member States.
77. The representative of the Government of Uruguay, speaking on behalf of the Latin American and Caribbean Group (GRULAC), thanked the Office for its paper. He emphasized that the Campaign had served as a catalyst for the work of the Office and the DWCPs. The aim of the proposed tripartite technical meeting would be to identify ways to promote social security, not to prejudge results. The meeting should concentrate on the following objectives: the exchange of information and experiences on social security; the exploration of ideas, proposals and themes which could serve as policy options for developing countries; and the exploration of how to improve a common floor for coverage based on existing ILO instruments. Possible themes included the financing and sustainability of social security systems; the informal economy and its formalization; the role of the ILO; and links with the MDGs. The GRULAC countries considered that Convention No. 102 contained universal social security principles which should be used as a basis for implementing mechanisms for the extension of social security. Furthermore, technical assistance should be provided regarding the ratification and implementation of the Convention. In conclusion, he proposed the amendment of paragraph 47(c) of the Office paper, replacing the phrase "and possible form of an additional mechanism to guide" with the word "strengthening".
78. The representative of the Government of the United Republic of Tanzania, speaking on behalf of the Africa group, thanked the Office and recognized the commitment of the ILO and the obligation of each country to determine a national strategy for achieving social security for all. Countries needed to adopt employment policies, legislation and strategies aimed at adequately addressing social security. While noting that the Office paper referred to strategy and the work done, the difficulty lay in the implementation of policy frameworks. He requested the Office to share successful experiences from countries outside the Africa region. Funding and donor dependency posed a problem with regard to the sustainability of schemes. He called upon the Office to increase technical cooperation and enhance national capacities and requested it to continue its work on the extension of social security in the four areas set out in paragraph 47 of the Office paper.
79. The representative of the Government of France, speaking on behalf of the EU countries, expressed concern at the lack of social protection worldwide, underlining the fact that universal access to health care and financing of sustainable systems were important elements of social protection and contributed to the achievement of the MDGs. The EU already supported the extension of social protection through joint initiatives, and invited

the ILO to intensify its cooperation with the World Health Organization (WHO). It welcomed the confirmation of the extension of social security as one of the strategic objectives of the 2008 Declaration, and considered that support for the development of social protection systems, including health coverage, should be a priority on the international agenda. Referring to the findings of the Office publication *Setting social security standards in a global society*, the speaker said it was important to intensify the discussions within the ILO about the most appropriate strategies for achieving the extension of social security. The EU believed the standards of Convention No. 102 and other up to date social security Conventions should continue to serve as the leading standards. Furthermore, it requested a discussion on possible ways of helping countries to establish basic social protection guarantees and to move gradually towards higher levels of protection, depending on their level of economic and social development. The EU strongly supported the Office proposal to pursue tripartite consultations and suggested a tripartite technical meeting of social experts in early 2009. It strongly supported the idea that social security should be addressed at the ILC in 2011, especially given that the ILC had discussed labour protection in 2006 and social security had not been comprehensively addressed by the ILC since 2001. Moreover, a deadline of 2015 had been set for achieving the MDGs, for which social security was increasingly important.

- 80.** The representative of the Government of the United States endorsed the statement made by IMEC. She expressed concern regarding the definition of the “basic ‘social security package’” referred to in paragraph 14 of the Office paper, while acknowledging the importance of the issues and the ILO’s experience and expertise in making a valuable contribution in certain areas. National social security strategy should be “path dependent” or “dependent on past development and national values” (paragraph 16) and social protection policy was largely based on normative judgements about needs. The ILO should not be setting “one-size-fits-all” priority elements or benefits but should help constituents to achieve these once they had been determined nationally. More information was needed on the purpose and expected outputs of the proposed tripartite experts meeting. A review of the ILO’s work on social security including resources utilized, results achieved and lessons learned was proposed.
- 81.** The representative of the Government of Japan thanked the Office for its paper providing the latest information on ILO activities regarding the extension of social security. Stressing the increasing importance of social security in the context of the global financial crisis, he believed that the ILO’s strategy was enhancing social security systems worldwide. He welcomed the development of ILO activities under the Campaign.
- 82.** The representative of the Government of India commended the Office on the comprehensive and informative agenda item and the work done in the recent past. He acknowledged that emphasis should be placed on collecting information and measuring social security coverage. A basic social security package could be an effective starting point regarding the Campaign’s objectives. The interim financial assistance provided to developing countries through the GST and technical cooperation projects undertaken by the Office could be useful in pilot testing specific sets of benefits. He stressed the need to focus on the informal sector. Knowledge-sharing and best practices could prove helpful in finding innovative ways to tackle poverty and employment and in framing suitable social security policies. While acknowledging the priority role of the State in the facilitation, promotion and extension of social security, he stressed the shared responsibility of social partners and employers in particular. He referred to the extension of health care to economically backward sections of society and social security benefits to workers in the unorganized sector in India. Welcoming the further tripartite consultations on the need for additional mechanisms proposed in paragraph 47(c), he concluded by encouraging the ILO in its efforts and called for continued support to make the Campaign a reality.
- 83.** The representative of the Government of the Bolivarian Republic of Venezuela welcomed the Office paper. The interactive strategies that had been adopted were important,

including the implementation of the Internet-based knowledge management platform (paragraph 6). Countries which had not achieved universal coverage or extension could note the recommendations regarding the setting up of a basic benefit package. The Bolivarian Republic of Venezuela had adopted numerous social security programmes, which provided a variety of benefits to those most in need. He acknowledged that Convention No. 102 comprised fundamental principles vital to any system aimed at providing benefits to all, and it was therefore important to promote its implementation.

- 84.** The representative of the Government of Mozambique noted that the extension of social security to the most excluded, such as workers in the informal economy and seasonal workers, was a big challenge for her Government. She recognized that the promotion of social assistance and small informal schemes was the best means of providing social security and requested the Office to assist poor countries in that area.
- 85.** The representative of the Government of Nigeria endorsed the statement of the Africa group. He thanked the Office for its comprehensive paper and said that the Campaign represented a recognition of the fact that social security coverage was inadequate in most ILO member States, especially in developing countries. He believed that each country should determine its national strategy for working towards social security for all. The development of an Internet-based knowledge management platform was laudable. The promotion of further ratifications of Convention No. 102 could be a way of bringing social security issues to the attention of the greater community of States. He welcomed further Campaign initiatives within the DWCP context and joined with the Employers and Workers in urging a more useful deployment of ILO resources in promoting the Campaign. He expressed support for discussion on social security to be submitted for cyclical review in 2011, and for all proposals laid down in the Office paper, in particular the tripartite technical meeting on social security.
- 86.** The representative of the Government of Cuba endorsed the statement from GRULAC and welcomed the activities of the Office regarding the Campaign. The four-tiered strategy provided important steps in the extension of social security. She noted the emphasis placed on the formulation of national policies taking into account basic social security guarantees, which she considered to be a responsibility of the State, and indicated that, while research and capacity building were important, efforts should not be duplicated. She referred to the Cuban social security system, which provided universal health care and social assistance. Changes in the Cuban economy and ageing of population resulting from good health levels achieved, had led to the refinement of the current system. Increases in social benefits had been made and new approaches to social work had been applied. She referred to a new bill on social security that had been discussed at workers' assemblies in all workplaces, and would introduce significant improvements in the current social security system. Noting that Convention No. 102 contained universal principles and elements for the extension of basic social security to all, she pointed out that mechanisms needed to be implemented for the extension of coverage in practice and for the provision of the necessary assistance to governments. Given the importance of the subject, she proposed that the Office continue consultations with ILO constituents.
- 87.** Mr Arthur Errázuriz (Employer member) referred, within the framework of the Campaign, to the reform of pensions in Chile, where the Office, in dialogue with the Government and social partners, had succeeded in establishing a pension scheme which had contributed to economic development. He shared the Workers' concerns regarding the impact of the financial crisis on pensions and stressed the need to ensure the sustainability of pension funds in the long term and to lay down principles for the administration of pension funds within a regulatory framework.
- 88.** The Chairperson noted that the discussions had been most useful and pointed out the risks of misrepresentation of opinions.

- 89.** Mr Cichon thanked the Committee members and stressed that the Office was particularly adamant about guarding Convention No. 102, as it provided benchmarks for replacement rates which constituted safeguards whatever the type of scheme. He emphasized that the basic benefit package was firmly based on the ILO constitutional mandate, which sought to promote mechanisms to provide social security to all in need and comprehensive medical care. What then needed to be determined was the meaning of “basic” and who the most vulnerable were. Therefore, the definition of the basic benefit package was not a deviation from the ILO’s mandate, but a way of fulfilling it. He saw no objection to referring to the basic benefit package as a “social assistance” package in order to distinguish it from Convention No. 102. He welcomed the consensus on the mandate of the Campaign. In response to concerns regarding the affordability of the package, he specified that its implementation could be phased in with development, and referred to cash benefit programmes implemented in 30 countries. He confirmed that the basic benefit package could be the ILO’s practical contribution to the achievement of the MDGs. He noted that the Office had a clear mandate and work would be done towards achieving it with the resources at its disposal. He welcomed any queries on the activities and technical cooperation projects carried out by the Office and proposed to make available its annual delivery report. He welcomed the near universal recognition of Convention No. 102 as the “gold standard” in social security worldwide to which countries should aspire, but expressed the hope that some countries would go even further. Effective partnerships had been established with international institutions and donors, mainly consisting of a global coalition for the basic benefit package: the WHO/ILO/Germany/France/Spain Consortium on Social Health Protection in Developing Countries, the G8 Providing for Health Initiative and the International Health Partnership. He concluded by welcoming the support of the Committee for the cyclical review of social security at the ILC in 2011.
- 90.** Mr Diop noted that the discussions had made it possible to tighten links with the Organization. Referring to the MDGs, he pointed out that the basic social security package provided a tool to achieve those goals, which was something to be proud of. He concluded by saying that social security for all was possible, provided all were for social security.
- 91.** The Worker Vice-Chairperson recognized that the discussion had been helpful with regard to certain points. Convention No. 102 was considered a basic instrument and a goal, and the importance of extending coverage to the informal economy had been recognized. He considered the basic benefit package to be a helpful means of extending social security and believed that it would be useful to review the Campaign, improve its management, assess the adequacy of its resources and consider a pilot country project in addition to a general campaign aimed at all ILO member States. The role of social security in the economic crisis was widely recognized. He expressed support for a tripartite technical meeting and for the amendment of the Office paper to incorporate the view put forward by the GRULAC countries. He noted that the date of the cyclical review of social security at the ILC needed to be finalized.
- 92.** The Employer Vice-Chairperson expressed her satisfaction at the note of consensus that had emerged, and noted that the debate had been on the means and not on the content and aspirations of the Campaign. Noting that there was a way forward on the means, she suggested that the meeting of experts should take place in early 2009.
- 93.** The Chairperson expressed his gratitude and appreciation to the Vice-Chairpersons and Government representatives who had enriched the discussions with their comments, and thanked the interpreters for their excellent work.

Geneva, 14 November 2008.

(Signed) Mr A. Shahmir
Chairperson