

---

## Statement of the Officers of the ILO Governing Body

*Following the extensive exchange of views in the Governing Body's Working Party on the Social Dimension of Globalization on the unfolding global economic crisis, the Officers of the Governing Body agreed the following statement.*

*We suggest that it is used by constituents of the ILO in their ongoing discussions on national and international responses to the crisis. The statement will also serve to guide the work of the Office in the period up to the next meeting of the Governing Body in March. The Officers invite constituents to inform the Director-General of actions they may take in response to the crisis so that they can be taken into account when the Governing Body resumes its consideration of ILO action.*

### The global economic crisis

By mid-November 2008 there is preliminary but pervasive evidence that the financial crisis is taking its toll on the global economy. Latest economic forecasts suggest economic growth in all regions will be substantially lower in 2008 than originally forecast and much lower in 2009. No country will be spared, although the impact will differ greatly from one region and country to another.

The tripartite International Labour Organization reaches deep into the real economy around the globe. Governments, employers and workers are especially concerned about the effects of the crisis on people, on enterprises and employment, on social cohesion and on stability. We know from past experience that economic crises carry severe social and labour consequences that affect most the weakest segments of society and can increase poverty and inequality unless effective measures are put in place.

This calls for urgent action. We need comprehensive and coordinated measures to minimize the duration and the depth of the downturn in the global economy as well as to combat possible negative social consequences and accelerate recovery.

Promoting employment, social protection, and fundamental principles and rights at work and social dialogue constitutes, through the ILO's Decent Work Agenda, an effective policy package in response to the current economic crisis. The vision and strategy adopted in the 2008 ILO Declaration on Social Justice for a Fair Globalization is fully relevant in this context.

The following six measures are required to address the impact of the crisis on the real economy to protect people, support productive enterprises and safeguard jobs.

**First**, ensuring the flow of credit to consumption, trade and investment and stimulating additional demand through public and private expenditure and investment, by the use of fiscal and wage measures to stimulate domestic demand to rapid effect, as appropriate, while maintaining a policy framework conducive to fiscal sustainability. We note with appreciation that several governments have taken and are considering such measures.

**Second**, protecting persons most exposed. Measures should comprise extending social protection and unemployment benefits, facilitating additional training and retraining opportunities, strengthening placement services, enlarging or putting in place emergency

---

employment schemes and targeted safety nets. Young women and men, informal and precarious workers, migrant workers, the working poor are among the most in need of such protections. Safeguarding pension systems is a priority as is revising credit terms for indebted homeowners.

It is necessary to develop and enhance measures of social protection – social security and labour protection – which are sustainable and adapted to national circumstances, including the extension of social security to all, through for example measures to provide basic income to all in need of such protection and policies in regard to wages and earnings, hours and other conditions of work, designed to ensure a just share of the fruits of progress to all and a minimum living wage to all employed and in need of such protection.

**Third**, supporting productive profitable and sustainable enterprises together with a strong social economy and a viable public sector so as to maximize employment and decent work. Special additional measures to safeguard a supportive environment for investment and growth are required, particularly for small enterprises and cooperatives harbouring the largest share of working women and men in all economies. Raising infrastructure investment tailored to small enterprises and cooperatives is one such measure as is using the ILO’s “Green Jobs” initiative to facilitate a sustainable recovery.

**Fourth**, to ensure that social progress is not undermined in the current crisis, we draw on and reaffirm the ILO Declaration on Fundamental Principles and Rights at Work and its Follow-up (1998) in which Members recognized, in the discharge of the Organization’s mandate, the particular significance of the fundamental rights, namely: freedom of association and the effective recognition of the right to collective bargaining, the elimination of all forms of forced or compulsory labour, the effective abolition of child labour, and the elimination of discrimination in respect of employment and occupation.

**Fifth**, strong cooperation between the ILO and its tripartite constituents with the multilateral system will be essential to assist efforts of countries in implementing these measures and to seek common ground to confront the crisis and minimize the consequences for persons, enterprises, rights at work and decent work. Social dialogue and the practice of tripartism between governments and the representative organizations of workers and employers within and across borders are now more relevant to achieving solutions and to building up social cohesion. It is essential to reflect through dialogue national conditions and priorities.

**Sixth**, maintain development aid as a minimum at current levels and provide additional credit lines and support to enable low-income countries to cushion the crisis.

The voice and experience of the tripartite International Labour Organization rooted in the real economy makes it especially qualified to support comprehensive responses to a crisis of this nature. Governments and representative employers’ and workers’ organizations can usefully assist in the preparation and implementation of the measures outlined above.

Looking towards the medium term, we are firmly convinced that sustainable growth and development hinge on balanced economic, social and environmental policies. This will require strong coherence between financial, trade, employment and labour, development, social and environmental policies to support sustainable economic growth and development and ensure decent work outcomes.

The International Labour Organization stands ready, through its expertise and tripartite network and resources to assist countries to respond to the unfolding economic crisis. It will do this by:

- 
- deepening ILO work on the different dimensions and responses to the labour and social consequences of the crisis, including through re-prioritization of ILO means of action;
  - support for ILO constituents in developing their responses to the global economic crisis;
  - engaging with the multilateral system, including the G20 process and the international financial institutions, in order to achieve the objectives set out above;
  - considering a high-level tripartite meeting on the crisis and effective responses thereto, possibly prior to the March 2009 session of the Governing Body with a view to developing a coherent package for consideration by the Governing Body.