



**Fifth sitting**

Wednesday, 10 June 2009, 10.15 a.m.

*Presidents: Mr Hossain, Mr Zellhoefer*

**ELECTION OF THE GOVERNMENT VICE-PRESIDENT  
OF THE CONFERENCE**

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The PRESIDENT

As you know, our work today is to be essentially devoted to the general discussion on the Reports of the Chairperson of the Governing Body and of the Director-General. However, before opening the discussion on those Reports, I would first like to pass the floor to the Clerk of the Conference for an announcement concerning the Government Vice-President of the Conference.

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The CLERK OF THE CONFERENCE

I wish to inform the Conference that the Government group has nominated Mr Tito Palma Caicedo, Deputy Minister for Labour and Employment of Ecuador, as Government Vice-President of the Conference.

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The PRESIDENT

If there are no objections, may I take it that the proposal is adopted?

*(The proposal is adopted.)*

It gives me great pleasure to congratulate my fellow Officer, and I now invite him to come up to take his place on the podium.

**FIRST REPORT OF THE CREDENTIALS COMMITTEE:  
SUBMISSION AND NOTING**

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The PRESIDENT

The first report of the Credentials Committee has been published in *Provisional Record* No. 4. It determines the quorum for our discussions. The Conference is called on to take note of this report.

*(The report is noted.)*

**FIRST REPORT OF THE SELECTION COMMITTEE:  
SUBMISSION, DISCUSSION AND APPROVAL**

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The PRESIDENT

The next item on our agenda is the submission of the first report of the Selection Committee. I call on the Chairperson of that Committee, Mr Amirhossein Shahmir, to present the report.

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Mr SHAHMIR (*Government, Islamic Republic of Iran, Chairperson of the Selection Committee*)

I have the honour of submitting to the Conference the first report of the Selection Committee, which was published in *Provisional Record* No. 2. The

report sets out a number of decisions concerning the work of the Conference that I shall now summarize.

The Committee decided that the discussion of the Reports of the Chairperson of the Governing Body and of the Director-General would begin today, Wednesday, 10 June, at 10 a.m., and that the list of speakers would close on Friday, 5 June, at 6 p.m.

The Committee also endorsed the Governing Body's recommendations contained in Appendix I to the report for the holding of the discussion on the Global Report under the follow-up of the ILO Declaration on Fundamental Principles and Rights at Work, *The cost of coercion*, and decided that this discussion should be held in two dedicated sittings on 9 June.

The Committee endorsed the tentative plan of work of the Conference, which is reproduced in Appendix II of the Report. This is subject to modification as the Conference progresses.

You will see from the Report that the Committee draws participants' attention to a series of suggestions to facilitate the work of the Conference, particularly as regards the fixing of the quorum. It was recommended to the Conference that the practice followed in the past few years by Government members, of not applying for regular membership of committees if they are not entitled to vote, should be continued. If this practice for any reason is not fully respected, the Committee recommended that the calculation of weighing coefficients for votes in committees should be based on the number of regular Government members entitled to vote. The electronic voting system, which is explained in Appendix III of the Committee's report, takes this into account.

The Selection Committee invited a number of international non-governmental organizations to be present at the committees dealing with items on the agenda in which they had expressed a particular interest. In this connection, I should add that on Friday of last week the Officers of the Selection Committee received a request from such an organization, International Young Christian Workers, to be allowed to be represented as an observer in the Committee on Gender Equality, as well as in the Committee on the Application of Standards, in which they had already been included.

The Selection Committee had delegated to its Officers at its first meeting the authority to decide on any non-controversial issues of a routine nature. As the March Governing Body had noted that its Officers had authorized the Director-General to invite International Young Christian Workers to the 98th Session of the Conference, the Officers of the Se-

lection Committee unanimously agreed to the organization's request to be represented in the Gender Equality Committee.

Those are the matters which I felt should be reported to the Conference. I shall therefore not prolong this presentation, but simply commend the first report of the Selection Committee to the Conference for approval.

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The PRESIDENT

May I take it that the Conference is in agreement with the proposals made by the Selection Committee, and approves the Committee's first report?

*(The report is approved.)*

**ADDRESS BY THE PRESIDENT  
OF THE CONFERENCE**

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The PRESIDENT

I would like to make a few very brief remarks before we embark on our general discussion on the Reports before us.

As you are fully aware, this session of the Conference is particularly significant, not only because it celebrates the 90th anniversary of the ILO, but also because the Organization this year is being called upon to address the most daunting challenge of our time, and to play its part in helping its constituents to recover from the massive economic and social crisis.

On behalf of the Officers of the Conference I wish to commend the Director-General, and the Chairperson of the Governing Body, for having taken the initiative to change the focus and shape of the Conference agenda to allow this high body to respond to the crisis.

The global economic crisis is hitting us hard, both in the advanced economies where it originated, and in the developing countries through multiple transmission channels: trade, foreign aid, investment and capital flows, and remittances. The real-economy actors – governments, workers and employers – are finding themselves in an increasingly difficult situation; social and political upheavals are now frequently reported. The most worrying aspect of the crisis, as the Director-General states, is that, while economic downturn may likely be stemmed within the next few months, it will take several years to redress the employment and social regression that the crisis is bringing in its wake.

As we all try to pull together collectively to design ways to recover from the crisis, I hope that we will also address the measures and mechanisms needed, at the national and multilateral levels, to prevent the recurrence of a crisis of these dimensions in the future, and to protect the most vulnerable groups and countries.

The Director-General's Report provides a perfect basis not only for discussing the impact of the crisis on the world of work, but also for addressing ways and means to overcome the economic and social challenges. As we heard, the Committee of the Whole, especially constituted for this Conference, has provided a timely mechanism to allow constituent partners to listen to international experts on various dimensions of the crisis, and to support our plenary discussions to shape the tripartite policy framework needed for recovery.

With these words, I commend the Reports of the Chairperson of the Governing Body and of the Di-

rector-General to the Conference, and I very much look forward to hearing your comments.

**REPORTS OF THE CHAIRPERSON  
OF THE GOVERNING BODY AND  
OF THE DIRECTOR-GENERAL: DISCUSSION**

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The PRESIDENT

Before starting our general discussion on these Reports, I should like to make the following statement on behalf of all the Officers of the Conference, to remind you of the principles by which we shall be guided in our debate.

These principles were established by the Working Party on the Programme and the Structure of the ILO, approved by the Governing Body and communicated to the Conference in 1967. They are set out in paragraphs 54–58 of the Working Party's fourth report which are recalled in the Conference Guide to the 98th Session of the International Labour Conference, a copy of which you should all have. Paragraph 58 reads as follows: "The Officers of the Conference wish to draw the close attention of the delegates to the contents of paragraph 58, which reads as follows: 'In periods of acute political tension the ILO has a twofold responsibility: to uphold the values of human freedom and dignity enshrined in its Constitution, and to circumscribe rather than extend the area of international tension by ensuring the fullest possible degree of continued cooperation in pursuit of the objectives of the ILO. Every delegate to the International Labour Conference therefore has an obligation to the Conference to keep these considerations constantly in mind, and the President has an obligation to ensure that the Conference does not lose sight of them.'"

It should be remembered that the debates of the International Labour Conference must not encroach on what is being discussed by the Security Council and the General Assembly of the United Nations in New York, which have responsibility for political decisions under the United Nations Charter. I should therefore like to ask all delegates to comply with these principles; we, the Officers of the Conference, are committed to ensuring that these principles are upheld.

I should also like to say that I rely on you all to conduct our discussions with both the openness and the dignity that are appropriate to the highest international body in the realm of social and labour-related matters.

Freedom of expression is a vital feature of the International Labour Organization. However, in order to exercise this right in a spirit of mutual respect, it is essential that all delegates use parliamentary language, respect the accepted procedure, refer only to the items under discussion and avoid raising any question alien to these matters. We have to accept a certain amount of discipline if we want our work to be effective and successful.

Every delegate will have the right of reply if he or she feels there is a need to respond to a statement that appears to challenge his or her government. In such cases, delegates must inform the President of the sitting, before that sitting finishes, that they wish to exercise their right to reply. Delegates should make such requests by coming up to the podium and informing the Clerk of the Conference of their wish. The Clerk will transmit the request to the President, who will agree with the delegation concerned on a time at which the reply may be made.

The reply should refer only to the point under debate. It should not exceed two minutes, and it should be delivered in correct, parliamentary language. Lastly, it is not the practice in our Organization to allow replies to a reply.

Please also note that the duration of speeches is limited by the Standing Orders of the Conference to five minutes only. Our schedule is exceedingly tight, so I am sure that all delegates and ministers attending the Conference will wish to take this limit of five minutes into account in preparing their speeches. Beyond that time limit, the President will be obliged to stop speakers before they have finished their speeches.

May I take it that these arrangements are agreeable to the Conference?

*(It is so decided.)*

We shall now open the discussion of the Reports of the Chairperson of the Governing Body and of the Director-General.

I give the floor first to Mr Funes de Rioja, who is speaking on behalf of the Employers' group.

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Mr FUNES DE RIOJA (*Employer, Argentina; speaking on behalf of the Employers' group*)

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It is my pleasure to speak to you as Executive Vice-President of the International Organisation of Employers, representing 148 employers' organizations in 141 countries from throughout the world. That representativity gives us the standing to speak on behalf of employers, both within this house, through the Employers' group, but also in an increasing array of international and regional forums where labour and social policy are discussed.

The theme of the Director-General's Report is the impact of the ongoing economic crisis. This is welcome, as is the acceptance of the revised agenda for this year's Conference that is looking to explore the ways by which the ILO, from within its existing mandate, can be useful to its constituents in responding to the labour and social challenges this crisis has brought to the fore.

The Employers' group has been heavily involved in creating the space in the Conference for this discussion and, rather than reflect again on the issues that are already coming out of the Committee of the Whole, I would like instead to look at the Report through the lens of the Office itself.

How the Office responds to its constituents will be a key factor in its ongoing relevance to them and to its place in the UN family. This is a test the ILO cannot fail.

Labour and social policy have traditionally been the exclusive responsibility of the ILO. That appears no longer to be the case, because more and more other agencies and multilateral organizations are involving themselves in what we have always considered our work. Why is that? Are we happy with that? How should the ILO respond to reassert its mandate? We talk about it a lot, but we see no debate as to how to correct this drift.

The ILO is really important for us. It is the only place where social dialogue within the UN is constitutionally mandated and it is the only place where workers, governments and employers can discuss the world of work. We are at risk of losing that influence as the centres of debate move away. We need to address this fundamental risk with urgency.

We, as constituents, have a responsibility to address this as too does the Office.

Last year we adopted the Declaration on Social Justice for a Fair Globalization. A Declaration not only with a rich title, but one of substance for the Office as it relates to keeping the ILO to the fore of its mandate. The implementation plan for it that has emerged from discussions in the Governing Body is critical in helping to ensure that we as constituents can call on an Office that is modern in its management systems, knowledgeable in its human resources and familiar with the real world of work that is developing outside its doors and as the UN agency where these matters are discussed.

But relevance comes from action.

With the 2008 Declaration and the agenda of this ILC, we are defining a modern ILO with new answers to new issues. The ILO cannot merely repeat the past as an offering for the future. The world has changed and, through this crisis, that change may be more pronounced than anyone was thinking when the Declaration was created. That said, the Declaration has proven to be prescient in that it, and its accompanying resolution, are even more relevant and pressing for the Office and the Organization.

It is also relevant here to refer again to our vision of the ILO, a paper that was widely circulated last year among governments, the Workers' group and the Office, which looks to reinforce the modernization of this house.

As we said in our paper, we need an organization that is focused on achieving its goals, capable of adapting to changing realities and that can promote difficult policy choices and is prepared to question itself.

We set out in our vision eight priorities for the Organization with an emphasis more on technical assistance than advocacy, that also recognizes, as the rest of the world does, the key role of the free market, the private sector, job creation, respect for private property, free trade and sustainable enterprises as precursors for the realization of the four strategic objectives of the ILO through which the Decent Work Agenda is expressed. Those are our fundamental values and we reject any attempts to ignore or diminish them.

Social and economic development cannot happen through advocacy and wishful thinking. For us it requires our member companies and new entrepreneurs to be positioned in such a way that they can, and want, to employ.

In our view, that thinking is not yet completely shared in this house and it fails to understand it at its peril, particularly as we now explore ways to overcome quickly the employment challenge once growth occurs. If we do not understand, as employers, governments and workers, the needs of business, then employment will lag behind economic recovery and unemployment challenges will persist. This is where we will focus the work of the Committee of the Whole so as it works towards an outcome that enjoys the support of all groups as a real contribution to the rapid elimination of the employment gap as the crisis recedes at the time of economic recovery.

We as employers want an effective ILO and we believe and hope the ILO wants the same thing. We call on the Director-General with his leadership to make the improvements we seek in this house so that we, as the ILO constituents, have a future secured and an Organization capable of really helping the real actors in the real world of work.

In conclusion, I want to stress that we also stand with the people and employers struggling to sustain their enterprises within the occupied Arab territories. The ILO must act to help these enterprises, in both policy and technical ways to ensure the bedrock of the private sector remains, from which economic recovery can be built when peace is achieved. Training and education must also be priorities to give youth a future. Now is the time to act to ensure that the occupied Arab territories are best placed to take advantage of peace. That is our message.

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*Original Arabic: Mr SHBAIKAT (Minister of Labour, Jordan)*

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On behalf of my country's delegation, I should like to take this opportunity to convey our thanks and appreciation to the Director-General, Mr Juan Somavia, for his excellent organization of our Conference, and for striving to ensure that the Organization continues serving its member States and adopting issues of concern to all of us.

We are facing today a situation that brings difficult challenges at all levels – national, regional and international. A situation that carries heavy responsibilities for the ILO; in the light of its Constitution, we all believe that the Organization will achieve justice and protection at this time of global financial and economic crisis that has hit the economies of all States worldwide, rich and poor alike.

The specificities of the Arab region, and Jordan in particular, make it more vulnerable to the effects of the global crisis, and it lacks the necessary tools to cope with the negative effects on the labour market and employment. For example, average unemployment rates are already high, reaching 12 per cent – one of the highest rates in the world.

Many of the countries in this region, including Jordan, are labour-sending countries, which exacerbates the negative impact of the crisis, since workers are returning to the country, raising the unemployment rate and reducing the flow of workers' remittances.

Many countries in the region also lack financial resources, so that their budgets do not allow governments to take appropriate measures to alleviate the crisis and its impact on employment. Accordingly, we request the ILO to take account of the particular situation of our region when working with these countries, and to play an active part in the following areas:

- To provide the necessary technical assistance to member States, since its varied experience and resources can provide effective instruments to evaluate the employment impact of the crisis. Advice and guidelines can also be provided on international best practice in the design of state interventions to alleviate the impact of the crisis.
- To assist countries with limited resources to mobilize aid from donor countries to implement such programmes.
- To participate actively in efforts to mobilize support from other international organizations or Governments of member States to help create jobs and ensure that employment generation is at the centre of economic policy, investment policy and economic recovery programmes. The labour ministries of the region cannot address the crisis unless all the necessary policies are put in place.

These circumstances are also an opportunity for the ILO and member States to support reforms in

the world of work, especially in to the areas of social protection, unemployment insurance and the strengthening of tripartism, as well as amendments to labour legislation, especially in regard to human trafficking, forced labour and child labour.

It should also be pointed out that our region is marked by the Arab-Israel conflict and its very negative impact on employment. I am referring specifically to the war which Israel launched on Gaza, resulting in total destruction of all the basic necessities of life in that area of the occupied territories, which as you know has the highest population density, exacerbating the catastrophic results of the war. All of the factories had to stop producing, and unemployment reached record levels, not to mention the settlements and their detrimental impact on the situation of employers and workers in Palestine and in the occupied Golan.

Accordingly, we call on all member States of this Organization to help the Palestinian people, and the social partners in particular, by providing the necessary aid through the Gaza reconstruction and recovery plan, and to reaffirm the right of the Palestinian people to establish an independent State with Al-Quds as its capital, and to live in peace and dignity.

Once again, allow me to reaffirm the pioneering role of the ILO in the world, and its contribution to cooperation among all member States through the support and technical assistance it provides.

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*Original French: Mr GAILLARD (Secretary of State, Federal Department of the Economy, Switzerland)*

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On behalf of the Swiss delegation, I would like to begin by thanking the Director-General for his excellent Report, which reflects the concerns that all of us, including Switzerland, feel at national level.

Our economic situation, like that of other countries, has worsened rapidly over the last few months and we are expecting significant drops in production this year. We also expect that our domestic economic sector, which has been sheltered from the crisis to some extent so far, will be seriously affected in the latter half of this year and we expect our unemployment rate to rise significantly this year and next year.

Thirdly, even if there are some signs that might give us some grounds for optimism regarding a possible abatement in the crisis in the global economy, even if we already see some green shoots of recovery, we do, nonetheless, fear that the situation on the labour market will remain very difficult indeed in 2010 and 2011.

For that reason, following the same kind of thinking as other countries, we have gradually made use in Switzerland of a series of economic stabilization measures as proposed in the excellent reports submitted to this Conference.

As we seek to stabilize our economies, there are five things that we really have to focus on. The first thing – and sometimes this cannot easily be explained to the general public – is to stabilize the banks in order to stabilize the credit system. We, in Switzerland, had a major bank that got involved in the sub-prime market in the US and this cost us dearly. But if we do not stabilize the banks and credit is not available, then all monetary easing and stimulus policies cannot be effective.

Secondly, you have to have a flexible monetary policy with low interest rates in order to support credit and investment, especially in sectors like con-

struction and the environment, which are pillars of the economy.

Thirdly, state investment. In various areas we are envisaging significant public investment, particularly in the public transport sector, energy and conservation of the environment. In this way Switzerland has been able to stabilize matters, especially in the construction sector.

The fourth thing is to ensure that there are enough training places available for young people. As you may know, two-thirds of young people in our country go into further training within enterprises, in other words they are able to combine vocational training in companies with their theoretical training at school. This means we need to have apprenticeships available and we are proud to be able to say that this year the Swiss economy is going to make as many apprenticeships available as last year, and that means that the overwhelming majority of young Swiss people will be able to get vocational training over the next three years.

And the fifth key measure that has to be taken is to provide economic support for people who lose their jobs. There is a need for an effective unemployment benefit system, but also a need to support these people to allow them to get back into the labour market as quickly as possible.

There is one problem that is a major concern for us right now in Switzerland. We have, indeed, been able to develop vocational training programmes but it all costs a lot of money, and we now see a deficit in our social insurance system, with a level of debt which is going to double in less than a year. How then can we ensure that in the long term our unemployment insurance scheme will remain viable?

The answer is easy, but it is not easy in political terms. What we have to do is right now, today, is agree that when we get back to economic recovery, we are going to pay off the accumulated debts. This means that we have to build a consensus among the social partners to agree on a slight increase in contributions to the national insurance system once we are back into recovery and also a slight drop in the benefits paid out, and that is something that is not always easy to get through in political terms.

In order to combat the social effects of the crisis, we need to find national responses. We are indeed acting at national level, but those national responses have to fit into an overall global recovery strategy that is properly coordinated and solidarity-based. That is where the ILO has a key role to play in ensuring that recovery strategies are focused on employment, social justice and sustainable enterprises. We need a strong ILO that looks to the future and is determined to play an active role in that future.

My delegation welcomes the idea of the Global Jobs Pact, something that has been promoted by the ILO. This would be intended to stimulate the economy and to promote recovery. In Switzerland, to a large extent, our priorities are those reflected in the pact. That is to say, we place employment and social protection at the heart of recovery policies.

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Mr MUNYES (*Minister for Labour, Kenya*)

My delegation commends the ILO for the efforts it has made since 1919 in achieving social justice and for remaining on course with a major focus on its mandate despite numerous challenges in the way, such as the current financial and economic downturn.

We recognize the outstanding leadership that has been brought to this institution by Director-General Juan Somavia through the Decent Work Agenda, based on the four strategic objectives. This is a reaffirmation of the commitment to the call for social justice and, in particular, the June 2008 ILO Declaration on Social Justice for a Fair Globalization. As we mark the ILO's 90th anniversary, we congratulate the Director-General.

Kenya endorses the Director-General's Global Jobs Pact and singles out the following elements: putting employment and social protection at the core of the recovery policies; support and credit flows to enterprises, especially the small and medium-size ones; limiting lay-offs; appropriate skills development; support of social partners' activities; supporting and protecting sustainable enterprises; and establishment of a vulnerability fund for countries affected by the crisis.

We call upon the Office to ensure cooperative support through microfinance institutions and assistance to governments to deepen social dialogue, tripartism, support for jobseekers and corporate institutions which deal with industrial grievances.

As Kenya was an original focus of the ILO on the concept of the informal sector, my delegation would appreciate it if Kenya could be considered for phase two of work in this sector, in order to assess developments so far. We would also welcome an ILO inter-agency mission at country level to assist in the development and implementation of the current Decent Work Agenda now and in the post-crisis period.

My delegation lauds the actions already taken by the Office since November 2008 and urges the continuation of this crusade of incorporating the Decent Work Agenda in the country's economic and social policies and the articulation of the same in all forums at all levels.

With regard to the proposed review of the ILO field structure, Kenya supports the proposal of having decent work support teams, strengthening regional offices, and the establishment of the position of ILO national coordinators at country level, where there are many ILO programmes without an obvious ILO presence. In this connection, Kenya requests that such a position be established in Nairobi to assist existing mechanisms to augment efforts of delivering the ILO Decent Work Agenda.

In conclusion, we would like to reiterate our earlier call for increased involvement of the social partners and labour ministries in the "Delivering-as-one" approach, less conditionalities from multilateral and financial institutions and an appropriate oversight role for Governments in financial and labour markets.

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*Original Arabic: Mr ALBAKRI (Minister of Manpower, Oman; speaking on behalf of the Gulf Cooperation Council)*

It is a great honour for me to convey to you the greetings of the member States of the Gulf Cooperation Council (GCC): the United Arab Emirates, Bahrain, Saudi Arabia, Oman, Qatar, Kuwait and Yemen. I would like also to take this opportunity to commend the ILO for its tireless efforts to uphold the values of freedom, dignity and non-discrimination throughout the world.

Speaking on behalf of the Council of Ministers of Labour and Social Affairs of the GCC, I would like to thank Mr Juan Somavia, Director-General of the ILO, and the Governing Body of the ILO for the

Reports before us this year and, in particular, the Report of the Director-General, *Tackling the global jobs crisis: Recovery through decent work policies*. This Report reflects the unceasing efforts made by the Director-General and the ILO as they endeavour to enhance the work of the Organization to make it more effective in upholding its core values.

We are living through a period of economic crisis that has affected all countries of the world. Growth rates have plunged, economies are in recession and oil prices have plummeted. We were among the first countries to adopt a package of measures to seek to mitigate the negative effects of the crisis. Among other things, we have strengthened the financial sector and implemented investment projects to create job opportunities. We have made progress in diversifying our sources of revenue and optimized our use of existing energy resources while searching for new ones. We have established a five-year development plan which outlines the measures that we now intend to take.

We appreciate the Director-General's praise of the efforts made by the GCC countries to provide protection to workers of different nationalities. We have made progress in applying international legislation to ensure the highest level of protection to all workers in our countries. We appreciate the Director-General's reference to the unemployment benefit scheme applied in Bahrain since 2006, as an example of basic coverage for workers of different nationalities to help them cope with the crisis. This is the first country in the Middle East to adopt such a scheme.

The GCC countries, seeking to uphold the principles enshrined in the Constitution of our Organization and the Declaration of Philadelphia, strive to promote those values and rights which guarantee human dignity and social and health protection. Our aim is to create an enabling environment for the creation of decent jobs. We also endeavour to open up job opportunities for women, so that they may participate in the labour market and share in economic prosperity. We have taken measures to protect workers on short-term contracts through cooperation between our countries and labour-sending countries, in accordance with the principles enshrined in the Abu Dhabi Declaration between the GCC States and labour-sending countries.

We have adopted new strategies to reform our labour markets and labour inspection systems, by strengthening capacities and enhancing workers' skills. We would like to thank the ILO for all the support and assistance provided through the various bodies of the ILO through bilateral cooperation.

Special thanks go to the Director-General for his Report on the situation of Arab workers in Palestine and the occupied Arab territories. There is a clear need to strengthen technical cooperation with those territories in order to provide the emergency assistance the people need to improve the situation of the workers and mitigate the negative impact on the economy of the occupation and arbitrary and destructive measures, at a time when unemployment has risen to record levels. We reaffirm the need to continue supporting and financing the Palestinian Fund for Employment and Social Protection so as to enable it in turn to help Palestinian workers.

Given the challenges posed by the global economic crisis, it is essential that we put into practice the words engraved on the foundation stone of the ILO: "If you desire peace, cultivate justice". That

must be the principle that guides us all in everything we do.

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Mr ATWOLI (*Worker, Kenya*)

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Let me take this opportunity firstly to thank the ILO for allowing me to be the first Workers' delegate to address the plenary.

The world is facing an unprecedented financial, economic and social crisis since the Great Depression of the 1930s. It began as a financial crisis, went to an economic crisis, and is now a jobs crisis. If not adequately and comprehensively addressed, a social crisis with potential instability for countries looms large.

It is indeed a time for concerted action by all the social partners to lead the way.

Allow me therefore to thank the Director-General of the ILO for having presented a focused and comprehensive Report on the job crisis and what needs to be done. The Central Organization of Trade Unions of Kenya agrees with the Director-General's Report that the telltale signs of the events that contributed to the crisis were evident for many of us.

The trade union movement long questioned and opposed the prescriptions of the Washington consensus principles and advocates of the free-market economy, spearheaded by the Bretton Woods institutions, including deregulation, and warned of the negative effects they had on sustainable development, particularly in developing countries.

The ILO, for its part, raised the red flag way back in 2001 during the Global Employment Forum, following the dot.com bubble burst. Then in 2004 the Organization released a Report on the need for a fair globalization, and, during last year's session of the Conference, it facilitated the adoption of the Declaration on Social Justice for a Fair Globalization, among other initiatives.

In spite of these clear signals, the world was slow to act in a decisive and effective manner.

The work of the Organization has been cut out. It was reinforced by the United Nations Chief Executives Board, which mandated the Organization to formulate and spearhead the implementation of a global jobs pact and co-lead with the World Health Organization on the development of a social protection floor.

How we address this challenge will forever define our continued relevance and usefulness to the constituencies that we represent. We have no choice but to help restore the world economy to the path of recovery and progress and hence bring hope to the lives of many.

Let me take this opportunity to thank my Head of State, His Excellency President Mwai Kibaki, for his speech on 1 June this year when celebrating the 46th year of attainment of our self-rule, where he directed the Ministries of Labour and Finance to immediately consult with the Federation of Kenya Employers and the Central Organization of Trade Unions in Kenya on the protection and creation of formal jobs during these difficult economic times.

We agree with the Director-General's Report that the Decent Work Agenda represents the best route out of this crisis. It is a package that constitutes a uniting factor between economic progress and social justice in a globalized world.

Its objectives are interdependent and mutually reinforcing in that they provide an ambition that is achieved through the creation of productive employment and enterprise development; a guarantee

achieved through the respect for fundamental principles and rights at work; an incentive achieved through social protection; and, finally, a method achieved through the practice of social dialogue.

We note with appreciation that these elements of the Decent Work Agenda, together with the modalities of financing their implementation, are well discussed and analysed in the Director-General's Report.

In Kenya, a number of policies have been undertaken to help abate the effects of the crisis on people, enterprises and the economy.

The Kazi Kwa Vijana (work for the youth) programme, where short-term jobs will be guaranteed to young Kenyans, was recently launched by the President and the Prime Minister. Others include the youth fund and the women's fund.

The Central Organization of Trade Unions of Kenya is, however, concerned that these noble initiatives which touch on employment generation and income support were taken without consulting or involving the workers' organization.

My delegation agrees with the Director-General's Report that the status quo is not an option. Innovative measures need to be taken. Work sharing, unpaid leave and labour-intensive production arrangements, among others, are initiatives with which we can negotiate and implement with employers in view of this crisis.

However, some multinationals in Kenya operating in the tea sector are still increasing the mechanization of tea picking without agreeing with the union or even bothering about consequent job losses. Already, in Kenya, we have lost 50,000 jobs and 30,000 further jobs are threatened while the Government is complacent in this area.

In conclusion, as workers' representatives, we call on such employers to embrace dialogue with us so that we can engage the Government in introducing job-saving investment policies, as proposed in the Director-General's Report.

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*Original Korean: Mr LEE (Minister of Labour, Republic of Korea)*

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With the global economic crisis intensifying, an employment crisis is spreading all around the world and is expected to continue to do so for some time.

The ILO has forecast a global unemployment rate of 7.1 per cent for this year and other international organizations are anticipating similar unemployment data.

As a consensus is forming on the need to create productive employment in order to overcome the current crisis and achieve sustainable growth, international expectation regarding the ILO's role is growing.

In this context, the Global Jobs Pact proposed by the Director-General has great significance as it presents effective policy alternatives to overcome the crisis.

The word "crisis" in Korean has a combination of two meanings, "danger" and "opportunity", implying that where there is danger, there is also opportunity. This means that, in a crisis, one should look for opportunities as well as predict dangers.

The Korean Government is now exerting its utmost efforts to turn today's economic crisis into tomorrow's opportunity.

For a start, we are investing intensively in green growth industries to achieve job creation and sustainable growth simultaneously. Moreover, we are

going to make labour market laws and systems more employment-friendly.

In particular, as, contrary to our expectations, the employment of fixed-term workers has become unstable since fixed-term worker protection legislation took effect in July 2007, we shall revise the legislation to give protection to fixed-term workers.

Meanwhile, we offer skills development opportunities to unemployed persons so as to help them develop their skills one step further.

For vulnerable people stuck in the blind spot of social security, we are enhancing a social safety net linked to employment and implementing reinforced active labour market programmes.

The most distinct and encouraging phenomenon that has arisen during the process of addressing the recent economic crisis in Korea is the voluntary participation and cooperation of the private sector.

When overcoming the financial crisis of 1997, Korean labour and management learned the lesson that they can reach win-win outcomes through burden sharing.

Based on this lesson, labour, management, civic groups and the Government reached a comprehensive and practical agreement to overcome the economic crisis on 23 February this year.

Through this agreement, labour and management promised to make their best efforts to share and retain jobs through burden sharing, while the Government agreed to provide administrative and financial support to such efforts.

In addition, various people, including from civic and religious groups, have committed themselves to actively joining these efforts by providing assistance and conducting monitoring with a view to enhancing the implementation of the agreement.

Despite recent business difficulties, the occurrence of job retention has gradually increased. Of 6,781 workplaces with 100 employees or more, 25.2 per cent are found to be implementing various types of job sharing, based on their own situations.

In order to promote and support the voluntary efforts of the private sector, the Government has also established and implemented various measures, for example, employment retention subsidies and tax benefits.

Thanks to those efforts of Government and the private sector, the real GNP growth turned from negative to positive, recording 0.1 per cent in the first quarter of this year. The worsening of the employment situation has slowed down somewhat.

The Korean Government has been doing its utmost to make Korea an advanced country. In order for the Korean economy to pull out of the economic crisis and successfully take a leap again, win-win industrial relations and practices should take root firmly.

The Korean Government will continue its endeavours to remarkably improve industrial relations in line with international standards and the prevailing situations in Korea.

The current economic crisis, no matter how serious and difficult, can certainly be overcome soon, as long as the labour, management and government of each country cooperate with each other.

I expect this Conference and the Global Jobs Pact to help realize tripartite cooperation and agreement at the global level as well as within each member State.

I also hope the ILO will lead international efforts in overcoming the employment crisis and achieving a fair globalization.

The ILO will be able to play a better role by enhancing its capacity to conduct theoretical research and development policies.

I hope this Conference will serve to turn the crisis into an opportunity on the basis of the major policies suggested by the Global Jobs Pact.

The Government of Korea is committed to providing maximum cooperation and support to the ILO's efforts for realizing decent work and the Global Jobs Pact.

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*Original: Spanish: Mr RAMÍREZ (Worker, Guatemala)*

I did not want to begin my speech without congratulating the ILO on reaching its 90th anniversary, which coincides with one of the most serious global economic crises in history, and, although, as the Director-General of the ILO said, it is not the first crisis we have had to face, it is the greatest challenge in history because of the conditions in which it is occurring and the fact that it coincides with other crises, such as the food, environmental and energy crises.

The roots of this crisis are found in an economy that fostered the development of trade, but failed to protect the conditions that would ensure that the majority of people could have a dignified life. In order to mitigate its effect, the ILO, some years ago, put forward the paradigm of decent work as the fundamental element for guaranteeing democracy, good governance, development and sustainability of the global economic system. Unfortunately, there has been a gulf between this formally adopted paradigm and what has been done in practice.

I come from a country that historically has sacrificed human development in order to foster economic growth, and the benefits of this growth are concentrated in just a few hands. There is a reason why we are one of the three most unequal countries in the world, and the most unequal country in Latin America. Sixty per cent of the wealth lies in the hands of just 20 per cent of the population.

The Guatemalan population is well aware of the concept of crisis because we have been living with a chronic crisis, the main causes of which are structural, such as the lack of political will among employers to comply with a minimum agreement under the rule of law. I am referring to its lack of willingness to comply with the laws which regulate industrial relations, as well as the corruption and impunity that surround a failed system of labour law. In its role as an employer, the Government commits constant infringements of trade union and labour rights. The following information shows the extent of the structural crisis in Guatemala. Exercising trade union rights is impossible because the Government tolerates individuals threatening and murdering trade unionists, destroying trade union headquarters and the criminalization of exercising freedom of association. The Government has even allegedly been implicated in participating in acts of violence against trade unionists. Since 2007, 26 trade unionists have been murdered: six of those in the year 2009 to date. None of these murders has been properly explained, which is part of the State's anti-trade union policy.

Because of the lack of decent work for adults, including the absence of the conditions needed to exercise freedom of association, about 507,000 chil-

dren, between 7 and 14 years of age, are working in Guatemala: 62 per cent in agriculture, 16.1 per cent in the trade sector, 10.7 per cent in factories, 6.1 per cent in services and 3.1 per cent in construction. Ninety-three thousand children between 7 and 14 years of age are domestic workers and 15,000, according to the last official report, are sexually exploited.

Fifty per cent of the 13 million inhabitants live in poverty and 17 per cent in extreme poverty because of the refusal of the business elite and the State to redistribute wealth through wages. Eighty-seven per cent of workers have a wage lower than the cost of the basic consumer basket and 50.1 per cent do not even receive the legal minimum wage, which, for the month of April 2009, meant a deficit, when faced with the cost of the basic consumer basket, of 150.71 per cent for export activities and *maquila* sector, and 130.21 per cent for other activities.

Guatemala is the Latin American country with the greatest wage gap between men and women. It is a country in which there are still discriminatory mechanisms against women, for example, requesting women to take a pregnancy test before offering them a job, which is even required by certain Government bodies such as the Public Prosecutor's Office.

Even though 49 per cent of workers are working within the formal economy, 81.8 per cent do not enjoy social security; 15.2 per cent suffer from underemployment and 82.7 per cent do not have a proper work contract. This is the fault of the employers. Social dialogue, and especially tripartite social dialogue, as has been pointed out by the Committee of Experts on the Application of Conventions and Recommendations, is lacking because of the lack of political will on the part of the Government to respect international Conventions and domestic legislation governing the matter. The situation has been exacerbated by the current Government because of the politicization of appointing workers' representatives before the various state authorities, such as the Tripartite Commission on International Labour Affairs, and the implementation of socio-economic policies, particularly labour policies, without consulting the most representative workers' organizations, or violating the standards relating to those consultations. One example of this is the setting of the minimum wage for the *maquila* sector and the export activities in 2007 and 2008 without consulting the trade unions.

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*Ms PILLAI (Government, India)*

On behalf of the Indian delegation, I, of course, commend the Director-General for bringing out an insightful Report entitled *Tackling the global job crisis: Recovery through decent work policies*. I would also like to take this opportunity to convey my heartiest felicitations to the ILO on the occasion of its 90th anniversary and we, indeed, are participating in a historic session of the ILO.

The integration of markets has optimized global resource utilization, leading to enhanced economic growth, increased employment and job quality. However, some important challenges have also emerged. Global macroeconomic imbalances and social and economic inequalities have become increasingly visible. These cannot be confined to national boundaries or sectorally controlled within nations. The unprecedented economic crisis, that we are facing today, is the manifestation of these pre-



existing imbalances. We appreciate that the Report of the Director-General has highlighted the need to build the foundation of a fair, inclusive and sustainable globalization.

Recently, the G20 group resolved to address this crisis through global action by restoring growth and jobs, promoting global trade and investment, rejecting protectionism and strengthening financial supervision and regulation. These resolutions would need to be carefully and consistently operationalized. As has been rightly highlighted by the Director-General in his Report, we are confronted with serious issues such as persistent high unemployment and poverty, the danger of prolonged job deficit in view of the growing labour force, the lack of social protection and unemployment benefits, and also the unsustainability of enterprises. It is thus imperative to regard the expansion of employment and the guarantee of decent work as the most important conditions for economic recovery.

This crisis, however, also presents us with an opportunity to carefully assess systemic and institutional weaknesses, and to adjust them in a strategic manner.

The Global Jobs Pact, proposed by the Director-General, by putting employment and social protection at the core of recovery policies, can form the foundation of the recovery plan. I also agree that the focus of national stimulus packages should be on protecting and promoting employment. The ILO is central to the endeavour for confronting this crisis and all of us have a stake in the role of this Organization in orchestrating the road to recovery.

As we know, the crisis has affected almost all countries across the world. India is no exception. However, having been sensitive to economic deprivation even prior to this crisis, India had taken certain bold and innovative measures. I am referring here to the National Rural Employment Guarantee Scheme (NREGS), which provides a job guarantee to those at the margin and brings together elements of employment, rural development and social protection to combat poverty. I appreciate that the relevance of this scheme, as a unique example, has been acknowledged in paragraph 100 of the Director-General's Report. Legally mandated provision of social protection to all categories of unorganized labour under the Unorganized Workers Social Security Act, which was enacted in December 2008, is another major policy intervention. It would be important to mention that, even prior to the enactment of this Act, an ambitious National Health Insurance Scheme called the Rashtriya Swasthya Bima Yojna was enforced with effect from April 2008. This smart-card-based scheme has been described as one of the 25 ideas that will change the world. So far 5 million cards, each card covering a family of five persons, have been issued, and this year we expect to issue 20 million cards. Steps were also taken in February 2008 with the ILO's participation, to formulate three important policies, namely the National Employment Policy, the National Skill Development Policy and the National Policy on Safety, Health and Environment at the Workplace. Policies on skill development and occupational safety and health have already been approved by the Government and are actually in the process of being enforced throughout the country. Skill upgrading and vocational training constitute the focus areas for the Prime Minister himself and the Government is ex-

panding and improving training opportunities for both formal and informal workers.

Credit flow to micro, small and medium-sized enterprises is another area of focus. We are happy that the efforts of the Government of India in this direction have been noted in box 4 of the Director-General's Report. The proposed Global Jobs Pact also highlights the need for promoting "Green Jobs". In this regard, the Indian Government has adopted a National Action Plan on Climate Change – and we have also recently constituted a Task Force on Climate Change and Green Jobs. In order to mitigate the impact of the ongoing crisis, stimulus packages have been devised by the Government. Both the Government and the Central Bank have taken fiscal and monetary steps to support the most effective sectors by increased access to credit and attempt to increase local demand and to boost infrastructure expenditure. Apart from this, the Government has liberalized overseas borrowing norms, restored benefits to exporters, and allowed the state-run Infrastructure Development Finance Company to issue additional tax-free bonds.

In India, we firmly believe that social dialogue plays a crucial role in supporting and sustaining the recovery process. The global crisis and its implications on employment were deliberated in detail at the recently concluded 42nd Session of the Indian Labour Conference. The Conference has made certain important recommendations which are in line with the recommendations of the Director-General's Report and a tripartite expert group has also been set up. Recently, the President of India also called upon the Ministry of Labour and Employment to present an annual report on employment which, in my opinion, will support our efforts.

We strongly believe that our continued commitment to these policies will catalyse the recovery process. The basic features of the policies being pursued in India are in conformity with the Global Jobs Pact proposed by the Director-General and the success of these policies should present a replicable model for all countries for coping not only with the current crisis but also giving the road map for the long-term goal of growth with equity.

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*Original Portuguese: Mr GOMES (Minister for the Civil Service, Labour and State Modernization, Guinea-Bissau)*

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It is with great pleasure that I would like to extend a special greeting to the representatives of workers, employers and governments present. It has been an honour for me to represent my Government at this great assembly, the 98th Session of the International Labour Conference, as Minister for the Civil Service, Labour and State Modernization, and in that capacity I would like to address with you a number of issues, including those related to the subject of tackling the jobs crisis.

I must say that I was particularly satisfied to note the reaffirmation in the Director-General's Report of principles and ideas which I believe should serve as a guide for a fairer society and I was also pleased to note the ILO's determination and will to contribute to the building of a more humane world.

This Conference is an important framework within which we can discuss the Report of Mr Somavia, Director-General of the ILO, and a unique forum in which our member States can exchange information on the strategies to be adopted in each member State to tackle the employment crisis.

The global financial system is crumbling rapidly in the midst of a plethora of other crises – the food crisis, climate crisis, energy crisis, among others, and the weakening of the economic strength of nations formerly deemed to be strong and of financial institutions and other global organizations.

The chaos in the global financial system is such that governments in the northern hemisphere have had recourse to measures that progressive movements have been advocating for many years, such as the nationalization of banks. These measures, however, are intended to ensure short-term stabilization and, once the storm is over, the banks may well be returned to the private sector.

The marked instability which has afflicted my country has meant that Guinea-Bissau has been encouraged in its public administration to seek ways and means of tackling the challenges of development, particularly those linked to the economic crisis and to tackling poverty.

We therefore deem it necessary to define policies and strategies that are more consistent with the situation in our country, in order to satisfactorily respond to the universal paradigm at the heart of the concerns of our countries, more particularly in tackling employment as this variable is today deemed to be an indispensable factor in socio-economic development programmes.

The Government of Guinea-Bissau, with a view to ensuring greater well-being for its citizens, and particularly for its workers, must adopt effective employment promotion policies as a prerequisite for national development.

Occupational training and retraining, alongside all measures and strategies, should also be seen and used by member States as instruments for development which can simultaneously tackle the various aspects of the employment crisis.

Consequently, policies adopted, be they in the field of employment or training and retraining, require decisive action to be taken by our Government in order to achieve our aims. My Government attaches particular importance to initiatives for young people seeking their first job and for those who are out of work and seeking employment, given the comparative advantages of the countries of our subregion and of the programmes and projects for economic growth developed in both the private and public sectors.

In the light of the above my country would like also to mention various initiatives taken for young people. For example:

(a) the promotion of framework contracts, particularly with the private agricultural sector, to take up labour with the requisite training, also taking into account costs and benefits;

(b) the promotion of employment for development, in keeping with the needs of the most deprived young people who lack basic education and the vocational skills required to meet the demands of the national labour market, as well as the development and implementation of a programme for partnership with civil society and with religious and private organizations for the management of and involvement in training centres.

We are aware that in order to achieve these aims there must be close cooperation between those ministries responsible for labour, education and training in implementing policies targeting employment and vocational training, skills and retraining for young people and for unemployed jobseekers. To meet

these concerns we intend to boost some incentive schemes in the social sphere.

With respect to employment, we are convinced that in Guinea-Bissau the informal sector can constitute a genuine alternative to the problems of the jobs crisis because of the restrictions in the public and modern private sectors to creating new jobs.

Given the situation in our country, we believe that particular importance should be attributed to the informal sector during this phase through the creation of micro, small and medium-sized enterprises, given the important role it is playing, principally in the development of certain areas of agriculture, for example, the local processing of cashew nuts and fruit for export, stock rearing, animal husbandry, fisheries, and more particularly small-scale fisheries, while modernizing the equipment in the small-scale fisheries sector and organizing production chains as well as structures for the preservation and processing of fisheries products, including tourism.

Development in these areas will lead to the diversification of exports within the country and to job creation, with these areas further providing sources of income for young people and, why not, for our people and the State itself.

Consequently, we believe that by focusing on these areas we can provide a real alternative to the employment crisis in our countries.

*(Mr Zellhoefer takes the Chair.)*

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Mr SILABAN (*Worker, Indonesia*)

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The impact of the global economic crisis in Indonesia is not as bad as the Asian economic crisis which took place ten years ago. At the time, Indonesia was the hardest hit and the last to recover from the crisis. Thanks are due to the Indonesian Government for its preventive and quick reaction, which has contributed to calming popular unrest and stopping economic speculation. No wonder Indonesia is quite confident that it will be able to achieve 3 to 4 per cent economic growth this year.

According to the latest information released by the Government so far, 51,300 workers have been dismissed as a result of the global crisis, and 1,000 workers temporarily suspended while awaiting their company's recovery. The real figure might be higher than the government data. Nevertheless, this figure is far lower than the initial prediction of some experts estimating that 1.5 million workers would be laid off as a consequence of the global crisis.

We welcome government initiatives in providing some stimulus packages, such as cash transfers to the 17 million poorest people, lowering taxes on workers' income, generating jobs, and the fiscal stimulus. We also commend the Government's commitment to upholding the ILO Declaration on Fundamental Principles and Rights at Work, social justice and fair distribution, as well as Decent Work Country Programmes.

To speed up economic recovery and achieve a greater positive impact of its stimulus for workers, we suggest that the Government carry out the following actions: first, ensure that the stimulus packages put an end to continuing lay-offs and generate employment. For this purpose, there should be a periodic assessment of the impact of stimulus packages on employment issues.

Second, the stimulus targeted at the people should go to the most vulnerable: the poorest, the unemployed, returning migrant workers, workers who

were dismissed without compensation, informal workers and women.

Third, in order to ensure that the stimulus works properly and benefits those who need it most, it should be designed and implemented through social dialogue with the social partners. This policy is so far still missing from the Government's method of formulating the stimulus. Since Indonesia has recently established a permanent national tripartite body, it is legitimate to use this body as a credible partner for Government to address the global crisis.

Fourth, given that 80 per cent of Indonesian companies are small and medium-sized enterprises (SMEs), it is better if the Government pays more attention to these SMEs instead of big companies that are capital intensive, in regard to the fiscal stimulus, tax subsidy, bank loan and other economic measures.

Fifth, we encourage the Government to keep its commitment to putting Decent Work Country Programmes at the centre of employment policy. It should avoid lowering labour standards and minimum wages as a means of tackling the global crisis. Using low wage costs as basis for gaining competitive advantage does not help the country to promote the Decent Work Agenda.

To strengthen the sustainability of industrial relations, we urge the Government to support the conclusion of more collective labour agreements at the enterprise level, since in the last five years after introducing Law No. 13 in 2003. Many workers have suffered as a result of their employment relationship being changed to outsourcing or contract labour. This is especially true of workers in the export processing zones. Continuing this practice will certainly push more workers to live in dangerous situations, because most of them do not have access to severance pay and social security.

Strengthening law enforcement, combined with a conducive climate for freedom of association, will contribute to better industrial relations.

The previous economic crisis taught Indonesian workers that it is time for the country to introduce an unemployment benefit scheme and simultaneously extend basic social protection to all people. The recent social assistance scheme provided by the Government to the poorest people can serve as an initial investment in extending basic social protection on a permanent basis.

Similarly, the time has come to introduce an unemployment scheme, taking into account the constant economic improvements in the country. As a country which very soon will accede to membership of the Organisation for Economic Co-operation and Development (OECD) and the G20, Indonesia needs to introduce this scheme. The existing workers' social security scheme, which only covers 7.8 million out of 39 million formal workers, has left the majority of workers without basic protection. Any measures aimed at extending social security should not forget to include informal economy workers, since 68 per cent of workers are working in this sector.

Lastly, we support the Reports of the Director General and the Governing Body, and especially the initiative of the Global Jobs Pact as a decent work response to the crisis, agreed by the ILO constituents. We also reiterate our principle that capitalism is not the answer. Evidence of global imbalances has taught us an important lesson: that capitalism is morally unacceptable and politically unsustainable.

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*Original Spanish: Mr AGUILAR JAÉN (Government, Panama)*

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I am speaking on behalf of the Government of Panama, in particular His Excellency Edwin Salamín Jaén, Minister of Employment and Labour Development of the Republic of Panama – who sends his apologies, as unfortunately he cannot attend this 98th Session of the Conference, but also sends his thanks to the Officers of the Conference who contributed to the success of the 97th Session of the Conference.

This 98th Session of the Conference is called upon to have an in-depth and effective discussion on the consequences of the economic and financial crisis, which is indeed having a profound impact on jobs and social policies.

We appreciate the Report of the Director-General following up on the ILO Declaration on Social Justice for a Fair Globalization and, in particular, concerning the impact of the ongoing economic crisis and its consequences for employment as part of the global recession. At the same time it highlights the need for decision-making to tackle this threat to the world of work, social protection and global employment.

We agree with the Director-General that the ILO must help us find solutions to the current crisis and this with respect to the Global Jobs Pact. In this context, it is necessary to breathe new life into the labour markets and social protection networks and social dialogue, so that we can come out of this global economic recession.

The Government of Panama has been taking measures to weather the financial crisis and, in fact, we have introduced a whole package of financial stimuli. Of course our country is affected by the complex economic crisis. This means we have got to act responsibly and with caution so that we can respond to this international upheaval which began in the course of this year and the duration of which remains to be seen.

In 2008, the Government took measures to boost investment, increase workers' income and reduce poverty. Panama has created a fund of US\$1,000 million, approved by the National Bank of Panama, with the cooperation of the Andean Development Corporation.

This funding targets the productive sectors, especially in rural areas, so that farmers can produce goods which will help reduce the cost of the basic food basket. This is in line with the "Agrocompita" Programme, which is designed to help the working classes and most vulnerable groups in our society.

The National Bank will also extend credits to the tune of US\$600 million to support the funding of SMEs and boost investment and job creation. For 2009, the Government earmarked further budgetary allocations on the order of US\$2 billion to maintain employment levels and avoid the elimination of jobs.

In this respect, the Government has matched the minimum salary of the public sector with that of the private sector. It has increased the income of retirees by introducing vouchers worth US\$85 for each person. We have also taken further measures to alleviate the crisis and we have reduced the income tax of more than 110,000 taxpayers, whose wages are below 2,500 Panamanian balboas. We have also introduced an "Opportunities Network Programme", which will help particularly vulnerable

people with zero income and people with disabilities.

The contribution of the ILO in its response to the economic crisis must go hand in hand with the development strategy which favours society, creates a better quality of life, more jobs and sustainable economic growth. The ILO Declaration on Social Justice for a Fair Globalization must be a driving force for facing the current crisis.

To conclude, I would like to say that we can only craft a Global Jobs Pact in a multilateral framework in which we can reach agreements, take decisions and promote cooperation, and one of the players needed to do this is the ILO. The ILO is the only United Nations agency which brings together workers, employers and governments, and the resulting dialogue is a strategic part of the response to the challenges faced by the world of today.

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*Original Spanish: Ms ANDERSON NEVÁREZ (Worker, Mexico)*

In 1975, Mexico, my country, welcomed with open arms thousands of women from around the world who were seeking equality between men and women and who hoped to win further rights in their own countries.

The United Nations accepted Mexico's offer to host its great assembly, the first of its kind in the world, in Mexico City, in the federal district.

The United Nations Women's Assembly was a great success, not just for those who attended the meeting, but also for my own country, for our Parliament, both the Senate and the Chamber of Deputies, where, since 1952, we women have enjoyed universal suffrage and have played a part in all general elections as legislators, who very speedily brought in reforms to all national legislation in order to eliminate any discrimination in our national laws.

Our male legislators have supported, both decisively and enthusiastically, all the initiatives of our female colleagues and consequently we have been able to ensure that Mexican women, alongside Mexican men, are able to pass on the nationality of their children born abroad to fathers of foreign origin and that women can also pass on nationality to foreign spouses, thanks to reforms to article IV of our Constitution and the concomitant legislation on nationality and naturalization.

Furthermore, we have ensured that both women farmers and men farmers are entitled to ownership of land and of their holdings under the Agrarian Reform Act.

When our labour law was passed in 1931, there was already provision for compulsory maternity leave for working women. So all that was done was to add more weeks for their care and our social security services also undertook to build a number of gynaecological clinics for working women and for the wives of the workers.

They were taken care of, and provided with, continued care during childbirth based on women's specific health needs. Thousands of children throughout the country are born in this way in the course of the year in the care of the social security services.

Here, in the ILO, we have had a policy of promoting women on a par with men. Almost half of workers are women and in the Governing Body we play an active part in the three groups. In the leadership of this Organization and in the various areas covered by the work of the ILO, half of those in-

involved are women: intelligent, distinguished, professional women. Our Director-General, Mr Juan Somavia, has always sought to encourage the attendance of women at the International Labour Conference, in the various delegations, and at this 98th international assembly, we have managed to tackle the subject of gender and equality with the voices of hundreds of women and men also concerned by the subject.

During its existence, the ILO has spoken of equality and equity in its international Conventions, such as Convention No. 111 on Equality of Opportunity and treatment in employment and work, Convention No. 100 on equality of remuneration for work of equal value, Convention No. 156 on workers with responsibilities to children in their care and with regard to family members who require their care and support, Convention No. 183 on maternity protection, and before that in Convention No. 103 on maternity protection, Convention No. 87 on freedom of association and the right to organize, and Convention No. 151 on labour relations in public administration.

Today, we have legislation covering rights in both national laws and international conventions, but there are two words which are similar: equality and equity. Yet they are not the same. What we need, we, the women of the world, is not just to enjoy equality and rights in national legislation and international conventions. We are asking all of you, both men and women, to work towards achieving equity and not simply equality.

We have it as a right but we would like to ensure that this is a reality so that women can enjoy both equality and equity.

We would like to thank the Director-General, Mr Somavia, who has tirelessly sought to promote women's participation in these delegations which come here from around the world.

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*Original Arabic: Mr DAHLAN (Employer, Saudi Arabia)*

I would like to commend Mr Juan Somavia for his key role in the service of the social partners for the goals of our Organization.

In his Report, the Director-General touched upon a number of extremely important issues in various key fields. With a view to implementing the fundamental principles of this Organization, the Appendix to the Report of the Director-General on the situation of Arab workers in Palestine and the other occupied Arab territories recognizes the suffering experienced by the Palestinian people. Indeed, 86 per cent of the population living below the poverty line, the unemployment rate has increased, the social situation has deteriorated, the economic institutions are no longer effective and trade unions are unable to fulfil their essential role. We therefore need once again to call for the application of the fundamental principles of the ILO in Palestine and the other occupied Arab territories, on the basis of the principles of equity and justice.

Arabs, Christians and Muslims yearn for peace. They are working towards that goal and believe that establishing two independent States will fulfil the right of the Palestinian people and the Jewish people to live in peace, putting an end to the long conflict.

We know that the global financial crisis has struck all the world markets, affecting poor countries and developing countries. Unemployment and poverty rates have increased worldwide. This catastrophe

was caused by the major economies and despite the concern of the major industrialized countries and the meeting of the Group of 20 (G20) in London last month, no results have been seen as yet. Nothing has yet been done to address the crisis in the markets in poor and developing countries. I therefore call on the ILO to continue implementing the G20 recommendations because there are estimates that the number of unemployed is to reach 50 million by the end of this year, and the number of poor 200 million.

It is the responsibility of the major industrialized countries and their governments to work quickly and invest more in order to boost their economies and strengthen their financial institutions, thereby stimulating markets in poor and developing countries.

The private sector in Saudi Arabia is working, with the Government, to guarantee decent work for women and to grant women their rights under Islam. Decent work for women is a legitimate right that cannot be ignored. All institutions and companies in the private sector are very proud of the special status enjoyed by women who work.

In Saudi Arabia, we are also proud to be able to say that immoral practices, such as forced labour or child labour, are totally unknown to us. These practices run counter to the spirit of Islam and domestic labour legislation. Our society and the private sector reject such practices. We therefore support the efforts made by the Organization to put an end to these deplorable phenomena.

HIV/AIDS is a scourge threatening to unleash a humanitarian disaster if we do not work together to deal with it, combat it and prevent it. All the social partners should propagate a culture of prevention and the major industrialized countries should intensify their efforts to find a low-cost treatment that the poor affected by this disease can afford.

In conclusion, I would like to convey to you the greetings of all the employers of my country and the Council of the Saudi Chambers of Commerce and Industry, and I wish you every success in your work at the Conference during this 90th anniversary year.

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*Original Spanish: Mr PARRA (Worker, Paraguay)*

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I am here on behalf of the National Workers' Union (CNT) and the trade unions belonging to the Trade Unions' Coordinating Body of the Republic of Paraguay.

We paid great attention to the Report of the Director-General and, by and large, we share his conclusions. We very much hope that the proposals put forward will be put into practice so that we can enter into a new phase in the twenty-first century, with the hope that in all the countries the ILO Conventions and Recommendations are respected and not contravened.

We particularly want to acknowledge the 90th anniversary of the ILO. We recognize the huge amount of work it has accomplished and we hope that it is strengthened in the future to ensure the implementation of all these international standards that are an integral part of the Organization.

We all know that our main problem is the global crisis, which came about as a result of financial turmoil. It had a huge impact on the real economy and shook the foundations of a dehumanizing culture and an exploitative civilization, the one we are currently living in.

This crisis is clear proof of the failure of neo-liberal ideologies and its essential premises: the free market, free trade, wildcat privatization, liberalization and the weakening of labour relations, which result in greater exploitation of human labour and create greater unemployment, more poverty, more damage to the environment and more impoverishment of the so-called developing countries.

The fundamental truth is the global nature of this crisis that is threatening our future. It is a deep-seated crisis within the capitalist system; it calls upon the ruling classes to think long and hard about our historical destiny to pursue what the World Social Forum announced: "Another world is possible".

We must understand that we cannot continue down the same path; a path that has led us to one of the greatest crises in our history. I want to take this opportunity to consider the serious internal problems affecting the people of Paraguay.

Paraguay is one of the poorest countries of the Latin American and Caribbean region. Since last century we have been subjected to all sorts of governments, misgovernments, dictatorships lasting almost 35 years, and corrupt governments that have stolen public funds, impoverishing their own people and forcing them to become a migrant population with more than a hundred years of suffering behind it.

We have serious problems in Paraguay, with perhaps the most important to the ILO being the systematic breaching of freedom of association by employers. A trade union can be established only for its leaders to be sacked the following day, and employers do not accept measures adopted by the Ministry of Justice and Labour or legal rulings.

The problem of providing opportunities for dignified work and decent employment to the young people, women and men of Paraguay is a true tragedy. Wages are not in step with the real needs for a decent standard of living.

Most employers believe that labour is a simple commodity and workers are treated like objects and not human beings.

Paraguay is an agricultural country, with livestock rearing and forests; our farmers have lost their property and land is now concentrated in the hands of a few, particularly in the hands of multinational companies and rich Brazilian settlers.

Therefore, the fight for land is an ongoing one, and it is essential that we engage in true agricultural reform. Our native people are being evicted from their homes by landowners and mafias, who force them to go to the cities to beg and suffer from social exclusion.

Our young people want new prospects; they want new opportunities to study and work. Our women are fighting against all forms of discrimination; we are fighting for gender equality. Child labour is still a tragedy, and the loss of life in occupational accidents is an everyday occurrence. Just recently four workers were crushed by tons of soya and another worker was seriously injured.

The destruction of the environment is ongoing; destruction by loggers and those who are exploiting the soya fields. They displace the population; they are deforesting the country; and they use toxic chemicals that damage our rivers and make people sick. When environment protection measures are adopted, the soya and rice growers and settlers intimidate and threaten the Government with demonstrations.

Given that the repressive structures put in place by the dictatorship and corrupt governments are still in place, we continue to put up with this situation.

In this respect, it is alarming how, in a dispute and court case that have been ongoing for over eight years between a worker (Mr Eduardo Buongermini) and a multinational enterprise (Esso Standard Oil Corporation – Exxon Mobil), rulings handed down in favour of the worker, who is protected by employment stability, have not been implemented. The way in which legal procedures and the administration of justice have been prolonged is shameful.

Another major concern is the problem of social security, which must be urgently improved. We, the workers, are against the privatization of this sector and we demand greater participation in the administration and monitoring of the operation of this social system to make sure that it works in favour of those covered and those in need. This, of course, is the responsibility of the State and cannot be turned into a profit-making enterprise.

It is worth noting that on 20 April 2008 there was an important civic gesture that defeated those who had been mismanaging the country for over sixty years.

On 15 August 2008, Mr Fernando Lugo Méndez assumed the leadership of the country, and this started what we, the working classes and citizens, call “the process of change”; a process that has been ongoing for nine months with this Government. Quite apart from the contradictions, it is now the opposition that is in control of economic and political (parliament) power structures and the administration of justice, as well as control of the media. Every day they are trying to foster a climate which might induce a coup in the country. For this reason they continue to repeat the phrase “impeachment”.

The workers, as critics of the Government, have alerted international public opinion about these moves. We support the process of change so that in our country we can have true freedom, true social justice and true democracy as allowed for under our national constitution. Paraguay is a social state based on the rule of law, with a participatory and pluralist democracy.

We would like to give the President and the Director-General a lot more information, but unfortunately I have run out of time. Therefore, we want to thank you for your kind attention and the importance given to our statement.

Of course we want to show solidarity with all men and women who are fighting for freedom, social justice, self-determination and sovereignty of our peoples.

Lastly, we encourage the ILO to continue to cooperate with our people within the framework of development and solidarity.

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Mr MÁRQUEZ (*Employer, Panama*)

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Please allow me to say a few words about HIV/AIDS in the world of work. It is a grave and still generally not well-understood pandemic of our time.

The employers of Panama concur with other employers from Central America on important aspects related to HIV/AIDS that must be addressed.

Firstly, the spread of the disease: it continues to increase, and in some places at an exponential rate. The actual number of people with HIV/AIDS is sometimes six times higher than the figures shown in international statistics. Panama has grown from

an estimate of 25,000 infected people to approximately 100,000 infected people in 2008, as declared by officials of the Government in the public media. The majority of these people do not know that they are carriers of the virus. This growth will ultimately be unsustainable for the health and social institutions as well as the capacity of our countries' economies.

Prevention programmes are based on the A, B, C concept, that is to say, (a) abstention and postponing of sexual relations by young people; (b) faithful relationships of healthy couples; and (c) condom use. In general, although in published material they mention this A, B, C concept, in practice, programmes have been mainly focused on the free distribution and use of condoms. In reality, they rarely, if ever, touch on the subject of risk and the limitations of condom use, and they fail to mention the effects on them by moisture, temperature and light.

“Be safe and use a condom” is a common but untrue statement. The UNAIDS web site has a picture of a person taking a free condom under a sign that says, “Safety first”. The *Webster Dictionary* defines “safety” as free from harm or risk, and also as secure from threat of danger, harm or loss. Condoms are obviously not free from risk, or from the threat of danger, harm or loss of health or life.

The HIV pandemic costs are estimated by some countries as US\$200,000 per person for the life of the infected individual. In Panama, this figure would represent US\$200 billion, equivalent to seven times our national budget. Therefore, it is as unmanageable as it is for other countries.

People have the right to be informed of the limitations of condoms in covering certain parts of the risk.

When we buy insurance in case of an occurrence provided in the policy, the money will be there for rebuilding, replacing assets or providing rent for the survivors or dependants. This is not the case with condoms. Their packages read: “This product, if utilized correctly, may protect you against HIV/AIDS.” The wording varies, but it includes many uses of “if” and “may”.

I would be happier if a condom packet read: “This product is effective against the HIV virus. If for any reason it fails to perform as designed, we will reimburse you your money and pay for anti-retroviral treatment for life.”

The ILO and its constituents should consider the right of people to receive all information about prevention and for each form of prevention to receive equal time and effort when we talk about preventive measures in this new recommendation.

Every life we save from infection by any other method is worth the effort. Compared to the temporary causes of the economic crisis of maybe US\$5–10 trillion, the cost of HIV to the economies of the world may be just as high, but it is more permanent, and the limitations to treatment of millions of people whose income is less than US\$2 per day makes it imperative that we revise and include examples of all behaviour change regarding sexual relations, including fidelity, in our prevention programmes and guides.

Humans are capable of rising to great challenges. If nothing else, let us not be surprised when organized, infected groups unable to get treatment resort to violent means to try to obtain it and affect not only productivity and peace, but also our democracies. We hope and suggest that this new recommen-

ation, and especially article 17, will address all preventive measures thoroughly.

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Mr AZOUZ (*Worker, Syrian Arab Republic*)

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I would like to extend a greeting to you on behalf of the workers in the Syrian Arab Republic and their union organization, and to congratulate the President of the Conference for the trust that has been placed in him for steering our deliberations.

We rely very much on the prominent role of the International Labour Conference in the lives of workers and peoples, and appreciate the important achievements that have emerged from the Conference in developing and strengthening working relationships and bringing about a more humane justice in public life. We also appreciate the efforts of the Conference to oversee the implementation of Conventions and Recommendations.

We would like to draw your particular attention to the role of the fact-finding mission into the conditions of the Arab workers and citizens living under Israeli occupation in the Golan and Palestine, and the remaining occupied Lebanese territories. We are always keen to cooperate with this mission, involved in work of an international humanitarian nature, and are eager to apply the Conventions and international labour standards ratified by the Syrian Arab Republic, for all those who suffer under oppression. We are willing to cooperate in the application of these international labour standards ratified by the Syrian Arab Republic, in cooperation with both Government and employers, in harmony with the social and economic development of our country, and are keen to harmonize our national legislation with the provisions of international Conventions and standards.

The elimination of forced labour is linked closely to the eradication of exploitation, and the worst forms of exploitation are to be found in the policies and practices of occupation, be it in Palestine, the Golan Heights, Iraq or Afghanistan or any other Arab occupied country. This is because occupation has been and remains a form of oppression against the will of the people. The world has witnessed crimes committed by Israel against civilians in Gaza and Palestine. This is contrary to all Conventions in our world and, more particularly, the Universal Declaration of Human Rights.

In speaking of the strengthening of human labour relations under occupation and for ensuring the rights and freedoms of our fellow citizens under Israeli occupation in Golan, we would ask for the protection of the rights and interests of all peoples without exception. In Syria, we still suffer from sanctions imposed by the United States Administration, the Syria Accountability Act, on false premises, namely that Syria has been supporting terrorism. The world is aware of those who are involved in massacres and terrorism in Palestine, Iraq, Afghanistan and Sudan, and of those who are involved in the affairs of sovereign countries contrary to the United Nations Charter and the Universal Declaration of Human Rights.

We believe that justice, freedom and independence are universal rights for all people of the world, without distinction, and we believe that the colonial powers, on the pretext of the so-called "fight against terrorism", hide behind other targets to exploit the resources of these people and to plunder their wealth. Freedom is an indivisible whole and the question of exploitation and colonialism is equally

an indivisible whole. The Israeli occupants of our Arab territories, as well as other theorists of colonial forces, justify aggressive policies against these people in order to accommodate the plundering of their wealth.

We are equally optimistic when it comes to the positive evolution of international labour relations and a reduction in violations of international standards. We also affirm our readiness to cooperate with all regional and international parties to ensure a more just and humane balance in both our region and the world in all areas of economic, political and cultural matters. All human beings aspire to strengthened security and stability, peace, cooperation and solidarity in a world based on the respective privacy and choice of peoples, with the understanding that there will not be any interference into their internal affairs. We therefore believe that mankind will be able to address these urgent problems and issues, more particularly the implications of the global economic crisis, which has emerged as a result of capitalist greed and brutality, with total disregard for the social and human rights of human beings, particularly the workers.

Our country, Syria, is striving to advance construction, development, modernization, and the living and economic conditions of our workers and people are improving steadily. The Syrian trade union movement is playing a pioneering role in building the country, as well as developing and defending the rights, freedoms and interests of the working class in full cooperation with the other two parties concerned in this enterprise, namely the Government and the employers, under the leadership of our President, Bashar Al-Assad.

The political and social forces in Syria are playing a significant and decisive role in the process of development. The participation of women and youth in the development process has been expanded in the areas of equal pay, rights and duties and Syria has become, with respect to equality between men and women, one of the most developed countries in the world. Syria has witnessed a real revolution in modernization of legislation at home, in line with international standards. This has been based on the promotion of the rights and interests of its workers, primarily with regard to protection of the public sector and its development in supporting the national economy.

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Mr RAHMAN (*Employer, Bangladesh*)

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At the outset, on behalf of the Bangladesh Employers' Federation, I express my deep appreciation and sincere thanks to the Director-General for his lucid Report, *Tackling the global jobs crisis: Recovery through decent work policies*, identifying the strategic challenges ahead. We fully endorse the Director-General's analysis and the ILO's timely efforts in addressing the issue during this 98th Session of the International Labour Conference.

The global financial crisis, the most severe of its kind since the Great Depression, has now turned into a deep recession, affecting human development, and it may yet turn into an economic catastrophe in some of the developing countries unless we begin to think outside the box. The crisis originated in the developed world but it has spread quickly and inexorably to the developing world, sparing no country. Increasingly, it appears that this is not likely to be a short-lived crisis. Economists are still debating on the shape of the growth curve,

that is, whether it going to be a V, a U or a W. The poorer countries are especially vulnerable as they lack sufficient resources to respond with appropriate support programmes. The crisis poses serious threats to their hard-won gains in boosting economic growth and achieving progress towards the Millennium Development Goals (MDGs). Poor people, typically, are the hardest hit and have the least cushion. For millions, the crisis puts at risk their very survival.

Bangladesh, like many other Asian countries, has been hurt by the ongoing global economic crisis and is threatened with more adverse impacts in the coming months. Though there are declines in export earnings from a few products and flow of remittances from migrant workers, the country is expected to be adversely hit by the second wave, though the impact on credit, and the third wave, through impact on the consumer economy. Projections made by various sources indicate that the impact of the global economic crisis is due to manifest itself in the second half of 2009 and early 2010 and will hurt growth, employment and household income.

The economy of Bangladesh has been increasingly integrated with the global economy over recent years, through trade, flow of remittances and, to some measure, flow of Foreign Direct Investment (FDI) and portfolio investment. The degree of openness of the Bangladeshi economy was about 43.4 per cent towards the end of 2007–08, with the extent of globalization being equivalent to 56.6 per cent of gross domestic product (GDP). Net exports account for about 10 per cent of GDP and net exports and remittances are equivalent to 20 per cent of gross national income (GNI). About 85 per cent of Bangladesh's exports are destined for developed economies and about 60 per cent of her imports are sourced from those countries. If India, China and other emerging economies are also taken into consideration, the extent of exposure of the Bangladeshi economy to crisis-driven developed and developing economies will be quite significant.

One important point is that there is a time lag between recession and the recovery process between the developed economies and the least developed countries (LDCs). It would be difficult to predict how long it would take for the developed economies to come out of the recession. Countries like Bangladesh will be affected more towards the tail-end of

the ongoing crisis, meaning that these countries will come out last from the crisis, well after the developed countries have resumed growth. Therefore, the need and scope for designing and redesigning support packages will be there for some time to come.

In view of the future severity of the crisis, I would like to indicate five issues that need to be included in the action programmes for boosting economic activities, particularly in the developed countries or LDCs working together with the international communities.

The developed countries should allow enough space for further integration with the developing countries or LDCs to create demand and employment and should avoid undertaking any trade protectionist measures. It is true that the small Asian developing countries remain marginalized in world trade, but any reduction in world market integration will jeopardize their GDP growth rate.

High priority should be given to support plans and programmes for poverty reduction and the MDGs. The FAO estimates that any setback in the poverty reduction programme will prevent an additional 41 million people in the Asia-Pacific region from meeting their minimum nutritional needs. Similarly, setbacks in MDG targets will not only affect primary education enrolment but also the empowerment process of the weaker sections of the people, particularly women.

The LDCs should place greater reliance on designing support measures through monetary and fiscal policies as against doling out cash subsidies, except in certain cases where they have to match their competitors.

The developed countries must continue a steady flow of investments and development assistance to the developing countries so as to supplement the domestic resource base needed for socio-economic development.

The LDCs should be able to work in a proactive manner, nationally as well as internationally, for continuation of employment opportunities for migrant workers working abroad. The labour recipient countries must offer the necessary support in this regard. At the same time, they should plan appropriate social safety nets for those who are losing such jobs.

*(The Conference adjourned at 12.45 p.m.)*



## Sixth sitting

Wednesday, 10 June 2009. 2.30 p.m.

*Presidents: Mr Allam, Mr Palma Caicedo, Mr Zellhoefer*

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

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*Original Arabic: The PRESIDENT (Mr ALLAM)*

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I now declare open the sixth sitting of this session of the International Labour Conference. Without further ado, we will continue the discussion on the report of the Governing Body and the Director-General's Report.

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*Ms BUTLER-TURNER (Government, Bahamas)*

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It is a privilege to speak on behalf of the Government of the Commonwealth of the Bahamas, as it pertains to our labour and social agenda.

Labour Day, which is a national holiday, was observed in the Commonwealth of the Bahamas on Friday, 5 June 2009, and, while we continue to have much to celebrate, these are very difficult times for Bahamian workers, as is the case with workers throughout the world. Across the globe, even once thriving companies have been forced to lay off an unprecedented number of workers over a very short period of time. Double-digit unemployment figures are now a reality for many of our respective countries.

The Commonwealth of the Bahamas has a tourism-based economy, and the downturn in the world economy has resulted in a decline of travel. This in turn has resulted in the downsizing of several hotel properties in the Bahamas. Downsizing, unfortunately, has also occurred in related industries.

However, the Government of the Bahamas is responding to these tough times with forceful measures and by strengthening and creating programmes to help those who have been affected by the current economic situation. These programmes offer financial help in several areas, including assistance with rental and utility payments.

The Government of the Bahamas, after consultation with trade unions and employers, established an unemployment benefit programme in April of this year. This programme, which is administered through the National Insurance Board, is the first of its kind and, indeed, a landmark in Bahamian labour and social development history. Up to the end of May 2009, over 7,000 cheques had been issued to recipients.

Additionally, in his recent budget communication, the Rt Hon. Hubert Ingraham, the Prime Minister of the Commonwealth of the Bahamas, announced the implementation of a national skills training and re-

training programme. The first recipients for the programme, which is scheduled to commence by September of this year, will be drawn from beneficiaries of the unemployment benefit programme. The Government has engaged in extensive consultation with trade union leaders, employers' representatives and the Bahamas Christian Council, all of whom have pledged their support for this initiative. The programme will be geared towards training workers in areas where there is a strong demand from the business sector. These areas will include, but will not be limited to, the following: masonry, carpentry, welding, tile laying, electrical, landscaping, data processing, computer skills, and of course childcare services. Courses will be offered at the Bahamas Technical and Vocational Institute and The College of the Bahamas, and the programme will target 1,000 persons in the fiscal year 2009–10.

With respect to labour relations, the Government of the Bahamas will continue to work diligently to heal divisions, promote fairness and find common ground on difficult issues and to unite various parties as we confront the shared global economic crisis.

In closing, I wish to reaffirm the commitment of the Government of the Commonwealth of the Bahamas to the idea of social dialogue and to best practices as defined by the ILO. I am proud to acknowledge that we were the first in our region to sign up to a Decent Work Country Programme. Our accession would not have been possible without the help of the Regional Office of the International Labour Organization, and I wish to gratefully thank them for their efforts.

Mr President, despite this present global crisis, the resolve of the Bahamian people remains strong and, with the Government having already laid the foundation and with the support of all, whether employers or employees, we will overcome these difficult times.

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*Original Portuguese: Mr DOMINGOS DA COSTA PITRA NETO (Minister for Public Administration, Employment and Social Security, Angola)*

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Allow me first of all, on behalf of the Government of the Republic of Angola and the delegation that accompanies me and on my own behalf, to thank the President of this 98th Session of the Conference for assuming the responsibility for ensuring that this session is successful in achieving its objectives.

Among the different topics that have been put forward for discussion at this session of the Conference, I draw particular attention to the consequences

of the global economic and financial crisis and its impact on employment and social policy.

The Government of Angola, facing the current context of the economic and financial crisis, has adopted a whole series of measures in the employment and vocational training sectors, as well as relating to social protection, to face this crisis.

Accordingly, in the area of employment policies we have training programmes in technology and innovation, income and job creation and encouraging entrepreneurship in local communities, particularly encouraging support for young people in creating micro- and small enterprises, and in funding small businesses in the urban peripheral and rural districts.

In terms of social protection, and despite the effects of the economic crisis, measures have been adopted to help extend the scope of application of the system by incorporating freelance workers and also clergymen and religious bodies.

A programme for the modernization and development of social security services is also under way, which will aim to improve their management instruments and performance indicators.

The Government of the Republic of Angola honours its commitment to ensure equality of opportunities between men and women. Proof of this lies in the fact that in the results of the elections that were held in September last year, more than 40 per cent of the seats in our Parliament went to women and the Government that followed had the same composition. Also, in the different areas of society, we find more and more women in leadership positions.

In terms of vocational training, we have designed and are currently implementing a specific training programme geared essentially to women in the most vulnerable social groups. Overcoming and preventing HIV/AIDS is also one of the major concerns of the Government of Angola and nationally we have a practically consolidated network for offering diagnostic services and support to all citizens who are affected by this pandemic.

We sincerely hope, therefore, that the results of this session of the Conference will contribute, despite the adverse impact of the worldwide economic and financial crisis on labour and jobs, towards upholding the values and objectives of real production, consistent productivity, social justice and solidarity among States.

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*Original Turkish: Mr KUMLU (Worker, Turkey)*

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Every year, we gather in this room and every year we repeat how unfair and uncontrolled globalization is dragging the world towards bankruptcy. Following the tremendous economic crises which we have witnessed recently, we have now come to the 98th Session of the ILC as the members of a Workers' group whose warnings were expressed for many years and have now proved to be correct.

In his Report, *Tackling the global jobs crisis: Recovery through decent work policies*, the Director-General refers to the job losses in various countries and regions. He gives figures and he also highlights the increase in the number of jobs lost in Turkey.

The systematic growth of unemployment in my country is not only linked to the economic crisis. In spite of the initiatives taken by the Government to increase employment, it was not possible to create work for all, for everyone who is available for work and who is seeking work as provided for in the Employment Policy Convention, 1964 (No. 122).

Proposals mentioned in the Report such as securing current jobs and workplaces, increasing wages to boost the economy and investing in human resources to assist in job finding have been raised by us ever since the beginning of the crisis. But it was not possible to prevent the occurrence of these economic crises and their degenerating into an unemployment crisis. As in the rest of the world, the crisis in my country has increased the need for social security and social protection.

The Director-General's Report suggests solutions to the problems created by the informal economy. It would be a good step to take measures to solve the problem of the informal economy by means of radical measures.

The Global Jobs Pact, to be prepared by this 98th Session of the ILC as a response to the current crisis is indeed a crucial measure. Its aim is to place fundamental rights, social protection and employment policies at the heart of the recovery packages while, at the same time, emphasizing the need for social dialogue for this purpose.

The Report praises G20 declarations on the grounds that they included employment and the human dimension of the crisis among its priorities. However, G20 leaders address some facts which were so blatant now that they could no longer be denied. The message emerging from G20 declarations aimed to strengthen the current protagonists and simply resume the system instead of eliminating the global players who have dragged the world into this crisis. Resuming and restarting an unsuccessful economic system which has victimized people disturbs the workers who had expected a new start based on social justice and fair distribution of wealth.

Organizations such as the IMF and the World Bank are quoted as being parts of the solution or instrumental in implementing the solution in many parts of the Report. Instead of continuing cooperation with these organizations, an employment-based and socially focused revision of public expenditure would be a more accurate and appropriate choice.

I should also like to thank the Director-General for his Report which contains detailed analysis and also suggested solutions with regard to forced labour. The number of people who have to accept work under the poorest conditions, which they do not wish to do, is increasing because of the growth of unemployment and the expansion of the informal economy in my country.

As you all know, Turkey is on the agenda of the Conference Committee on the Application of Standards and has been for many years now, due to the violation of the Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87) and the Right to Organise and Collective Bargaining Convention, 1949 (No. 98). In this regard, a draft bill is currently before the Turkish Grand National Assembly. This draft bill and its provisions will not bring compliance with Conventions Nos. 87 and 98 and it is not going to solve the problems that we face in practice. This is why we oppose this draft bill being enacted in its current drafting. We believe that it is necessary to adopt a legal instrument that complies with ILO standards and takes the current conditions in our country into consideration.

South Africa welcomes the efforts of the ILO in assisting member States and constituents to put in place response packages that will alleviate the impact of the global financial and economic crisis on developing economies. We reiterate the point we made during the Governing Body session in March 2009 that the crisis does not need a one-size-fits-all approach because it has affected countries and their economies differently.

We agree with the ILO approach and want to emphasize the importance of the decent work response to this crisis. This response can only be possible if each country is fully aware of the impact of the crisis on their economies. So, we recommend that member States should develop responses informed by the needs and circumstances of their respective economies.

There is consensus that the current crisis highlights the need to revisit the current global economic system, which has no social conscience. The ILO Declaration on Social Justice for a Fair Globalization, adopted by the International Labour Conference in 2008, becomes very relevant in breaking the shackles of capitalism in this regard. We need a new world order that is conscious of the dominant social ills characterizing capitalism globally, social ills of high unemployment mainly in developing countries, particularly among the youth.

We therefore believe that the Global Jobs Pact, as espoused by the ILO, should constitute part of a comprehensive approach towards undoing the effects of the global financial and economic crisis. Having said this, stimulus packages should also address the root causes of the crisis. It is in the light of this approach that South Africa has developed a response to the crisis by looking at those areas where our economy was not performing optimally.

In South Africa, the response to the crisis is a culmination of our efforts to identify key sectors with maximum impact on job creation and retention, as well as poverty alleviation. The framework of our response is underpinned by the following: our concern about the potential of economic shocks to destabilize the welfare of the vulnerable, their jobs, their health and education; ensuring that all our activities aim at strengthening the capacity of the economy to grow and create decent jobs; maintaining high levels of investment in the public sector infrastructure and encouraging the private sector to maintain and improve, wherever possible, their levels of fixed direct investment, as well as continuing with corporate social investment programmes; intervening in a timely manner in a targeted and appropriately tailored manner; providing a broad stimulus package that has economic and social components.

Sectors that have been hit hard by the crisis in South Africa include clothing, textiles and footwear, mining, and the auto and capital equipment sectors. These sectors have been prioritized, consultations with our social partners have been held, and measures are being put in place. A combination of trade, industrial and social policies will be set to prevent catastrophic job losses, to recover jobs and to create employment. Regaining lost productive capacity is also a focus of this strategy.

South Africa has developed a diversified manufacturing base that has shown its resilience and potential to compete with the best in the global econ-

omy. The manufacturing sector provides an important platform for stimulating the growth of other activities, such as services, and achieving specific outcomes, such as employment creation and economic empowerment. So, our strategy seeks to integrate all our efforts in ensuring that we fend off the worst that can come out of this crisis. Our former President, who will be visiting this Conference, Mr Kgalema Motlanthe, said that particular attention should be given to strategies that are aimed at cushioning the impact of the crisis on job losses, particularly for the poor and the vulnerable.

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Mr SAJINARAYANAN (*Worker, India*)

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When I stand before this August comity of nations, I feel immense happiness, because our ancient Indian forefathers put forward an idea thousands of years ago for a global family. This is conceptually higher than the idea of the global village. The recent global financial crisis has opened our eyes and shown us that we have distanced ourselves from the long-cherished family and social values and have submitted ourselves to the "divinity" of the market. Ethics have given way to excessive greed, desire and uninhibited lifestyles. A credit-crazy consumerist culture persuaded people to live beyond their means for affluent spending and to run for easy money. Now our unflinching belief in the market fundamentalism, i.e. the belief that the market is divine and the market is a panacea for all problems, is shattered. The deeper roots of the crisis lie in shifts in banking practices such as total deregulation policies. Private banks neglected the prime sector and indulged mainly in subprime lending. The crisis has caused the collapse of many giant financial institutions and leading banks. The subprime housing loan mortgage crisis is related to the real estate sector.

The crisis was manifested with the crash of stock markets worldwide. Governments have encouraged speculative gambling and attempted to place it at the centre of economic activities. The stock market has been raised to a vital position in which it is treated as an indicator of the state of economy. Financial institutions diverted money to risky speculative markets for reporting high profits. Governments indulged in the policy of discouraging savings, encouraging people to indulge in credit and persuading them to spend more in order to fuel economic growth and as part of the reform agenda. By interest reduction, savings were discouraged and people invested their lifelong savings in the stock market for easy returns, and then lost. The savings of the common man, including pension funds of old-age people, have been lost in gambling. Slowly, the crisis went to the real sector, affecting the people on main street. Factories were slashing output and workers were losing their jobs. Crude oil prices fell to less than one third of their value. Now the world is in the slow process of recovery.

Countries across the world were affected by the crisis to varying degrees. It is pertinent to note that globalized areas of economy of every country are affected. It is a crisis of globalization rather than a global crisis. In neo-liberal capitalism, economic activities shifted from the real economy to peripheral financial and speculative activities. So the root cause is definitely structural and systemic.

Capitalist reformists are trying to find solutions within the capitalist framework, which again will repeat the cycle of the crisis. The steps taken by

many governments to check the crisis are the same as that led to the crisis.

With reasonable regulations, by and large, India was able to withstand the crisis. In spite of attempts of liberalization, India is one of the least affected countries in the world, as opined by IMF and others. Countries like India could sustain it with least injury, because deregulation did not run amok due to of opposition from trade unions and other social organizations. India still has strong and sufficient regulations in financial and banking sectors.

Governments' stimulus bailout packages should not go to erring capitalists, but should go to the labour sector and the common man, whose toil contributes to the economy. Governments should increase social welfare and social security spending, making provisions for universally accessible basic social services, infrastructure, developmental and welfare activities. We must focus on people, enterprises and the real economy. Investment is to be turned to real economy. The purchasing power of the common man has to be increased. Consumerist, greed-based or desire-based economics have to be discarded. A paradigm shift is needed in development strategies. The direction given by the Director-General that the global job crisis has to be tackled through decent work policies is an eye opener to all stakeholders in the economy. Let us re-model our paradigm dreams, lest history may not pardon us.

This year, the subject of elimination of forced and compulsory labour has also come up. We find uncivilized labour practices all over the world, such as low paid wages, unsatisfactory working conditions, etc. Human trafficking is the brutal part of forced labour, especially among children, who are affected in their thousands every day across the world in front of our eyes. Let us drop our heads in shame. There are large parts of our beautiful globe where human beings live like cattle. The Supreme Court of India said in the *Asiad Labour* case in 1982 that working for less than minimum wages and in unsatisfactory working conditions amounted to forced labour.

In India, major challenges with all the trade unions are the plights of unorganized workers, as well as contract labour. Over 94 per cent of the workforce in India is in the unorganized sector, where workers are not protected by any law. Even the permanent labour in the organized sector is being drastically brought under the contract labour regime, where workers are denied job security, sufficient wages and lawful working conditions. Trade unions have taken up the challenge and have taken up the Himalayan task of organizing the unorganized, as well as fighting against the spreading contract labour system. Let trade unions all over the world act in unison to free our brothers in the working sector from forced and compulsory labour.

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*Original Spanish: Ms SILVA MELÉNDEZ (Government, Chile)*

Chile, like other countries, has been suffering from the effects of the crisis it did not create. But in the context of globalization and with open markets it has been particularly hard hit. It has therefore been adopting a number of policies designed to mitigate the impact on the economy, particularly the impact on individuals – men and women workers – and SMEs, who have been the most affected by the crisis.

Chile's response in macroeconomic terms has been a clearly counter-cyclical fiscal policy, in-

creasing expenditure in order to avoid fall in demand and introducing specific measures to keep the financial system afloat.

These measures have been possible because of Chile's policy of austerity and savings over the previous years. This has enabled us to stimulate investment and consumption, increase public investment in infrastructure, improve access to financing for SMEs and enhance the possibilities for training and employment. At the same time, we have been able to provide direct support to the most vulnerable members of our society.

The global crisis came at a time when Chile was already consolidating its social welfare system, which is one of the hallmarks of the Government of President Michelle Bachelet.

This is designed to articulate social policies around two main thrusts: establishing minimum social guarantees for all Chileans, particularly in health, employment and education throughout people's lives, from the youngest to the oldest of our population, and trying to make sure that public services are more accessible for people in a coordinated fashion.

I shall give you a general idea of what we have been doing. Our educational grant programme provides a wide range of benefits for education, including basic education. The basic welfare pension, which has been a pillar of the social welfare system since 2008, grants protection for everyone over the age of 65 years. In the area of housing, the State provides grants to those who cannot afford their first home, as well as allowances for home improvements. Another component of the Chilean welfare system is the social protection of families and persons who are particularly vulnerable.

Furthermore, unemployment insurance has recently been increased, which provides benefits to the unemployed, helping them to get back into employment, ensuring that they have health protection and dispensing training. In the area of health, the *Auge Plan* guarantees all those who have contributed, either to the public or private schemes (FONASA and ISAPRES), access to health care and ensures that they have financial protection. There are also more than 3,500 baby care centres and kindergartens throughout the country, providing high quality services and food, which makes it much easier for women to re-enter the labour market. Finally, there are youth employment grants which ensure that young people between the age of 18 and 35 years of age have easier access to employment.

However, despite all these efforts, the unemployment rate in Chile for the last quarter, from February to April 2009, increased by 0.6 per cent over the previous quarter and now stands at 9.8 per cent. These data clearly show that the economy is slowing down. We are bound to note that State policies alone are not enough to cope with the crisis. We need to involve all of the social partners.

On the basis of the national tripartite agreement on decent work of 2008, we have drawn up a new national tripartite agreement for training and employment protection, which has been signed by the President of the Republic, the Confederation of Production and Trade, the Confederation of Small and Medium-Sized Enterprises and the CUT.

That agreement is envisaging a number of provisional measures to cope with contracting markets. In a very short space of time, it will enable the adoption of laws to prevent redundancies and im-

prove employment training. One measure, already adopted at the beginning of the crisis, gives tax rebates to companies dispensing training to their employees. It also provides them with a training permit for five months, which guarantees access to unemployment and training insurance.

It also enables them greater flexibility when they take on new workers, improving the quality of training programmes and making people more employable.

There is also a programme of grants for women. The speed with which all of these measures have been adopted may be attributed to the consensus between Chilean workers, employees and the Government. Together we confront the effects of a crisis that we did not create in our countries but which now is posing a major challenge and calling into question an economic financial system which overestimated the capacity of markets to regulate themselves, and over-valued the role of the State.

The Government of Chile is favourable to the Director-General's proposed Global Jobs Pact. In this way, the workers of Chile and the world will not have to bear alone the cost of this crisis.

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*Original Arabic: Mr KHOUJA (Government, Morocco)*

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I should like to thank the ILO staff for their efforts in preparing for this session, and also for the adoption of measures that will lead or contribute to analysing the causes of the current financial crisis and to define the methods for dealing with its impact on economic growth and employment by means of the work of the Committee on Employment and Social Policy and other Governing Body meetings, to try and reduce the impact of the global crisis.

The last three years have been characterized by a rise in fuel prices and basic commodities. This year, we have seen a financial crisis whose effects are being felt in different national economies and are hindering the realization of the Millennium Development Goals and of decent work as a strategic objective for human development.

It can be said in this regard that the globalization of the economy led to the globalization of development problems, so we need the globalization of solutions and strategies. The ILO, which adopted the Declaration on Social Justice for a Fair Globalization, is needed, more than ever, to be a forum for reflection and dialogue on the subject of employment and social protection and social justice.

We celebrate the 90th anniversary of the ILO this year, with the slogan "90 years of working for social justice". This is a good occasion to deepen the discussion on the different ways of achieving social justice.

In order to reach this goal, that is to say social justice, Morocco organized two events, the first being on 21 April 2009 on "Social justice free of child labour, an objective within our reach". The second event, on 28 April 2009, was on safety and health at work.

One of the characteristics of the financial crisis has been a fall in credit available for businesses and a fall in demand, which has led to a long-term economic recession which has a negative impact on the labour market and threatens social stability.

The measures taken up until now to limit the crisis have aimed primarily at assuring the stability of the financial markets and the development of credit

to allow recovery. However, these measures have had a limited effect.

Therefore, Morocco has adopted a general approach to reducing the impact of this crisis. We have chosen dialogue to establish measures concerning employment and social protection, as part of coordination between the different economic or social public sectors.

The Government of the Kingdom of Morocco has also organized a tripartite social dialogue that included representatives from trade unions, government and employers in order to examine the causes of the crisis and find solutions to them. Consequently, we established a technical committee that was entrusted with the task of drafting a programme to maintain jobs in the textile, leather and automobile industries. The programme focuses on three areas: financial, trade and social.

The programme has provided support to companies affected by the crisis, and the State has committed to reimbursing parts of salaries and social contributions in order to maintain jobs.

These are the main measures that were adopted by the Government of Morocco in cooperation with the social partners, in order to deal with the financial crisis.

The Kingdom of Morocco has signed the 1998 ILO Declaration on Fundamental Principles and Rights at Work and has also adopted the concept of decent work as one of the strategic elements of the Millennium Development Goals. This indicates its commitment to international labour standards and human rights charters.

In this regard, we have also submitted, on 3 May 2009, the ratification instruments of the Labour Administration Convention, 1978 (No. 150), and the Collective Bargaining Convention, 1981 (No. 154).

We have also ratified the Labour Relations (Public Service) Convention, 1978 (No. 151), and the Asbestos Convention, 1986 (No. 162).

The Report on forced labour, in relation to the Declaration on Fundamental Principles and Rights at Work, gives equal treatment to human rights violations and human dignity and the denial of decent work.

In the context of the current financial crisis, we must also take into account the conditions endured by the Palestinian people, who face appalling economic and social conditions due to the unjust embargo. We call upon the ILO to put an end to this tragedy and we ask it to support the Palestinian people by helping to fight poverty, marginalization and the deterioration of employment relations.

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*Original Arabic: Mr AL-ALAWI (Minister of Labour, Bahrain)*

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We thank the Director-General for having chosen the important issue of the economic crisis for discussion during this Conference. It goes without saying that the current economic and financial crisis has a deep and negative impact on labour markets throughout the world. It leads to the laying off of large numbers of workers, who are then exposed to the dangers of unemployment, poverty, social exclusion and psychological suffering.

I would like in particular to thank the Director-General for the paragraph in his Report about the Kingdom of Bahrain. It points out that the Kingdom of Bahrain has become the first country in the Middle East to implement an unemployment insurance scheme, in the context of comprehensive labour

market reform. This insurance scheme protects workers who have been laid off against the impact of the financial and economic crisis. We have become pioneers in this region.

I would also like to express the thanks of the Kingdom of Bahrain to the ILO for its valuable technical assistance.

An example of this was the legal assistance given to us when we were setting up our unemployment insurance system.

We are very proud of what we have achieved in our country but we would like to emphasize once again that the positive steps we have taken in reorganizing the labour market, especially in terms of employment policies and social protection, would not have been achieved without the support of His Majesty, who has laid the foundations for democracy and freedom of association, and strengthened the foundations for social dialogue. I cannot forget in this context the unfailing support of the Bahraini Chamber of Commerce and Industry and the Bahraini Trade Union of Workers which have made their mark in the activities undertaken by the Ministry of Labour.

I would like very briefly to present some of our experiences in reorganizing the labour market and protecting the workforce. Our unemployment insurance system came into effect in June 2007, and we have achieved much since that date. The system provides income to the unemployed to see them through the difficult period of unemployment. New entrants into the labour market can obtain assistance, and workers who have been laid off receive about 60 per cent of their former wages. This has reinforced our social protection system, which is very important in the context of the current economic and financial crisis.

Concerning statistics and transparency, this system has enabled us to know the true numbers of unemployed, in accordance with standards put in place by the ILO, so we can calculate the unemployment rate, observe labour market fluctuations and take stock of the number of jobs being created. We are one of the few countries in our region to publish monthly unemployment statistics in the media.

Ever since the Ministry of Labour launched its national employment policy, it has been quite creative in finding new and sophisticated ways of creating jobs. For example, we have job fairs at the local level, and we have boosted the role of jobs databases in order to offer the greatest possible number of jobs and monitor job stability. This programme has led to a reduction in unemployment from 15 per cent before the project was launched to less than 4 per cent today, and we will continue along this path to keep unemployment rates within an acceptable range.

In the context of the labour market reform programme launched by His Royal Highness the Crown Prince, we have reinforced article 25 of our Labour Law to enable migrant workers to change employer without the prior approval of the first employer. This reflects the fact that the Kingdom of Bahrain is committed to respecting international labour and human rights standards, especially Article 23 of the Universal Declaration of Human Rights, according to which every individual has the right to choose his or her work in an equitable manner without regard to nationality or identity.

Despite our pride at what we have achieved, we face considerable challenges, and we are therefore working on designing and implementing a strategy based on a number of key objectives: we aim to keep unemployment below 4 per cent; we have put in place a plan to accelerate the employment of university graduates, especially those with specializations which are not much in demand on the labour market; we want to develop our unemployment insurance system; we want to increase wages and employment incentives; and we intend to develop trade unionism and enhance social dialogue.

In conclusion, I would like to emphasize the importance of the fact-finding mission's report in detailing the suffering of the Palestinian people and the terrible conditions in occupied Arab territories. The Kingdom of Bahrain condemns all violations committed by the Israeli Government and all arbitrary practices against our brothers and sisters in occupied Palestine.

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*Original Spanish: Mr MUGA (Employer, Chile)*

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Chile has based its current development on opening up to world trade and on the social market economy, which has resulted in sustained growth and a better quality of life for our people. The gross domestic product (GDP) per capita is the highest in Latin America and the proportion of the population living below the poverty line has dropped consistently. In this context, we have applied counter-cyclical macroeconomic policies and fiscal responsibility policies that have allowed us, particularly in recent years, to put by major resources to be used at difficult times, like at present.

In spite of this, the international crisis is also affecting Chile, where, after a decade of stability, there has been an increase in unemployment and also a drop in the growth rate, which will be negative this year. However, from the start, we opened up channels for dialogue with workers and the Government to try to find joint solutions, aware of the fact that this is the way to confront a very delicate world climate, which will affect economic activity and particularly labour. As proof of this, in October last year, we signed an agreement on a tripartite decent work programme.

Chilean employers have supported the measures the Government has been designing and implementing to tackle the crisis, including direct subsidies for those in the lower income bracket, access to funding with more favourable conditions for small and medium enterprises, and an increase in investment in construction and infrastructure, which are sectors that generate many jobs.

We have encouraged other policies, such as subsidies for the formal employment of young people and a considerable increase in grants for academic and technical students at the best universities in the world. These fiscal incentives are funded by State resources, which have been managed effectively by the State, from savings made systematically and responsibly in previous years.

The employers in Chile have been encouraging tripartite dialogue, particularly in this adverse climate. Only one month ago, we signed, with the Government and workers, the national agreement for employment, capacity building and labour protection, which is now enshrined in domestic law. It establishes incentive policies for retaining and training workers, for pre-contracts and temporary training permits, which have created new possibilities,

by combining unemployment benefits with training programmes, so that workers do not lose their contractual link with the enterprise and, at the same time, they receive training during quiet periods for the enterprise. This is advantageous for enterprises as it alleviates their financial situation, allows them to retain their workers and improve their skills. The temporary training permit enables workers to dedicate themselves to a maximum of five months of training, receiving monthly pay equivalent to 50 per cent of the average of their previous six months' wages, financed by the employer, individual unemployment contributions and the solidarity unemployment fund, the main contributors of which are employers. The workers do not terminate their contracts with the enterprise and continue to receive contributions towards their pension and health cover. We are promoting these instruments and doing everything possible so that they are put to use. It is key at this point in time to help Chilean employers retain their skilled labour force and to promote labour agreements on flexibility to resolve the problems of some enterprises, without detriment to jobs.

As well as the measures to promote employment, we have supported the progress made in terms of the social protection instruments contained in the pension reform adopted unanimously by the Chilean Parliament last year. The reform extends the coverage of the system and provides benefits to practically the whole population.

A new solidarity pillar has been introduced to complement individual contributions, which are the basis of the current system. Faced with the current crisis, the Government has decided to bring forward the entry into force of certain benefits that have the full support of Chilean employers.

The international crisis has been a harsh trial for our enterprises. Fortunately, it has also served to direct the focus towards the relevant discussion on capacity building: the challenge of improving the qualifications of our workers and, consequently, their productivity.

We hope that, on the basis of this discussion, we will be able to make progress in other areas related to the labour market in Chile. All stakeholders have been able to use the tool of social dialogue to make progress in the agreements on training. We will continue to make progress in our dialogue with the workers and the Government on relevant matters that will make it possible to introduce reforms to the labour market that will translate into the creation of more and better jobs, as well as improvements to the regulations and their effectiveness within our economic model. Chilean employers see an opportunity to make progress in this regard. The crisis should make us reflect on the urgency of improving enterprises' competitiveness and sustainability. We, the Employers, are not alone in this effort, since the workers are aware that an enterprise's success depends on the performance of both sides. We are confident that the importance of dialogue between employers and workers will be one of the lessons that we learn from this crisis. We hope that we will also be able to consider issues, such as flexibility and security on the labour market, in a constructive manner that will be mutually beneficial. Competitiveness is a constant challenge for both enterprises and workers. As well as increasing productivity and investing in human capital, we must remember that we urgently need to make the labour market regula-

tions more flexible, which would without doubt improve the quality of employment in Chile.

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*Original Spanish: Mr PALMA CAICEDO (Deputy Minister of Labour and Employment, Ecuador)*

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This International Labour Conference coincides with the worst economic, financial and structural crisis of a wild, voracious and predatory capitalist system that was arrogant enough to claim the end of history, demonized the State and placed its faith in a market based on speculation and finance, to the detriment of the traditional factors of production.

There is no doubt that humanity is now paying the price for this irresponsible behaviour of an elite that claimed that globalization was a panacea, or the natural route to follow for all of the countries of the world. It claimed that there was no alternative to globalization and that we were in the period of one single way of thinking. No matter how many crises there were in Mexico, Brazil, Ecuador, Thailand or the Russian Federation, no matter how bad the news was on the environment: gas emissions which were leading to the greenhouse effect; deforestation and land erosion; and overfishing and the mass extinctions of species. It is a paradox that the leaders of the formerly successful stock market and risk-assessment companies are now asking for losses to be spread and requesting protection from a State that, until very recently, they considered as simply the guardian of relations in society.

In a recent meeting of the Non-Aligned Movement in Havana, Ecuador said that this crisis was an opportunity to consolidate the changes that our people were asking for and that it was our opportunity to consolidate, throughout the world, the principles of human development based on environmental sustainability and the radical democracy that inspired the socialism of the twenty-first century.

The impact of the crisis has been most serious on developing countries like Ecuador, whose productivity has been affected by reductions in exports, remittances and flows of foreign direct investment.

Those adverse effects have had a direct impact on increasing underemployment and unemployment. Some people are recommending that developing countries can escape this crisis by adopting failed structural adjustment measures that make workers' living conditions precarious and increase the inequality and social exclusion levels of our people.

In contrast, for developed countries, those same people are suggesting counter-cyclical measures and expensive recovery and nationalization packages.

Many developed countries, who, for many years, had high economic growth rates, partly based on migrant workers' contributions, are now adopting measures that go against the most fundamental human rights, criminalizing a phenomenon which is a result of this unfair and exclusive form of globalization.

Ecuador's political instability over the past two decades meant that we had nine presidents in 15 years, which caused an enormous weakening of the institutions fundamental to national development, and led to the emigration of about 10 per cent of the economically active population. We have had continual accusations of corruption among public officials and a dramatic loss of the credibility of the traditional political parties.

Tired of such instability and ungovernability, the Ecuadorian people, in a sovereign response, elected

the economist Rafael Correa Delgado as the constitutional President of the Republic, thus choosing a citizens' revolution based on the theories of Bolívar and Alfaro and other patriots, which has led to a fundamental transformation of the economic, social and political structures. It is a new model of sustainable development based on social justice and fairness that is building a new society: an employment society.

The new Constitution, which was approved by two-thirds of Ecuadorians, includes new and progressive changes in the areas of human rights, indigenous peoples and the environment; increasing access to the great majority of people to decision-making; strengthening supervisory mechanisms; and combating corruption, amongst others. The Government of Ecuador, within the Constitutive Assembly, adopted Constituent Decree No. 8, which definitively removed from our legislation the aberrant mechanisms of outsourcing and labour mediation, hourly contracts and any form of making working conditions precarious, as well as punishing simulation and labour fraud. The new Constitution that governs us has given us a mandate to focus on the ratification of basic labour rights, such as freedom of association, collective bargaining, the elimination and eradication of child and forced labour, and the right to strike.

One of the pillars of this Organization is social dialogue. The Ecuadorian Government believes that only with social dialogue will we be able to find systemic solutions to enable us to build a more inclusive, fair globalization based on the principle of solidarity, in which all social partners can work for an ethical world based on values and social responsibility.

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*Original French: Mr MACKOUZANGBA (Minister of Civil Service, Labour, Social Security and Youth Employment, Central African Republic)*

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It is an honour and a privilege for me to address this 98th Session of the International Labour Conference in my own name and on behalf of the people and the Government of the Central African Republic.

My first thought from this rostrum goes to the people of Switzerland, whose country has become the elected venue of the international community which seeks solutions to the many problems that afflict the world.

This year our Conference is being held in a context of global economic and financial crisis which, as the Director-General of the ILO so rightly said, affects all countries and requires a solution to be found at the global level.

My country, the Central African Republic, has been hard hit by the crisis.

Indeed, the main export sectors which generate budget income, namely the mining industry and the timber industry, where already nearly 50 per cent of workers have been laid off, have been particularly affected by the crisis, thus leaving the Government with very little room for manoeuvre, particularly when it comes to social expenditure.

A national committee to debate the consequences of this crisis and its impact on the Central African economy and the Central African subregion, has been put in place with the participation of the various actors in the economy, including the employers and the trade unions.

We are awaiting the initial findings of this committee and I would like to remind you that the Central African Republic is in a post-conflict phase. It has just about emerged from the military and political crises which arose between 1996 and 2003 the consequences of which included the destruction of the socioeconomic infrastructure and the reduction of the country's industrial and commercial fabric.

In the past five years, the average annual growth has hardly exceeded 3 per cent, which is clearly not enough to reduce poverty, since the rate of population growth is 2.5 per cent.

Although it has immense natural resources, the Central African Republic is afflicted by a number of considerable drawbacks, which reduce the attractiveness of the country for outside investors. We can mention the size of the internal market, the fact that the country is landlocked, the decline in the educational system and indirectly, the problem of a skilled labour force.

In spite of all this, the Government of the Central African Republic remains convinced that work and nothing but work is going to get us out of this crisis and is a key factor of development.

This conviction concerning the role and place of labour, which is illustrated by the slogan "Kwa Na Kwa" coined by his Excellency Mr François Bozizé Yangouvonda, President of the Republic and Head of State, is to be implemented in the form of a national policy for the promotion of employment, which is regarded as a stimulus for economic growth. It goes without saying that my Government fully supports the Global Jobs Pact as a response to the crisis through decent work.

In response to all these concerns and challenges, the Central African Government in 2007 finalized its poverty reduction strategy paper (PRSP/2008–10) based on four pillars: restoring security, consolidating peace and preventing conflict; promoting good governance and the rule of law; reconstructing and diversifying the economy; and developing human capital.

In order to achieve its objectives in the field of employment, one of the targets the Government has set itself is to put in place a regulatory and institutional framework which is conducive to the creation of decent and sustainable employment.

To this effect a new Labour Code was adopted and enacted on 29 January 2009, replacing the 1961 Labour Code, which is now obsolete.

This new Labour Code takes into account all the ILO Conventions ratified by my country, thus providing stronger protection of labour rights and also implementing the ILO Declaration adopted in June 1998.

My Government has also decided to organize a national employment and vocational training forum between now and the end of the year. This will help us draw up a national employment policy aimed at combating unemployment more effectively, particularly when it affects young people.

Another forum on the role played by social security in poverty reduction is also to be organized with the support of the ILO in 2010, thus concluding the process of restructuring our social security system and coming up with suggested means of action for the future of the National Social Insurance Fund.

Finally, in the field of social dialogue and tripartism, the Government is going to make operational the National Permanent Labour Council. The basic texts are already in force.



I see no harm in indicating the importance which my Government attaches to social dialogue and tripartism as a means of preventing and resolving conflict. They have proved their effectiveness in this field.

My country has greatly benefited from technical cooperation with the ILO, particularly when it comes to the redrafting of our national labour legislation, strengthening the capacities of the executives working in the labour ministry and of the social partners, as well as technical and financial support for the organization of workshops at the national, subregional and international levels.

We know that all the measures taken are not enough given the scale of the current crisis, but we also know that we need a strong ILO along with the contribution of its various regional offices and all its constituents in order together to find an appropriate way out of this crisis.

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Mr TOMASI (*Apostolic Nuncio, The Holy See*)

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For 90 years, the ILO has been a protagonist in and witness of social progress. Today, it confronts another major challenge in a tripartite system of consultation; it is called to play a critical role in confronting the consequences of the current economic crisis for workers, their families and the entire human community, especially the most vulnerable groups, not least among them the workers of the informal economy and those who lose the right to social protection by losing their job. In fact, “those whose voice has the least force in the political scene are precisely the ones who suffer most from the harmful effects of a crisis for which they do not bear responsibility”.

The global economy has experienced its deepest downturn in 50 years. The consequences on the labour market are particularly worrying. The poorest economies have been hit hardest. The search for employment has also become more complicated for the young entering the labour market.

The current economic and financial crisis demands effective measures to address and change the behaviour, practices and misjudgements that led to it. It has shown the frailty of financial wealth and the uncertain role that capital has in our economies. In a period where markets are attributing so little value to financial wealth and are emphasizing the risk associated to capital, a crucial question emerges: what is the source of value? What has true value?

In this context, an essential reply emerges and it is exactly what the social doctrine of the Church has always stressed: while being complementary to capital, labour has an intrinsic priority over capital. Labour proceeds from the person, is an inherent expression of personal identity, and ultimately finds its source of value in the richness and depth of the person.

This productive work is at the base of the real economy, rather than speculation that is prompted solely by greed and for profit.

Over the years, the ILO has placed much emphasis on the notion of decent work. We can say that decent work is at the centre of ILO policy and initiatives. However, in ILO jargon, decency is mainly related to the provision and realization of standards in terms of safety, wages, health, environment and similar rights.

Whilst the Holy See praises all the efforts that are aimed at improving working conditions, especially

of the poor, as well as the introduction of new standards, like the proposed instrument for the protection of domestic workers, it stresses the need to recognize that a work-centred strategy has to put the person, not the task, in the centre of the production process. If this is done, then decency acquires a new importance and a more profound meaning because it is linked directly to the person and his dignity. In fact, it is the dignity of the person that provides the basis for setting standards that make a job decent.

As a result of this approach, when losing his job, an individual can experience economic difficulties and hardships, but does not lose his dignity.

The recognition of these essential features of human work has two strategic implications for dealing with the current crisis and defining a strategy for economic recovery.

In implementing policy actions to tackle the global economic slowdown, the first objective should be the preservation and protection of employment. The truth is that labour not only is a decisive factor in economic efficiency, but also is a crucial element of social stability. Thus, we need to be aware of the risk that the resumption of employment may not arrive too late after the economic recovery since this would pose serious socio-economic problems. For millions of men and women the loss of a job becomes a source of economic hardship for the entire family, thus dangerously widening the economic and social impact of the crisis. In addition, when unemployed, individuals tend to lose and waste their skills, further reducing the likelihood of finding a new job and ultimately depleting the overall human capital of society.

Decent work, then, is the main road to overcome the current crisis; a strategy that as well can create the conditions for a stable and lasting economic development. We must bet on the person's creative work and on her or his talents.

The task of governments and of economic institutions is to create the conditions under which these talents can be put to the best use. Society is challenged to do its best to prevent the dissipation and loss of such talents, even through new creative forms of participation in the system of production.

In several developing countries, many millions of individuals are still trapped by hunger and extreme poverty. Even if the current economic condition is not favourable, the official aid that flows to poor countries should not be reduced since it represents a crucial share of national income and a decisive element in allowing them to look at the future with brighter hope. Global solidarity pays back its returns for the global economy.

The second element in the strategy to overcome the crisis should be to design policy initiatives that give particular attention to sustaining small and medium-sized enterprises.

In conclusion, the concerns raised in recent years about a “jobless growth” are now evolving into fears that the coming years will be characterized by “labour-intensive restructuring” and a “jobless recovery”. We must act decisively and in a timely way in order to prevent this occurrence. If we succeed, we can transform the economic crisis into an opportunity to reaffirm the centrality of the human person in labour relations; to encourage a lifestyle of sobriety, solidarity and responsibility; and to direct all economic activities to the common good.

The economic crisis affecting the whole world was created in the major financial centres of the developed countries. However, it is having a negative impact on almost all of the world's population. What has now begun seems to be a speedy and lengthy loss of employment that will be seen to have dramatic consequences on levels of poverty in developing countries, putting in jeopardy the progress that we have made over the past few years and endangering the chances of meeting the Millennium Development Goals.

In 2008, global unemployment grew by 14 million and the total increase could reach 50 million by the end of 2009. If we look behind those numbers, we see human suffering; we see an increase in the pain and, indeed, the desperation of men and women, as heads of household who can no longer meet the basic needs of their families. It is frightening to think how the crisis has led to a dramatic increase in the number of children suffering from malnutrition and lack of access to education which might enable them to get off the cycle of poverty in which they find themselves.

So these are very difficult times and that is why we need to pool our efforts. We need to see the combined action of all countries in the world and, indeed, within countries, we need to see wide-ranging participation from all political, economic and social sectors in order to keep to a minimum the negative impacts of this crisis.

The experience we are now living through has demonstrated how irresponsible and inhumane it was to leave in the hands of a supposed invisible hand the task of guaranteeing development and, indeed, social, political and environmental balance.

At the beginning of the year, the Government of the Dominican Republic invited all its national sectors to take part in a national unity summit to deal with the consequences of the global economic crisis. Multiple proposals came out of that meeting and a number of important agreements were reached, which enabled the Government to define a road map in terms of taking steps to combat the negative effects of the global economic crisis on its people.

On the basis of the agreements reached at that summit, a number of steps have been taken in terms of employment, social security and social protection. The social security system in the country has been strengthened considerably over the past few months, not only increasing the number of beneficiaries but also improving the number of services offered to the people. The various social welfare services designed to help the very poorest people have also been extended.

A number of steps have been taken to stimulate the economy, specifically designed to focus on high employment-creating sectors, such as small and medium-sized enterprises, agriculture and the building of low-cost housing.

As a result of the national dialogue that has been taking place; tripartite coordination bodies have been strengthened in order to facilitate the creation of consensus, such as the Consultative Council on Employment and the National Employment Commission. A few weeks ago the Consultative Council adopted two recommendations: one on protecting employment, and the other on freedom of association and collective bargaining. We have also de-

ecided to strengthen the State Secretariat of Labour in order to ensure that it is an appropriate body for developing and, indeed, implementing active employment policies. Within that process, we have strengthened the advisory body on the Dominican labour market, the national employment service and the programme for youth and employment.

We have taken a number of measures designed to combat any form of discrimination in the labour market and we have started to implement a strategic plan on gender equality, as well as redoubling our efforts to combat labour discrimination against people with HIV/AIDS.

In the Dominican Republic we have continued to make progress in reducing child labour and eradicating its worst forms, with the participation and support of all sectors of society, both in the public and private sectors. We have also started to draw up a plan to guarantee the rights of migrant workers in our country. In all of these efforts we have had the permanent support of the International Labour Organization through its regional and subregional offices, and they have enabled us to improve our institutional capacity not only to face this current crisis, but also to take systematic action in developing a more dynamic and socially inclusive labour market.

Distinguished delegates, my Government would like to express its strong support for developing a Global Jobs Pact, based on the principles of Decent Work, which will enable us to accelerate the recovery of employment and to improve levels of social protection. At the same time, this pact should help us to increase cooperation funds for development and bring about structural changes in the global economic model in order to put the welfare of current and future generations at the very heart of development. We believe that this is the only way of building a more peaceful, inclusive, and fairer world.

The world is beset by the economic crisis, whose scope cannot yet be foreseen. Capitalism, with its unbridled neo-liberalism, has ushered in a crisis because of ambition, greed and speculation. It has thus become clear that a modern strong state, able to intervene in economic activity, is the only alternative to a market which has become cruel and bereft of all ethics.

There needs to be a national debate in each country about how to get out of the crisis, but we also need to know what will happen after it. Countries have an opportunity to shake off the model of society based on the domination of a few who control everything, and to move towards a society which is more egalitarian, with greater social justice.

The alternative is to bring about even greater injustice, economic concentration, social inequality and democracies governed by the powerful; or we can build a democratic participatory society, in which social and political rights are guaranteed.

For many years the owners of capital accumulated wealth, while millions of men and women sank into poverty and had to bear social inequality. Now that the world is in crisis, the same sectors are being affected by unemployment, low wages and a lack of opportunities.

The policies of outsourcing and labour flexibility have deepened poverty and inequality and brought frustration and despair to working people, who have had to accept often precarious and badly paid work.

Decent work has no place in labour policy in Latin America today. In Chile, there are still many men and women in informal employment with no social coverage and without labour rights. And yet employers continue to insist that they need more flexibility in the labour market.

The CUT has declared that it is not the workers who should pay for the crisis. The costs should be borne by the large companies, the transnational companies, the vast business chains and the banks; it is they who, when everything was fine, made huge gains – and they are still gaining today.

We need a new order which reviews and establishes what should be externalized, and which determines the responsibility of the company itself, and we should put an end to the abuses of outsourcing that has only brought precarious and rubbishy jobs in its wake. The world economic crisis has strongly affected the pension funds of Chileans, generating irreparable losses in the individual accounts of workers and endangering their future pensions.

Private administration and speculative investment cannot be sustained. Countries need to assume their responsibilities for social security, particularly in the area of pensions, and be governed by the terms of the Old-Age Insurance (Industry, etc.) Convention, 1933 (No. 35), and the principles of social security. As we said in the Commission on the Application of Standards, it is unacceptable that workers bear the brunt of contributions. Not only do the employers fail to make contributions, they deduct them from the workers' wages and do not always deposit them in their accounts. Furthermore, the crisis has shown that we need to guarantee a minimum level of pensions.

We have the opportunity to rethink a new order, stressing economic growth and sustainable development – but this time without leaving aside the social dimension and respect for the rights for workers and unions. In that way, as we did in December 2008, when we signed the decent work tripartite agreement between the Government, workers and employers, we need to make an effort so that work is a valued concept without discrimination of any kind between men and women and with effective mechanisms to distribute wealth.

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*Original French: Mr NKILI (Minister of Employment, Labour and Social Security, Cameroon)*

Cameroon is happy with the decision of the ILO Governing Body to place on the Conference agenda questions related to the economic crisis and its effects on employment, the labour market and social protection. As the Director-General has said, various sectors in the world have been affected by the economic crisis. In Africa in general, and in Cameroon, these effects, which were imperceptible at the outset, have become more and more noticeable. The economic sectors most affected are those of timber, rubber, cotton and aluminium, and have caused a drop in our exports and hence in our income.

But one of the major consequences of this situation is, of course, the loss of employment and the risk that existing jobs will become precarious. Our Government, with the encouragement of our Head of State, Mr Paul Biya, has introduced many measures to face up to this. The first stage was to establish a tripartite working group to look at the nature and effects of the crisis and to propose action to combat it.

However, the Government had already undertaken to fight on two fronts. On the first front, it was implementing measures and programmes to create more jobs, in particular for the young. An ambitious plan for employment and vocational training was drafted and has been executed step by step, and this plan involves sectoral plans for young people, for priority investments, for women, for the employment of the disabled and for the development of local jobs. The whole programme should cost about 3 billion CFA francs, or US\$6 billion, over a period of three years.

In addition, a major infrastructure programme has been launched, involving the building of roads, ports, hydroelectric dams and mining schemes. The Government has also strengthened institutions for intervention on the employment market, in particular the National Employment Fund. All these measures seek to boost the labour market, create more small and medium-sized companies and initiatives by entrepreneurs, develop human resources in sectors not yet badly affected by the crisis, restructure universities and training institutions by giving them the resources and flexibility to develop vocational training and research, develop new sources of growth (through investment, restructuring of financial institutions, establishment of capital funds, creation of a development bank for priority sectors), create governance institutions, bring in direct foreign investment, and improve skills acquisition and retraining to facilitate a return to work.

On the second front, the Government is acting to maintain existing jobs and to ensure social protection for workers. Decent work involves the idea of social protection, and it is important to give it a special place, in particular during a crisis when workers become more vulnerable.

In this connection, Cameroon has not remained inactive. We have often used social dialogue because on a number of occasions this tool has made it possible to cool heated situations, to find consensus solutions to disagreements between parties in conflict and to keep alive companies that were about to fail.

Another important area has been social security reform. Social security in the Cameroonian way has been extended and broadened as far as possible and avoided chronic deficits. So our most vulnerable populations will be better protected and will have reason for hope despite the crisis facing us.

We congratulate the Director-General on his initiative of the Global Employment Pact and the measures suggested in the general Report, which meets our concerns in its main sections. Our Head of State is perfectly aware of this, and that is why in one of his speeches to the country he said, and I quote: “As long as a single Cameroonian is in a precarious situation, my mission will not have been achieved”. The Cameroon Government is working to find proper solutions to the present economic crisis and the preservation of peace without which no development is possible.

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*Original Arabic: Mr AL-ZAIDY (Government, Iraq)*

Personally and on behalf of the delegation of Iraq, I would like to congratulate you, President, on your election and allow me to convey the greetings of Nuri Al-Maliki, the Prime Minister of Iraq, who wishes you success in this important Conference. We hope that you will achieve all your goals, that your tripartite work will be successful and that you

will arrive at recommendations that will reduce the negative impact of the current economic and financial crisis, increase productivity, foster development, and increase investment.

I would like to commend the Director-General on his efforts to adapt his Report to the events of the crisis. In his Report he concentrated on the most important and urgent humanitarian issues. The Report refers to unemployment, employment policies and social protection. Social protection is one of the goals of countries facing a drop in their revenue and living standards. Many of our countries will try to follow the recommendations of this august Organization, and will rely on its support to counter the negative effects of this crisis. We must engage in social, economic and humanitarian work. We must create job opportunities, increase wages and lay the foundations for social dialogue and increased social protection.

In my country, we are working hard, in cooperation with the International Labour Organization and its Regional Office in Beirut, to implement far-reaching training programmes. We are also trying to create employment in promising sectors. We have put in place a national plan that has been adapted to the conditions of my country. We have a tripartite dialogue in place and our national Government has increased the minimum wage in both the public and private sectors.

The Minister of Labour and Social Affairs is reforming the labour markets. We are providing many free social services. We are offering training, trying to increase our knowledge base, increase skills and help the unemployed. There are more than 1 million unemployed persons in our database. We are also trying to strengthen our institutions. We have programmes for small loans, we have created more than 200,000 jobs and we have passed new laws, in cooperation with the International Labour Organization. Other laws are currently in the process of being ratified by Parliament.

All our programmes respect international labour standards while remaining in keeping with our national specificities. We have many different kinds of social protection and we are trying to extend that protection to those who work in the informal sector.

The Government has taken great steps in relation to the enforcement of laws. We are trying to recover from the scourge of terrorism, which eroded our human resources and skills. We have decided that this will be the year we tackle corruption and, to that end, we have a national plan led by our advisory bodies, as well as national inspectors who will fight corruption.

We have a far-reaching programme to reinvigorate our institutions. We are determined to move along the path of development and to increase investment. We have a new law on investments, which is being implemented. We would like to seize this opportunity to call on you to invest in Iraq, as many enterprises and multinationals have already done. There are many opportunities in my country from which you can benefit.

A report has been issued on the occupied Arab territories in Palestine, the Syrian Arab Republic and Lebanon following the visit of the high-level mission to these regions. We are facing a true humanitarian crisis. What happened in Gaza recently is shameful. Innocent civilians were killed and infrastructure was destroyed. We therefore call on the international community to put a stop to this savage

behaviour. We call on all countries of the world to give more support to the Arab countries, to Palestine and to other countries with occupied lands, so that we can rebuild our institutions and strengthen our production capacity.

In conclusion, I would like to thank you all. The renaissance of Iraq needs your support on many different levels. Our people look forward to true initiatives from our friends so as to compensate for the losses we faced in the past.

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*Original Spanish: Mr ABREU (Worker, Dominican Republic)*

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The National Confederation of Trade Union Unity (CNUS) and the men and women workers of the Dominican Republic, whom we are representing at this Conference, send you very warm greetings.

Ninety years on, the reasons that underpinned the formation of the ILO are still as valid and pertinent as ever, because lasting social order can only be based on social justice, because working conditions that bring with them injustice, poverty and deprivation are a threat to world peace and harmony.

We cannot distance ourselves from this crisis that began in the financial sector and spread to real economic activities, thus affecting employment and working conditions. As is usually the case, we men and women workers are now bearing the brunt of this crisis, despite the fact that our organizations had given warnings concerning the direction taken by these disjointed, neo-liberal policies that were being implemented.

It is important to say that, for decades now, men and women workers have been suffering the strategies of a model that encouraged economic growth, but did not bring with it improvements for the majority. High levels of poverty persisted, as did precarious working conditions as the labour market was made more flexible. In contrast, productivity and wealth increased, which, along with unfair tax policies, kept, and continues to keep, wealth in the hands of the very few.

Similarly, there have been recurrent and systematic violations against freedom of association, which hinders union activities and prevents the redistribution of wealth through collective bargaining. While we were experiencing so-called prosperity, men and women workers were falling into an ever deeper crisis.

An analysis of the crisis and the ways of overcoming it in the ILO context is an opportunity to redress the policies that fail to address social justice, and were implemented in our countries after being recommended and "suggested" by international financial organizations, and not an opportunity, as it is seen by the employers in our country, to make the most of the situation to further reduce labour rights.

Diminishing workers' rights would lead to an untenable situation that will be even more serious than the current one. Therefore, all the sectors represented here must support strengthening the rights enshrined in ILO Conventions, Recommendations and Declarations. A particularly important role is played by the Declaration on Fundamental Principles and Rights at Work and the Declaration on Social Justice for a Fair Globalization, the consolidation and strengthening of which should be encouraged by this session of the Conference.

An analysis of the crisis should consider appropriate measures to address the different effects that it could have on men and women, as discussed by the Governing Body. In the Dominican Republic,

for example, the impact in terms of job loss is greater for women than for men, not only in enterprises, as has been the case in export-processing sectors, but also with regard to home work. Women are also affected more than men in terms of increasingly precarious employment when self-employed or working in the informal sector, where women are in the majority.

It is also vital to increase purchasing power. In the Dominican Republic the union movement is fighting to establish a fair salary that will allow men and women workers and their families to meet their basic needs. This action will help overcome the crisis; it will boost the economy while preventing a considerable number of families from falling below the poverty line because of an inadequate income.

A social dialogue is increasingly important. In this context, we must recognize the work done by the Government of the Dominican Republic to try to confront the crisis with open dialogue and with the participation of the union movement. Although specific agreements are not always established, important measures and actions are being implemented. At the same time, it is adopting the stance that labour rights will not be diminished; a stance that the outcomes of this Conference should help to strengthen, given that these political efforts are being threatened by the anti-union attitudes adopted by entrepreneurs. Respect of freedom of association in our country is still an ambition rather than a reality. Union leaders are continually dismissed for having exercised their trade union rights. Cases of this have occurred at the Laboratorios ALFA, Frito Lay Dominicana, Cartones del Caribe, Cola Real, General Assembly, Universal Aloe, Consorcio Cerros de Maimón and Call Center.

The Conventions that form part of the Declaration on Fundamental Principles and Rights at Work, as well as the mechanisms to guarantee their implementation, are our finest tools to face the crisis. Therefore, they should be the hallmark of all our discussions held in this context, as we ensure that they remain in force and strengthen them. After all, the fundamental values of freedom, human dignity, social justice, security and non-discrimination are essential for sustainable and effective economic and social development, as established in the preamble to the ILO Declaration on Social Justice for a Fair Globalization, adopted at the last session of the Conference.

To conclude, I would like to ask for an end to the absurd sanctions against Cuba, for the imprisonment of those who murder trade unionists in Colombia, for an end to the persecution of trade unionists in Guatemala, and for the release of five Cubans who are being detained in North America.

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*Original Russian: Mr ALAKBAROV (Minister of Labour and Social Protection of Population, Azerbaijan)*

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In a fairly short period of time, the global economic crisis has faced most countries in the world with serious difficulties in regard to their future development. Today, the situation in the world economy appears to be improving. However, optimism needs to be underpinned by greater efforts to coordinate national and international measures to address the crisis.

Such coordination, according to the Report of the Director-General, Mr Juan Somavia, should focus in particular on developing employment and social protection. In this connection, priority should be

given to implementing the Global Jobs Pact, which will enable new mechanisms for decent work to be put in place.

The success of measures to cope with the crisis will depend on the implementation of the employment and decent work policy, based on social dialogue.

According to the experts, in order to achieve a balance in socio-economic policy, support has to be given to the countries that have been hit hardest by the crisis. Recent reforms and policies in the area of macroeconomic stabilization and energy and food security have meant that our country is among those that have been less affected by the crisis.

The country has continued to register positive GDP growth, which reached 11 per cent last year, with the figure for the first four months of the current year at 4.3 per cent, and 8.4 per cent in the non-oil sector.

The share of investment in the budget totalled over 40 per cent, and the national currency was strengthened. The nation's foreign exchange reserves more than doubled.

This year, the Government took a number of preventive measures aimed at mitigating the effects of the world crisis on our economy. The programme is aimed at strengthening the effectiveness of fiscal policies, coordinating the activity of government bodies and developing cooperation between the public and private sectors.

In view of the negative effects of the crisis on export industries, the Government is providing them with assistance aimed at guaranteeing employment, social support and an increase in quality jobs.

Guaranteeing decent work and combating poverty have been given priority in Government policies. The decrees passed by the President are aimed at maintaining a constant level of development. Last year, the poverty rate in the country decreased from 16 to 13.2 per cent. The cash income of the population increased by 36 per cent. Poverty has thus been considerably reduced over the last five years.

Employment policy has focused on restructuring the labour market, improving the quality of jobs and raising productivity. This strategy has enabled an increase in employment and a reduction in unemployment. Compared to the same period in 2008, the unemployment rate fell from 6.4 to 6 per cent. Last year, 123,000 new jobs were created, and that number will increase to 766,000 over the next five years.

Major infrastructure projects have been developed, including environmental projects to create "green jobs".

Despite the drop in oil prices, the government budget is much larger this year than it was in 2008, enabling commitments for social programmes to be met.

Social security throughout the world plays an increasingly important role in the development of social rights; in this connection, it should be borne in mind that the threat of terrorism and unresolved armed conflicts hold back social development, not only in some countries and regions, but throughout the whole world. This is evidenced by the continuing aggression by Armenia against our country over the past 20 years, with over 1 million refugees and displaced people as a result.

The 90th anniversary of the ILO is taking place at a time of economic and social instability and lack of full employment. Yet over these 90 years of its ac-

tivity the Organization has built up an outstanding track record of working for social justice and progress throughout the world.

In conclusion, I wish all of you a successful Conference, in the conviction that ILO standards will pave the way to a solution to the global economic crisis.

*(Mr Palma Caicedo takes the Chair.)*

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*Original French: Mr SY (Minister of Public Services, Labour, Employment and Professional Organizations, Senegal)*

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We would like to congratulate the Director-General of the ILO on his re-election for a third term of office but, above all, we would like to congratulate him for his commitment and the dedication and competence with which he has accomplished the task we have entrusted to him. I am referring, in particular, to the way in which he strives to promote the Decent Work Agenda and also to implement the 1998 Declaration on Fundamental Principles and Rights at Work and its Follow up and the 2008 Declaration on Social Justice for a Fair Globalization.

Speaking directly to the Director-General, I have the great pleasure of conveying warm greetings from His Excellency, Mr Abdoulaye Wade, President of the Republic of Senegal, and his words of encouragement.

I join the Head of State, the President of the Republic of Senegal, in saying that your personal qualities, as well as your extensive experience will, without a doubt, enable you to effectively promote the objectives, values and principles of this Organization as they were reiterated at the 90th anniversary celebrations of the ILO with the theme of social dialogue and decent work for a fair globalization. All this will also enable us to make great progress towards the actual implementation of the Decent Work Agenda.

My delegation fully shares the concerns expressed, and the conclusions and recommendations drawn in the Director-General's Report which deals with the impact of the economic and financial crisis on the world of work.

In this context, we lend unstinting support to the idea of a discussion on a Global Jobs Pact during the current session of the International Labour Conference. Such an instrument would be an excellent tool for us to carry out joint action in facing up to the crisis which is currently besetting our world.

This Pact would enable us to put in place recovery plans and the necessary measures which we need in order to attenuate the impact of the crisis on workers in both the formal and informal sectors of the economy, as well as on families, disadvantaged social categories and marginalized members of the population as well as enterprises. For such action solidarity will prove indispensable.

Employment has long been at the top of the national agenda of critical issues in my country. As soon as he became Head of State, His Excellency Mr Abdoulaye Wade, President of the Republic of Senegal, put in place a voluntarist policy to create salaried and non-salaried employment, and also to promote income-generating activities.

This policy also aims to eliminate inequality in accessing remunerative employment, to facilitate access to credit and financial services, taking into account the special circumstances of the most vulnerable members of the population, and to modern-

ize working conditions and accommodation, all of which should help to promote integration and social cohesion in the country.

In the long term, the objective is to achieve full employment, but in the short and medium term, this plan should also make it possible to reduce poverty and underemployment, as well as eliminate all forms of exclusion from the labour market. Our Minister of Labour, together with development partners, employers' and workers' organizations, and civil society, is in the process of implementing a policy which is fully consistent with the Decent Work Agenda, based on the need to create fully freely chosen employment, social dialogue, social protection and respect for international labour standards.

Senegal subscribed to the ten commitments adopted at the Copenhagen Declaration and Programme of Action, 1995, which consisted mainly of the following: social integration, elimination of poverty, promotion of full employment, social insertion and the provision of a society for all. Thus, the Government of Senegal has elaborated a poverty reduction strategy paper, DSRP II, for the period 2006–15, with a view to reducing poverty by half between now and 2015, and also to achieve the Millennium Development Goals. The four main components of this strategy are: wealth creation; stepping up efforts to promote access to basic social services; social protection, prevention and management of risks and disasters; and good governance and participative and decentralized development.

This strategy is being put in place in a spirit of transparency and with the involvement of political decision-makers, national players, workers' and employers' organizations and development partners. Its aims are to combat poverty and exclusion, promote basic social services, combat unemployment, provide access to education for all, eliminate all forms of discrimination, promote equality, gender equality, capacity-building, social justice and good governance.

Senegal has provided an environment which is favourable to creating productive employment, to ratifying international and subregional instruments and providing permanent forums for dialogue and consultation on key issues of economic and social development, as provided for by the National Charter on Social Dialogue. Moreover, Senegal has introduced a number of important measures to promote employment by establishing the following: the National Fund for Youth Employment (FNPJ), the Women's Credit Project, the Women's Entrepreneurship Fund, the Microfinance Incentive Fund, the Office for Suburban Youth Employment, and the Community-based Rehabilitation Programme for persons living with a disability.

We have put in place various institutions to implement our national employment policy, namely, an employment directorate, an operational register of trades and jobs, a national observatory for employment and vocational qualifications, and a national agency for youth employment.

Generally speaking, it can be said that the Senegalese authorities have come up with many and varied responses to the problems of employment, taking into account economic, demographic and social developments. My Government is in the process of putting in place a national strategy to promote gender equality, the idea being that Senegal should be an emerging country without discrimination where

men and women are part of the development process and can benefit from the fruits of growth. However, despite this employment policy and consensus between members of the administration as well as workers' and employers' organizations and civil society, it has not been possible to reduce unemployment and underemployment in a sustainable manner. This task is not going to become any easier, given the current economic and financial crisis, which is why we need the international community at our side to support us in the context of the solidarity that will underpin the Global Jobs Pact. For Senegal, it is crucial that we should all agree on a common mechanism to combat unemployment and underemployment for people who are capable of working. We hold very high hopes for the discussion on adopting a Global Jobs Pact, and we also hope very much that it is going to be possible to speed up the drafting of common policies to combat the economic and financial crisis. We, as a country, are determined to contribute our efforts to all endeavours that will be made to achieve this.

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*Original Spanish: Ms VICENS BELLO (Employer, Dominican Republic)*

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We welcome the comments of the Director-General of the International Labour Office, and we reiterate the importance of the ILO as the only international organization with a mandate that focuses on the world of work and on tripartism as the best way of seeking fair social agreements.

However, it cannot be denied that, over the past two decades we have seen the liberalization of economies and the opening up of markets which, together with technological progress, have led to, among other things, major changes in labour markets and the creation of employment in the formal sector.

Therefore, the ILO and all multinational organizations are now facing new situations and challenges. The severe current financial crisis, which began in the international financial markets, has left many countries, including the Dominican Republic, in a difficult situation involving a reduction in private investment, increasing unemployment, increasing informal employment and a slowdown of activity in the sectors with the biggest input into GNP, which in our case are principally trade, the manufacturing industries, economic processing zones, tourism and construction.

The employers of the Dominican Republic support the views expressed by the International Organisation of Employers and we see the ILO as a body which, in an increasingly flexible and effective way, provides technical assistance to governments, workers and employers.

This enables the ILO to support the social partners in the challenge they face in these external shocks, and in protecting and creating new and better formal employment in the world of open markets and promoting decent work.

As socially responsible employers, we should promote and ensure respect for the ILO Declaration on Fundamental Principles and Rights at Work and the Conventions ratified by all of our nations.

However, as representatives of employers in the Dominican Republic, we would like to make it clear that we need also to make labour standards more flexible and to ensure that they reflect progress in technology and maintain the necessary balance between the needs of business and capital on one

hand, and the social needs that are so important for our workers on the other.

The right balance should be struck, within the framework of social justice, allowing capital to be protected in order to increase productivity and promote new investment and jobs. We believe that these changes will enable us to fully respect the right to work, facilitating decent work and its main components, including freedom, adequate pay and benefits, satisfactory safety and health conditions, gender equality and the protection of children from child labour.

We believe that labour standards should not become a barrier to the right to work. The major economic crisis and the need to be competitive in an increasingly open and globalized economy in order to protect our companies and jobs mean that, today, we need to raise the issue of the need to adapt and modernize labour standards. This was an issue that we raised a few years ago, but its associated fear and mistrust have not been formally dealt with.

We would like to raise this today. We think that workers' and employers' representatives should not be afraid to pool their efforts in trying to modernize labour standards with the support, of course, of government representatives, so that they can deal pragmatically with important issues such as giving greater flexibility to the calculation and duration of the working day, promoting more effective dialogue, in view of the failure of the method set out in our Labour Code, which is more than 17 years old, as an alternative approach to the resolution of individual labour disputes, and eliminating legal mechanisms that undermine the survival and the smooth running of companies due to the tendency of lawyers to prolong disputes in order to increase their fees. We also need to bring certain benefits into line with new provisions of our labour standards, such as the Social Security Law (No. 8701) and its three obligatory insurance benefits covering 70 per cent of employers in the case of health and pensions, and 100 per cent for occupational hazards.

We are not talking about reducing labour rights to facilitate commercial competition, which among other things would violate the DR-CAFTA Agreement.

What we are trying to do is to deal with the problem of creating jobs, protect formal jobs, reduce the alarming levels of informality in our labour market, and combat poverty; all of this while ensuring respect for decent work and current labour standards.

To do this we need to have a change of vision. We need to be able to see social partners as working together in order to meet the common objective of creating and protecting more and better formal jobs. That is why we advocate a new culture of international cooperation, promoting the development of all of the sectors which make up tripartism and social dialogue, and seeking the common objective of decent work. Only with that kind of collaboration will we be able to achieve the Millennium Development Goals and the comprehensive development of the human race.

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*Original Arabic: Mr ALLAM (Employer, Egypt)*

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The ILO and fate have decided that the ILO should play a leading role in ensuring the livelihood of all people throughout the world. How can we face everyday difficulties without the help of the ILO, we, as individuals and as workers and employers? So it is our responsibility, as Members of this

Organization, to support it in its efforts to execute its programmes in the service of decent work, especially in the context of the economic recession we are witnessing.

It is vital that we create job opportunities and decent working conditions because we do believe that this crisis will continue for some time to come. There is a danger that this will exacerbate the unemployment rate, resulting in forced labour and abominable practices such as human trafficking and other practices that are contrary to international law and international Conventions.

Despite the noble goals and aspirations we seek, this does not mean that the road is paved with roses. Therefore, the role of the ILO is extremely important at all levels and in all areas. Its work is vital to combat all types of forced labour and bonded labour, and its Conventions are highly relevant with regard to the adoption of legislation in many countries around the world that might lead to tangible development and progress.

However, there is much work to be done in order to uphold human dignity and social justice. Therefore, we will spare no effort in supporting the ILO in achieving those noble aspirations.

I should like to seize this opportunity to appeal to you to implement ILO programmes and to strive to do even better to live up to the Organization's expectations and fulfil its criteria. We must ensure that we are on the right track.

In conclusion, I would like to thank all those working in the ILO who uphold this cause. I would also like to thank the delegates and participants at this Conference, as well as the constituents, for their dedication, their excellent work, and I do hope that our work will be crowned with success.

In this regard, I call on the ILO, this august Organization, to be more objective in dealing with the situation of the Palestinian people and the situation of Arab workers in the occupied territories. Its attitude is unacceptable and not in line with its noble traditions and its Recommendations, resolutions and Conventions that aim at protecting the dignity of workers.

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Mr BENYDIN (*Worker, Mauritius*)

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Mr President, we cannot remain silent on the threats of job losses and retrenchment of workers and the spectre of harder days to come with the financial crisis driving the economy to acute recession.

The worsening of the world's economic prospects is evidently an issue of great concern to trade unions in that the crisis severely undermines the struggle against poverty, and exacerbates employment prospects and decent work, without losing sight of other burning problems related to energy, food and climate change.

The internationalization of the economy in this present context will evidently further widen the gap between developed and developing countries. As such, the global financial system needs rethinking and a new architecture needs to be designed, as advocated by trade union leaders several times on international forums.

The mounting pressure of international financial institutions to relax labour laws and to render their provisions more flexible is reinforcing the power of employers to fire workers easily, with a consequential reduction in compensation. As such, the labour market reforms are leading to increased retrench-

ments and actualization of jobs, are not translating into improved livelihoods and run contrary to the intrinsic values and principles of the ILO's Decent Work Agenda.

It goes without saying that gender equality and the empowerment of women have become urgent imperatives to reinforce the pillars of economic and social development. We concur with the ILO Action Plan for Gender Equality, which clearly underlines that the elimination of discrimination should be at the heart of decent work for all women and men, including the notion of equal opportunities for all in terms of remuneration, recruitment, promotion and career prospects. Access to technical education and financial resources, including training, research and policy issues, should be facilitated to ensure women's effective participation in all spheres of activity.

In Mauritius, two new labour laws have been proclaimed in February of this year, in spite of vehement protest from the trade union movement on various fundamental aspects pertaining to their provisions. For example, the elimination of the Termination of Contract Services Board, the imposition of a 1 per cent levy on private sector workers to finance the transitional unemployment benefit, the shorter notice period of termination of employment, the reduction of sick leave and Sunday being considered as a normal working day are among the sources of disputes in these laws and are causing general outcry among workers in Mauritius. There is not as yet a minimum social wage policy in Mauritius. We think that this issue must be dealt with seriously.

In 2007 at this very forum, I raised the issue regarding the contested mechanism to determine the annual salary compensation to be paid to workers to recoup losses sustained in purchasing power. Unfortunately, up to now, the trade union movement has not received satisfaction and is still contesting the mechanism imposed on workers, particularly with regards to its terms of reference.

In spite of the fact that the ILO Committee on Freedom of Association has recommended that the Government should have full and frank discussions with the trade union movement on the objectives and functioning of the National Pay Council, the Government has not yet responded to this call.

In December 2007, three national confederations of Mauritius filed a complaint against the Government of Mauritius with the ILO regarding the Public Gathering Act, which enabled prosecution of trade union leaders for their presence in peaceful demonstrations held in June 2006. In spite of the recommendations made by the Committee on Freedom of Association, requesting that the Government amend the Public Gathering Act to ensure that any restrictions on public demonstrations did not impede the legitimate exercise of protest action in relation to the Government's social and economic policy, we regret to report that nothing has been done. So, we think that by not acting, the Government is shaking the bedrock of freedom of association. Unfortunately, more trade unionists are now on the list awaiting prosecution.

In view of this situation, and to conclude, I appeal to the ILO to urge the Government to ensure that trade unionists are able to exercise their activities at all times without constraint and with due regard to the Freedom of Association and Protection of the



Right to Organise Convention, 1948 (No. 87), which it has ratified.

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Mr LIATO (*Minister of Labour and Social Security, Zambia*)

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Following the unprecedented loss of over 10,000 mining industry jobs in my country in a period of four months, as a result of the current economic crisis that has gripped the world, the Zambian Government has put in place measures to avert further job losses in this sector. However, we are aware that finding solutions to the current economic situation is a complex task that does not require short-term or populist approaches, but collaborative efforts, in which the social partners – that is Government, employers and workers – meet to discuss possible responses to the crisis. My delegation therefore welcomes the decision of the Conference to constitute a specific committee to come up with possible responses to the crisis. Indeed, we expect the thematic dialogue sessions to bring forth possible intervention measures that our respective countries can benefit from.

Zambia is proud to have a faithful partner in the ILO. We are confident that the continued support from our ILO local office shall indeed help us to overcome the current economic challenges. As a country, we are currently in the implementation stage of our Decent Work Country Programme; even though the priorities defined in the programme still remain relevant today, the effects of the economic crisis compel us to review the programme to ensure that the new dynamics on the labour market are brought on board.

Zambia, as a developing country, needs foreign direct investment to create jobs for poverty elimination and reduction. We have, therefore, sometimes been faced with challenges to reform our labour laws so as to reduce the cost of doing business in order to attract the much-needed foreign investment. The adoption of the landmark Declaration on Social Justice for a Fair Globalization by the 97th Session of the Conference is very instructive as we seek to reform our labour legislation.

In conclusion, I wish to reaffirm my Government's unfaltering belief in the power of social dialogue. We are today in a crisis of job losses, but we are convinced that we can resolve this using the social dialogue process. The process of extensive consultations with our social partners is expected to lead us to the revision of labour laws to provide the catalyst needed to improve our economy and protect our people's jobs. We look forward, therefore, to a continued close working relationship with the ILO in this noble cause.

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*Original French: Ms BEAUDIN (Minister of Social Affairs and Labour, Haiti)*

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I take the opportunity afforded to me, speaking from the rostrum at this 98th Session of the International Labour Conference, to present the support of the Haitian Delegation for the Director-General's Report and to briefly share with the Conference the impact of the global economic and financial crisis on employment and social policy in Haiti.

The Government delegation of Haiti appreciates the true value of the emphasis placed on dealing with the consequences of the crisis and on employment and social policy around the world and, in this regard, it recognizes how very timely and relevant the Director-General's thematic Report is.

This Report describes the appropriate response and the concrete measures needed to come up with a genuine ILO agenda to promote employment, protect workers, families and enterprises, and to lay the foundations for a new model of sustainable economic and social development with opportunities for all.

While welcoming the Director-General's Report, the Haitian Delegation urges the ILO to commit to strengthening and promoting the labour standards and the rights of workers in general, and in particular the rights of migrant workers, including planning and implementing special measures in favour of small, open and vulnerable economies like Haiti which are suffering from the negative impact of the global economic and financial crisis.

In the particular case of Haiti, I would like to remind the distinguished delegates at this Conference that the current global economic crisis, by delaying or eliminating the prospects of investment in the Haitian economy, reducing the country's exports and the few meagre jobs in the formal sector, and reducing the remittances from the 2 million Haitians of the diaspora to their families, is cancelling out the efforts made by the Haitian Government and the international community to achieve political stability, reinforcing the informal subsistence economy, aggravating the poverty, vulnerability and exclusion of millions of families living in rural and peri-urban areas, and amplifying the impact of the factors which led to the food riots at the end of April 2008 and also the sequence of natural disasters which afflicted the country in August and September 2008. Following these riots, the head of state of Haiti, His Excellency Mr René Garcia Préval, aware of the need to promote equality between men and women at the heart of decent work in the country, appointed Ms Michèle Pierre-Louis as Prime Minister of Haiti.

In spite of the urgent responses of the Government to these successive crises, the needs are still enormous because the social impact of all these events far exceeds the financial and technical resources of Haiti. I therefore appeal, as Minister of Social Affairs and Labour, for solidarity and cooperation from the ILO to help mobilize the resources necessary, to devise and implement social policies, social safety nets and mechanisms for cooperation among workers, as well as targeted training policies which will promote the employability of young Haitians and equip them to find work in the labour market today and in the future.

In two days' time it will be the World Day Against Child Labour and I would like to inform you that Haiti, which has already ratified the Worst Forms of Child Labour Convention, 1999 (No. 182), which deals with the measures necessary to combat the worst forms of child labour, has officially also registered its ratification of the Minimum Age Convention, 1973 (No. 138).

From this rostrum, I would like to thank all those countries which are friends of Haiti and which, in these times of crisis, have been unstinting in their support for peace, democracy and development in Haiti. These three factors – peace, democracy and development – are a source of progress and stability across the world.

I would like to close by expressing the hope that this 98th Session of the International Labour Conference will create the conditions which will be conducive to measures taken by the ILO to combat

this crisis, to consultation and to the funding of a Global Jobs Pact.

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Mr MARDIYONO (*Representative, International Young Christian Workers*)

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International Young Christian Workers (IYCW), on behalf of more than 2,000 grass-roots groups in 48 countries across five continents, would like to thank the Conference for allowing us to take the floor in this plenary sitting to respond to and comment on the Reports by the Chairperson of the Governing Body and the Director-General of the ILO. The title of our intervention is *Jobs for tomorrow's generation: Rescue our generation through decent job policies*.

The IYCW congratulates you on your very active work over the last year. We read your Report carefully and it gave the impression of the time, energy and commitment dedicated to this work.

In 2009, 45 million young women and men are entering the labour market. At the same time, millions of women and men have lost their jobs. They may have children or grandchildren. What does it mean? It is a double responsibility for everyone to take on the job and social crisis together. It is crucial at this critical moment, in the context of the global job crisis, to be innovative and creative in creating jobs: not only jobs, but decent jobs.

We propose that all States should take initiatives to increase national industrialization at the macro-economic level, using local sources to benefit local society as much as possible.

The second proposal to create jobs is to increase national regulation to protect small and medium enterprises to enable them to compete in the global market. We urge the Office to encourage its members to do this.

The loss of the middle classes: what do we see in this phenomenon? It takes us back to the crisis of the 1930s when there were no jobs, and nothing or only limited things to sell. The loss of the middle classes is a strong sign that we are in a crisis now. There are only two choices for the middle classes: to go up or down. Most analysts conclude that the middle classes are losing their power and are going down, both economically and socially. As a result, the gap between rich and poor is now wide open. We are calling for solidarity, for everyone to work together towards a decent living income. The decent living income survey was launched by the IYCW to respond to the income crisis and the need for wage regulation at all levels.

In response to the job crisis, the ILO should define a clear concept of fair globalization and explain it to all members and social movements with a view to creating decent jobs everywhere. Without a clear concept of fair globalization it will be difficult, not to say impossible, to create decent jobs for all. Employment and social policies should most benefit the local society where jobs are being created.

As regards the fundamental principles and rights at work, the ratification of international Conventions should not be the final action. Political will and action on the part of the tripartite constituents are needed to improve the implementation of national law.

Regarding freedom of association, we request the Office and its members to continue the deep investigation into cases and to broaden those investigations in terms of countries and issues.

Freedom of association should be extended to the informal and unemployment sector to accommodate the aspirations of vulnerable groups to human dignity.

Social protection packages should be in place. Job losses need immediate action to meet the need for work and income security. The IYCW urges Governments, employers' and workers' groups to establish a progressive social dialogue with a view to setting up a social protection package that responds to the global economy and job crisis by considering elements such as work, the economy, health, equality, freedom and security.

Our main goal is to end gender inequality. We want equality in many areas, including equal participation in national and international decision-making bodies, equal job opportunities for women and men, equal wages for equal work and equal access to education. Single mothers should enjoy flexible working conditions to enable them to participate in the labour force.

We support the ILO Declaration on Social Justice for a Fair Globalization and strongly recommend that all States, employers' and workers' groups should work together to implement the Declaration and achieve its goals. We kindly request the Office to determine a strategic plan for the implementation of this Declaration as soon as possible so that member States can take action. The social movement and NGOs should also be involved in this action at the national and international level.

The Global Jobs Pact should not exclude young women and men if today's and tomorrow's generations are to be rescued through decent work policies.

We believe this is the moment for young workers everywhere; we kindly request the Office to bring the issue of young workers to the fore of the Decent Work Agenda and promote the Conventions specifically relating to this group.

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Mr REGMI (*Workers, Nepal*)

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In Nepal, the trade union collective movement started in 1946. In the early years it was united, but the establishment and development of various political parties brought division among the trade unions. In 1990, however, the unions started looking for an identity, despite the fact that they were closely affiliated to the different political parties.

The trade unions in Nepal have made an important contribution to political change in Nepal. They have participated in every movement, whether against the Rana Rulers, the 1990 people's movement, the great people's war from 1996 to 2006 or other historic movements. Many have sacrificed their lives and many are still missing. In the course of evaluating their development and growth until the present day, Nepal trade union movements have become stronger. They are strongly represented in the current Constituent Assembly and have strengthened their organizational development. But Nepal still needs to develop its industry. Given that industrial and economic development is vital to trade union development, the main issues for the trade unions are how to support Nepal's industrial and economic development and growth and how to secure workers' rights.

The global economic crisis is also having an impact on Nepal. Nepalese who sought employment in other countries are returning home. I believe it is our major responsibility now to bring down as much

as possible the unemployment caused by the global economic crisis because it may result in workers dying of hunger.

We welcome the Report of the Director-General, *Tackling the global jobs crisis: Recovery through decent work policies*.

Nepalese workers have played an important role in the establishment of the current Federal Democratic Republic of Nepal. The international community has also supported the political change in Nepal. On behalf of Nepal, I extend my gratitude to all the international community for their support to my country. Nepal is involved in a peace process after a decade-long political armed conflict.

Nepalese workers have now three major roles. The first role is to support the peace process. The second is to support in writing a new Constitution through the Constituent Assembly, thereby securing workers' professional, social security and political rights. The third role is to develop industrial services and establish good industrial relationships for the economic and social transformation of Nepalese labour.

All Nepalese trade unions with different political beliefs have come together as one to address these three major roles, giving rise to the Joint Trade Union Coordination Centre. The formation of this Centre is a good example of Nepalese trade union unity and will tackle workers' issues. It has opened an office and developed a code of conduct for effective management and empowering labour movements. Recently, the Joint Trade Union Coordination Centre submitted its recommendation to incorporate labour rights in the new Constitution. Our plans are to secure labour rights in the new Constitution, form a national labour commission, as well as to develop labour and trade union laws. It is also our desire to build up the capacity of the common platform "Joint Trade Union Coordination Centre", which addresses the current topical issues and agendas of Nepal's labour.

In an underdeveloped country like Nepal, a large number of workers work in the informal sector. Hence we are striving to ensure that the work of all formal and informal workers be recognized and respected. Our challenges are discrimination on grounds such as gender, caste and regional origin at the workplace. There are also other challenges of a political, economic, social and organizational nature.

We believe that the Joint Trade Union Coordination Centre has the courage and capacity to face these challenges. I would like to take this opportunity to thank the ILO, all international trade union movements and national trade union centres who have supported our common efforts for a common goal.

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*Original Arabic: Mr AL-GADRIE (Worker, Yemen)*

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The Report of the Director-General gives a global vision of the international situation that should guide us in facing the challenges in the workplace.

The International Labour Organization, established 90 years ago, is faced with economic, social and financial challenges and with their negative effects, due to a globalization that led to a disruption in the balance between nations and populations, whereas a fair globalization would have contributed to the advent of sustainable development. Certain policies which neglect the social dimension are to the detriment of the world's poorest workers, lead-

ing to phenomena such as further poverty, unemployment, child labour, organized crime as well as corruption in the majority of countries, especially in developing countries.

We highly value the efforts of the ILO in mitigating the negative effects of economic reform in order to protect the consumer and the environment. The world today is facing natural disasters as well as bankruptcies due to the global economic and financial crisis.

We appreciate the efforts which have been deployed by the ILO in order to ensure guarantees of decent work, decent living conditions and social protection with a view to achieving a global jobs pact which would lead to a recovery of the real economy and support the families of workers. To that end, measures need to be adopted which target the workforce and which are likely to ensure a recovery of the labour market as soon as possible, while protecting labour rights, the use of social dialogue and social protection in the context of the financial crisis whose victims are hundreds of thousands of workers around the world who are losing their jobs on a daily basis.

The international financial crisis has affected all governments around the world. My country, Yemen, where oil resources are limited, was affected by the fall in the price of oil to below US\$40 a barrel, which has threatened our humble development projects and could lead to a worsening of the economic situation. We should highlight the efforts of the trade unions in Yemen, in collaboration with the Government, to prevent job losses and to maintain jobs and acquired benefits by means of reducing the public budget without impacting wages and social welfare, in order to protect workers against any possible measure that may harm their future.

We would also like to point out that our trade union signed the Decent Work Country Programme for 2009–11, presented by the ILO to the social partners, on 30 July 2008 in Sanaa. This Programme will have a positive impact by deeply rooting the principle of partnership and modernizing labour legislation in line with international labour standards, not forgetting the social protection that results from decent work.

We are celebrating the 90th anniversary of the ILO, which is the only United Nations agency with a tripartite structure of workers, employers and governments.

This Organization is founded on respect for human rights and freedoms, recognition of the rights of others and protection of the weak, including workers. The Conventions adopted by the ILO have very important social and human dimensions.

I would like to congratulate the Organization on its great work on humanitarian and legal issues, which include equality, trade union rights and freedoms, decent work, social protection, eliminating the worst forms of child labour and combating discrimination.

We oppose wars that aim to exterminate certain groups. The Palestinian people have long been victims of such extermination attempts. I am thinking, in particular, of recent events in the Gaza Strip and of the Palestinians crushed by the Zionist war machine and we appeal to you to oppose any violation of human rights, in particular, in the occupied Arab territories.

We must stand as one, regardless of our beliefs, against extremism and arbitrary procedures. We

must unite against racism, hatred, xenophobia and any type of fundamentalism. We must defend human rights, the right to freedom, worldwide.

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Mr KONKOLEWSKY (*Representative, International Social Security Association*)

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The ISSA, established under the auspices of the ILO in 1927, represents 344 social security institutions in 147 countries. It has always been the ILO's close partner in the promotion and development of adequate social security protection.

Today, in times of severe financial and economic crisis, the needs for social protection are immense, with social security organizations as key actors to provide the necessary benefits and services to the populations directly affected. The impact of the downturn is tremendous and has put enormous pressures on social security systems worldwide. Positively, the crucial role of social security for individuals, societies and economies is now unquestioned.

We must not forget that, only a decade ago, the privatization of social security and market-based solutions were considered by many as a remedy to solve demographic and other challenges. At that time, representatives of the ILO and the ISSA were often the only ones who stood up at the international level in defence of our shared values of solidarity and social justice.

Significantly, the economic and financial crisis has prompted a major rethinking, as it has, hopefully once and for all, demonstrated that social solidarity and social protection systems are indispensable for individuals, societies and economies.

This important message has been echoed by a high-level meeting on social security in times of crisis that the ISSA recently organized in collaboration with the Social Security Department of the ILO on 24–25 April here in Geneva. I would like to take this opportunity to share with you some of the main findings of the 250 social security leaders from 72 countries, as well as social policy experts from the United Nations, the World Bank and the OECD who gathered at this event.

Firstly, social security systems have played an effective role as economic stabilizers, reinforcing social cohesion and improving socio-economic stability. Secondly, social security institutions have reacted immediately in a dynamic and innovative way to promote employment and protect the most vulnerable in society. Thirdly, the crisis prompts a rethinking of the design of social security systems, as it has demonstrated the weaknesses and risks of excessive exposure by individuals to financial market fluctuations.

The crisis has also reinforced the need to accelerate the extension of social security to all members of society, as the lack of decent protection for many has clashed with the rising social risks brought about by the economic turmoil. The crisis teaches us painfully that we must look beyond share prices and economic data as exclusive indicators of progress. A fair globalization, as promoted by the ILO, is one where growth must be economically, environmentally and also socially sustainable, and the crisis provides a unique opportunity to forge consensus on the values underlying the ILO's vision.

I therefore wish to congratulate the Director-General of the ILO for this initiative to forge a Global Jobs Pact that will guide national and multi-lateral decision-making to ensure that recovery ef-

forts are not only focused on economic indicators. But also on achieving decent employment as well as universal access to social protection. The ISSA is committed to the values of social justice that motivate the Director-General's initiative and to raising our voice to support a socially fair model of economic growth and globalization.

Let me close by recalling the key phrase that has guided the activities of the ISSA through the economic and political crisis, through wars and recovery and which, just a few months after the first World Day of Social Justice celebrated on 20 April this year, merits once again the highest attention: *There is no peace without social justice and there is no social justice without social security.*

It is in this spirit that the ISSA, working towards strengthening social security protection systems for all based on social justice, is committed to supporting the ILO's initiatives to promote policy rethinking and to implement a Global Jobs Pact.

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Mr PANDEY (*Government, Nepal*)

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Nepal applauds the Director-General for his comprehensive Report on the global jobs crisis, which is timely and topical. In the midst of an economic and financial crisis of unprecedented scale and magnitude, poor, vulnerable and unskilled workers in the informal sector and migrant workers remain the hardest hit. Rapid decline in investment, consumption, production and trade worldwide impacts the most vulnerable. The projection in the Report that, compared to 2007, there could be an increase in global unemployment of more than 50 million by the end of 2009, pushing back some 200 million workers into extreme poverty, is appalling at a time when the global labour force continues to increase. The crisis has pushed the realization of Millennium Development Goals back, brewed social recession and is likely to fuel social instability, as a large segment of the unemployed and those who lose their jobs do not enjoy social protection and unemployment benefits.

The idea of the Global Jobs Pact as set out in the Report of the Director-General appears as a timely and comprehensive framework to address the crisis at all levels. With our combined efforts at the local, national, regional and international levels, we may find ways to mitigate the crisis. Nepal considers the idea of a Global Jobs Pact as an important policy tool that can have a wider positive impact on those affected by the crisis. We highlight with great interest the elements such as putting employment and social protection at the core of the recovery policies, ensuring credit flows to small and medium-sized enterprises, safeguarding viable jobs, supporting jobseekers and migrant workers, increasing investment and extending social protection to low-income groups. Such measures can prove to be the most pragmatic ways of tackling the crisis.

Nepal has also started to experience the negative impacts of the global financial and economic crisis. Our tourism industry appears to be facing the serious consequences of it. Declining trade prospects, dwindling foreign employment opportunities, reduced wages and working hours, unpredictable layoffs and increased cancellation of the contracts of our migrant workers have intensified job insecurity and unemployment among the youth.

While, as a developing country, our capacity to tackle the crisis is naturally constrained, we have exerted efforts to minimize the impact through in-

tensifying investment at the national level and through enhanced collaboration at the bilateral and multilateral levels with partner countries. We have initiated bilateral dialogue with a number of countries, especially in the Gulf, with a view to minimizing potential job losses, and started sharing best practices with fellow labour-sending countries on the ways and means of minimizing the impact. Nepal has recently established a labour market information system and has extended labour market information centres to 14 major towns in the country. This will be useful to both potential jobseekers and employers. As part of our continuous effort to streamline decent work, a comprehensive revision of minimum wages in all sectors of the economy has been implemented.

As a State party to 11 ILO Conventions, Nepal is fully committed to the principles and ideals of the ILO as enshrined in its Constitution. Through our unflinching respect to the principles of rights at work, we have demonstrated our deep and abiding commitment to the ILO Declaration on Fundamental Principles and Rights at work. Harmonious social dialogue and cooperation with our social partners remains a priority. The ratification of ILO Convention No. 87 is under active consideration by the Government.

With the historic elections of the Constituent Assembly in April last year, Nepal is now engaged in the process of framing the Constitution within a stipulated time. The peace process is guided by the spirit of political understanding, cooperation and consensus among political parties. Amid differences, a remarkable example of dialogue and consensus can be witnessed in Nepalese political discourse. As Nepal moves forward on its path of social transformation and post-conflict reconstruction, we look forward to receiving continued goodwill, support and assistance from our friends and well-wishers in the international community.

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*Original Farsi: Mr PARSA (Worker, Islamic Republic of Iran)*

The worker community of the Islamic Republic of Iran, while expressing its utmost concerns on the recent crisis that has beset the global economy, wishes to extend its gratitude to the ILO secretariat for its relentless efforts to tackle such crises, as well as its collaboration with the discerning representatives of the workers around the world.

The Director-General's Report has already shed light on the side effects of the irresponsible management of the global economic system. Nevertheless, it seems that many aspects of the degradation of human and social values, particularly the miseries of workers in the developing countries, have so far not been explored. Exorbitant practices and undisciplined extremism in world markets have endangered the destinies of the hundreds of millions of workers and their families around the world, leaving them in despair as they face ever greater suffering.

Despite the exaggerated claims made in the past decade by pro-globalization circles, not only have we not been successful in proclaiming and securing justice, freedom of choice and a better life for workers but, even worse, the existing plight has led to the blind deceptions of neo-imperialism to widen and institutionalize class and social divides.

While the ILO proclaims its credo on decent work and stresses the necessity to strengthen the balance in labour relations, we witness the collapse of na-

tional and regional markets in the face of the exorbitance and the immoral aspects of the Western economic systems and the collaboration of the international financial and trade organizations with the latter. Accordingly, a unipolar world tries to impose its hegemony in all aspects of the world's economic and political life.

The by-products of the collapse of the market economy have been manifested in the dissolution of small and medium-sized enterprises, weakening of protection systems, the expansion of the informal economy, and the increase in the number of temporary and unproductive jobs or jobs that lack minimum standards of safety and supervision. The ILO has not been successful in formulating any Convention that would cover the millions of workers engaged in such types of employment.

The important question remains as to whether such problematic circumstances will lead us towards the goals of justice, greater freedom and better access to acceptable living standards and working conditions.

No doubt recent proposed solutions and the infusion of billions of dollars into such an inefficient system, with a very weak management, based on wealth accumulation, may result in short-term alleviation of the global economic crisis. However, it does not provide any guarantee of a rational and long-term solution.

Against such a backdrop, governments inevitably resort to protectionist measures to put up walls around a free market economy while exerting more managerial controls over industrial and productive sectors. Such practices and policies will result in the further weakening of the principle of tripartism in industrial labour relations.

Another important question before us concerns the ILO's Global Employment Agenda, the outcome of the 98th Session of the Conference, and the ILO's role, when excluded from gatherings and negotiations taking place within global frameworks such as the G20 and other key international gatherings, resulting in disharmony in international reform strategies.

Getting out of the current crisis necessitates revisiting the present macro-management of financial and employment systems, particularly the policies derived from the status quo strategies of a unipolar market economy. We need to create a new order based on sustainability of national and regional markets, observance of ethical principles in competition policies, and the opening up of monopolistic technology markets.

Obviously, work security and benefits of social security, as well as the ILO's ideals and principles, will be achieved only if the flow of exports by developing countries could be wisely directed towards international markets.

Social dialogue, freedom of trade unions and job security will not be realized under circumstance of stagflation and recession. The ILO will be able to ensure the successful implementation of its reform measures and recommendations only when it reasserts its real position in dealing with global crisis monitoring and management and in assuming a decisive collaborative role in global risk management in the context of a new literature of the global economic order.

We have gathered in an Organization that has, among its fundamental ideals and tenets, the principles of non-discrimination and the drive towards

peace and social welfare. It is a matter of regret that it defines no reform measures with respect to thousands of Muslim, Christian and Jewish Palestinian workers who are deprived of the minimum living standards by the Zionist regime. By the same token, there is no unified approach in this respect beyond the mere publication of a report and proposals for charity assistance policies. The discriminatory measures and the disguised version of the irresponsible globalization policies are likely to prompt further workers' action.

This Organization, which was once at the forefront of the fight against racial discrimination and apartheid, has now chosen to assume a diplomatic and conciliatory tone.

At this time, thousands of Palestinian workers and their families have challenged the conscience of workers' movements around the world. We wish that workers' organizations could stand tall when faced with such a historic test.

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Mr ZAHER (*Worker, Afghanistan*)

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The trade union movement in Afghanistan, with the National Union of Afghanistan Employees at the forefront, has had a very good history in the country. Owing to war and conflicts in the country, the activities of the trade unions were stopped, but after the establishment of the interim administration the activities of the National Union of Afghanistan Employees resumed in 2002.

The National Union of Afghanistan Employees successfully held its third Congress after 18 years, with the participation of over 350 members around the country. During the Congress, the Constitution and the strategy of the union were assessed and approved; the new board members were selected; discussions were held on the engagement of National Union of Afghanistan Employees in the trade union movement; the ratification of the Worst Forms of Child Labour Convention, 1999 (No. 182), the Tripartite Consultation (International Labour Standards) Convention, 1976 (No. 144), the Migration for Employment Convention (Revised), 1949 (No. 97), and the Right to Organise and Collective Bargaining Convention, 1949 (No. 98), was discussed and support for ratification was expressed by the union; and the union's proposals concerning the problems of the workers were presented to the Government.

On behalf of the workers of Afghanistan, I would like to emphasize that war and conflicts have devastated the country. The people of Afghanistan do not know why they are facing so many problems, or the reason for these problems. Owing to war and conflict, the people of Afghanistan, including workers, farmers and the entire nation, are facing poverty, hunger, unemployment and devastation of agriculture, industries, and the education and communication sectors. We are also witnessing suicide bombings, kidnappings and other problems in the country.

Unemployment is the root of all kinds of problems, and around 50 per cent of the labour force are unemployed and are seeking employment in neighbouring countries, facing many problems with traffickers, with some even losing their lives on the way.

Today, a large number of people lack decent jobs. The small-scale local enterprises operating in the traditional manner are facing inactivity because of their inability to compete with foreign goods. This

has also led to an increase in unemployment, as well as other problems in Afghanistan. The creation of sustainable employment opportunities has been largely ignored in the important infrastructure projects. Without giving priority to investment in sectors such as agriculture, energy and water, mines, heavy and light industries in the projects, most of the projects have been implemented in areas where they have not created permanent and useful jobs.

In conclusion, I would like to draw the attention of the ILO and other international organizations to the need to assist us both technically and financially in these areas, to ensure better protection of the rights of Afghan workers.

Once again, I sincerely thank the ILO and international community for extending support and assistance to us in various areas.

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*Original Arabic: Mr EL AZIZ (Worker, Morocco)*

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The Moroccan Workers' delegation would like to commend the ILO on the work it has accomplished, in particular for the social dimension it has given to development.

While it is important to integrate such a dimension into national programmes, this has, unfortunately, not been done by many States.

Our delegation would like to ask the following question. Is it reasonable to support international institutions, such as the International Monetary Fund or the World Bank, in their use of the considerable financial means at their disposal to try to find a solution to the global economic crisis, when they took erroneous economic and social policies in the 1980s that have been among the reasons behind the current crisis?

These policies have increased poverty, violence, social inequalities and illegal emigration and immigration. Many countries have taken inappropriate measures in these circumstances and I think we should stress the principles of decent work.

We are currently resorting to unsuitable and erroneous policies that we have seen the results of over the last 20 or 30 years. These policies have not been accompanied by social justice policies, and have led to a considerable reduction of per capita income. Financial institutions have exerted pressure on many countries and have favoured the adoption of flexible economic measures. Workers have been the direct victims of such policies.

This crisis and its impact on societies in developing countries, in particular in terms of unemployment, which continues to rise, and many countries have reached the verge of economic collapse. No positive result has been achieved; no solution has been adopted that can help the poorest cope with the impact of the current international and financial crisis.

If the huge amounts of money that have been injected into the financial system had been used to create jobs, for social protection and to strengthen education and health systems, we would have achieved much better results, which would have had led to a much better world.

Interventionism has come to an end. It is imperative therefore that we redress imbalances. However, in order to do that, we need to rely on the political will from the governments concerned.

We would like to express our full solidarity with the Palestinian people and to the establishment of a State for the Palestinian people. We condemn the

acts committed by the Israeli Army and Government.

We hope that, thanks to international pressure, this persecution of the Palestinian people will end. We would like to emphasize the importance of measures to assure the freedom of the workers in this region. We condemn the use of the ILO as an instrument used against certain countries.

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*Original French: Mr KAMBERE KALUMBI (Minister of Employment, Labour and Social Welfare, Democratic Republic of the Congo).*

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It is indeed a great pleasure for me to address this august assembly on behalf of the Democratic Republic of Congo and to be able to transmit to you sincere greetings from the Congolese people. I would also like to take this opportunity to congratulate the President on his election to steer our deliberations, as well as to congratulate the Director-General for having been re-elected to head this Organization.

I should also like to thank the ILO for providing us with the opportunity to talk to you about the measures that the Government of the Democratic Republic of Congo is envisaging to deal with the international financial crisis. This is particularly relevant because our country has been in the throes of an economic crisis for such a long time.

The worldwide financial crisis has had a considerable impact on our country. It has brought about major job losses, particularly in the mining sector, and has exacerbated the very serious employment situation in our country where the majority of workers are employed in working conditions which are far from decent.

Mr Joseph Kabila Kabange, our Head of State, has made employment a second priority of his policy. Indeed, the Government has seen this world financial crisis as being an opportunity – and not just as being fate that has befallen us. It immediately set up a Government commission to develop a plan to overcome the crisis and relaunch the economy. This Commission is incorporating the resolutions adopted by the last National Work Council, in particular an action plan for employment of the young people, “Pro Yen”, the regulations of the National Institute of Social Security (INSS), the acknowledgement of the National Vocational Training Institute and the National Employment Office as public establishments with a tripartite administration and the setting up of a follow-up commission to apply the statutory minimum wage. In addition, a permanent mechanism for social dialogue under the Prime Minister has been established.

In addition to this plan to relaunch the economy, the Government of the Democratic Republic of Congo is in the process of reviewing its growth and poverty reduction strategy paper (DSCR) introduced in 2005. We are about to produce a new document, a “new generation” DSCR, to improve our growth strategies and our fight against poverty. This is why we have asked the ILO for technical support to help formulate the national employment policy and build up vocational training. We have also asked for assistance to reform the social security system because, after all, employment is cross-cutting.

Finally, the Government of the Democratic Republic of Congo welcomes the ILO’s initiative, in this time of crisis, to set up a Global Jobs Pact. This will enable our country to ask for an emergency

programme to be established in cooperation with the Bretton Woods Institutions and the World Bank. We might then give priority to the financing of employment, thus allowing us to go ahead with productive long-term projects – a task that is difficult with our own resources.

The G20 Summits of Washington and London mainly concentrated on a series of actions to clean up the present system. This provides the Democratic Republic of the Congo with the hope that it can start out and build a new regulatory system at international level which will help us to guide the credit flows towards productive sectors.

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*Original Spanish: Mr PARRA ROJAS (Employer, Cuba)*

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This 98th Session of the International Labour Conference may be an historic event; it is taking place during one of the worst economic crises ever seen in modern times. We welcome the initiative to focus our debate on seeking a response to the jobs crisis, for indeed the loss of jobs is one of the most damaging aspects of this crisis.

The Director-General’s Report contains some alarming predictions of growth in unemployment rates, but as time goes by these forecasts turn out to be rather conservative, as the reality matches, and may even exceed, these figures.

The much debated phenomenon of globalization has contributed to the spread of the crisis to all the countries of the world. No one can be assured of being spared its consequences, and the constituents must therefore give priority to coordinating their action and developing joint strategies at both national and international levels, thus enabling the ILO to play its role of assisting, facilitating and implementing the will of its constituents.

Many voices raised the alarm about the looming crisis, and although the reasons attributed to it vary, it is obvious that neo-liberal policies arising out of the Washington consensus were a determining factor. As pointed out in the Director-General’s Report to this Conference, the capacity of markets to regulate themselves was overvalued, while the role of the State and regulation, respect for the environment, the dignity of work, and the delivery of public goods and social welfare were undervalued.

We must recognize that the contraction of demand is in direct proportion to the increase in unemployment. We must break this vicious circle, through programmes that take into account the need to support the development of sustainable enterprises as a means of creating productive employment, and governments must take effective measures to this end.

The challenge is enormous, and yet it is possible to overcome it. To do so, social dialogue at both national and international levels will be key.

The experience of my country, a country with few natural resources, which is subject to a blockade and has suffered three devastating hurricanes, shows that this crisis can be faced while respecting labour and social guarantees and fostering broad social dialogue in which all the social partners can identify, propose and implement those actions which will help to attenuate the effects of the crisis.

As part of this effort, and aware of our high degree of responsibility when it comes to creating employment, the employers are actively involved in the search for solutions and alternatives.

There are many other important subjects for discussion at this Conference which must not be over-

looked. We would thus like to place on record the will and determination of Cuba's employers to embrace the principles of decent work, and are proud to say that there is no forced labour in our workplaces.

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Ms LYNCH (*Worker, Ireland*)

I am going to use my time to speak mainly about the Global Report, *The cost of coercion*. The Irish Congress of Trade Unions condemns all forms of coercion, forced labour and trafficking. These are particularly horrible crimes; they are based on deceit, exploitation and brutality. Indeed, everything about coercion runs counter to the values, ethos and purpose of decent work. It represents a violation of a person's human rights and it is a wrong, one that has devastating effects on the lives of individuals and their families. It threatens decent work and contributes to the overall harm caused to a country by organized crime.

What we know about forced labour and trafficking in Ireland is that it often involves bogus employment agencies, which are often, but not always, linked to organized crime. These intermediaries "recruit" poor people from around the world by promising them good jobs in Ireland. Workers think that they are accepting an offer of employment that will give them a better future, that will bring about a better financial opportunity for themselves and their family. The "recruiter" then offers the worker a generous loan, at exorbitant interest rates, to help with travel arrangements, papers, employment permits, education fees and for locating a job and a place to live. On arrival, of course, the situation is very different from what was promised – the job does not materialize or the wage is not paid. The workers are then left in a situation where they have to work at whatever job they are told to do. They have to hand over their money and, of course, there is the biggest fear; they are undocumented. This leaves workers in the outrageous circumstance where, if they were to stand up for their rights, their employer says to them "if you continue to ask for this, I am going to report you to the authorities, and then you will be deported, or worse". Of course, in the worst circumstances, the worker becomes a victim of trafficking and then he or she faces disfigurement or death if they were to come forward.

The Irish Congress of Trade Unions takes this as a very serious situation – so much so that, to assist

our trade unions and to raise awareness, we have established a project. The aim of the project is to help trade unions to develop action projects and, importantly, to let workers who are trapped in this situation know that they do not have to suffer in silence, and that trade unions are on their side.

Central to our campaign are five core objectives. The first of these is the ratification of the ILO Private Employment Agencies Convention, 1997 (No. 181), and the establishment of proper legislation in Ireland to ensure the regulation of employment agencies, so that we can separate the good from the bad.

The second core objective of our campaign is to bring about a bridging visa that will provide "a way in" for workers who find themselves in an irregular circumstance so that they can come forward without fear and have a chance of a positive outcome.

The third objective is for the proper protection and enforcement of all workers' rights regardless of their immigration status. It would be an outrageous situation if employers were to be able to avoid their responsibilities by deliberately employing somebody in an unauthorized way.

The fourth objective is to have proper dissuasive penalties, including jail time, for those who abuse workers in this way.

Our fifth objective is to have decent support for the victims of this circumstance and to work in close collaboration with our sister unions around the world.

Finally, I would like to take this opportunity to call on the ILO to develop and implement an action programme that will assist constituents to ensure the ratification of ILO Convention No. 181.

We have a real opportunity at this time, as European Union (EU) Member States are preparing their laws, to give effect to the EU Directive on temporary agency work. This provides us with a chance to ensure the ratification of the Convention and, most importantly, to ensure that, when transposing and creating our laws in relation to temporary agency work, these respect the ILO Conventions.

So, brothers and sisters, I look forward to working with you as we continue to stamp out coercion in all its forms.

*(The Conference adjourned at 6.30 p.m.)*





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