



**Seventeenth sitting**

Monday, 16 June 2003, 10.05 a.m.

*Presidents: Mr. Wamalwa and Mr. Noakes*

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

The PRESIDENT (Mr. WAMALWA) — Before beginning our work this morning, I have to inform you that the Workers' group has submitted a statement on the situation in Iraq. This statement calls for a speedy end to the occupation of that country from an ILO needs-assessment mission to Iraq to gauge the forms of technical support and assistance which the Organization could most usefully provide in their rehabilitation and reconstruction process. That statement will be published in a forthcoming *Provisional Record*.

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

*Original Afghan:* Mr. BASHIRY (*Government delegate, Afghanistan*) — In the name of God, the Merciful, the Compassionate! permit me to express my sincere congratulations and those of the delegation of the Islamic Transitional State of Afghanistan to the President on his nomination to head the International Labour Conference in its 91st Session. I am assured that his guidance will lead us towards success in reaching our objectives. I take this opportunity to assure him of my delegation's full cooperation towards the success of this Conference.

During the last 23 ruinous and destructive years, Afghanistan has been deprived of the skills and professional cadres it needs and is currently lacking all categories of specialists. In addition to 1.7 million of my compatriots who were killed in wars, about 8 million were displaced internally, including those who migrated as refugees outside Afghanistan to neighbouring countries and throughout the world.

This deficiency in specialists and experts comes at a time when Afghanistan anxiously needs them for emergency reconstruction and rehabilitation of the national economy. Yet we find Afghans who have migrated to neighbouring countries looking for jobs. Among the 8 million, only 2 million are employed, while the rest of them are jobless. Although close to 2 million refugees have returned to Afghanistan, the limited number of qualified cadres and specialists, among them prevents the rapid development and improvement in the social and economic situation of Afghanistan.

Another problem and difficulty is the presence of 1.5 million widows and orphans who live in very troublesome conditions. These numerous people before the war had their own husbands and household-

ers who used to provide all the basic facilities for their lives, but today widows and orphans are compelled to go out and start on their own and earn their livelihood, which has forced them to work and meet the needs of their families.

Afghanistan is one of the oldest Members of the International Labour Organization, having received the honour of membership in the year 1934. It appreciates the effective and profitable activities of the ILO, especially in recent years. We look forward to more success for the Organization throughout the world, including in Afghanistan, which is in dire need of its services in various areas. In that connection, I wish to express our gratitude to the Director-General for the attention he is giving to the mounting needs of Afghanistan in manpower development and socio-economic progress. I also take this opportunity to express, on my own behalf and on behalf of the transitional Government of Afghanistan, our sincere gratitude to the Secretary-General of the United Nations, Mr. Kofi Annan, for his continued assistance to the people of Afghanistan in the reconstruction of our country and the fight against terrorism.

With reference to the Report of the ILO's Director-General and the agenda of the ILO which has been prepared for the Governing Body for the current year, it deals with such important issues as globalization, employment, various relevant Conventions and Recommendations, human resources development, budgetary questions, social protection and working conditions. Let me take this opportunity to assure you of our sincere commitment to work towards achieving objectives in these areas of common interest.

The Islamic Transitional State of Afghanistan will struggle and do its best to improve the living conditions of its people. The most important challenge is the disarming, demobilization and reintegration of ex-combatants, as well as the absorption of refugees. To achieve these objectives, we require the participation of people from the entire world and all economic sectors. It is especially important to encourage the participation of national entrepreneurs along with foreign investors in our development objectives and strategy, where the private sector has a very important role to play.

However, it is important to bear in mind that the vast programmes which have been planned by the Islamic Transitional State of Afghanistan for the reconstruction and rehabilitation of the national economy are aimed at meeting the needs of returning refugees, education and training, health care and malnutrition, improvement of social conditions and social security, cultural affairs, publications and communications, transport, energy, development of mines and natural

resources, civil development, commerce and investment, public administration, sovereignty and good governance, the organization of a national police force, security, and mine clearance. Meeting our needs in all these areas through the domestic resource base of Afghanistan is not possible. We are confident that the United Nations system and its member countries will continue to increase their financial and material support in line with the promises made in Tokyo, following the Bonn conference and their subsequent commitments.

Here, I would like to specifically emphasize our growing need for technical cooperation, job creation, cadres specialization and training and the implementation of programmes for manpower development in our private and public administrative sectors.

In these and other areas we trust that the International Labour Organization, with the support of donor countries, will intensify its activities and cooperation with the Ministry of Labour and Social Affairs of the Islamic Transitional State of Afghanistan, so as to enable it to play its vital role in the rehabilitation, reconstruction and development of the country.

Mr. GUISEPPI (*Workers' delegate, Trinidad and Tobago*) — Firstly, let me congratulate the President, and convey to the 91st Session of the Conference greetings from the National Trade Union Centre of Trinidad and Tobago to the Director-General, his executives and staff and all the brothers and sisters that are gathered here today. It is really an honour to be here.

A little over 40 years ago, Trinidad and Tobago became an independent country, but before that, the colonial authorities and international and local capitalists employed labour on the most unfavourable terms. This meant casual work, no job security, project work, short-term work, indecent work.

Inevitably, when the British Government sent the Moyne Commission to the territory in the 1930s to investigate the cause of the many labour riots, the Commission found unemployment, underemployment, low wages, poor housing and social amenities and widespread poverty.

For decades prior to and after the 1930s, the trade union movement has been struggling for job security and decent work, and central to that struggle has been the fight against the casualization of labour in the public and the private sectors.

The colonial authorities and employers were content to treat labour like any other commodity that they could pick up and use and discard when it suited them. In its worse forms, forced labour from our region helped to shape the Europe of our colonial masters and we must now rely on the Decent Work Agenda to give us skilled and intelligent workers to put us on more even terms with these former masters.

In recent times, the neo-liberal offensive that finds expression in the policies of international lending agencies and the conditionalities that they impose has pushed workers back to pre independence times. Regrettably, this mega-philosophy has seeped into the consciousness of most governments in our region and has embedded itself so deeply in the political parties and government that they do not have an agenda which differs from or challenges the new imperialists' economic model.

The power of international economics has replaced that of politics.

This model of economic underdevelopment and deprivation of our region finds particular expression in the Free Trade Area of the Americas (FTAA), which hopes to find full effect from 2005. The FTAA is presented as the acceptable face of capitalism but will result in the sale of many jobs and service industries indigenous to our region and the likely dominance of a single nation.

The giant United States economy is bigger and more diversified than the combined economies of all other nations in the hemisphere. It is over four times the combined size of all the Latin American and Caribbean economies, while at the other end of the scale lie the tiny island nations of our region, including Grenada, Dominica and Saint Kitts and Nevis, whose economies are largely dependent on the vulnerable tourism and service industries.

In relation to energy-rich Trinidad and Tobago, the World Bank, in a report issued in 1999, said: "The poor comprise approximately 21 per cent of the population, with about half of those individuals unable to afford the cost of a minimum food basket." A more recent UNDP report shows that 26 per cent of our population now lives below the poverty line.

It is not as if Trinidad and Tobago, with a population of 1.4 million people, is a poor country. This totally unacceptable level of poverty exists against a background of Trinidad and Tobago being by far the Caribbean's largest producer of oil and natural gas, and the global leader in the export of ammonia, methanol and liquefied national gas (LNG). With last week's announcement by Mr. Alan Greenspan of better natural gas prices, the country will continue to earn hard currency, and still Trinidad and Tobago, as with almost all countries in the world, seems totally incapable of redistributing its wealth. In the midst of potentially immense wealth we have dire levels of poverty. Unemployment, as we know, and low wages are well established as being the greatest causes of poverty, and while the Government's figures suggest that unemployment is declining, over that same period UNDP data showed that poverty is still on the rise.

So the plans of big business and international finance to turn services into profit centres through the creation of trading blocs like the FTAA have very clear implications for us — we, the working people — in terms of their impact on jobs and therefore on poverty. With the coming of the General Agreement on Trades in Services, (GATS), jobs in the public sector are further threatened by foreign transnational companies, owing to the contracting out of government services over the years in sectors such as health, environment and other government services.

Against this background, the challenge of the labour movement is immense. The development of our Caribbean society depends solely on the creative qualities of labour at every level. Their skills, initiative and intelligence will decide the social, political and economic system needed for First World status.

Unfortunately, the reality is far from this. What we do see unfolding in our region is contracts being awarded without proper tendering procedures, contractors being created with no real skills other than employing people on poor pay and conditions for extraordinary profits for themselves, low-paid insecure jobs, contracts being given out to do work which is properly that of government workers employed in the ministries and regional corporations.

Far from creating decent jobs, the exercise threatens the jobs of permanent workers employed in the public sector and institutionalizes indecent work, all without consultation with the recognized majority unions.

There must be firm regulation of this process. We know for sure that there can be no such thing as decent work when the only new jobs being created are low-paid, short-term, insecure and designed deliberately as alternatives to prevent trade union representation, and we know that this is not beyond regulation, as the European Union has such a directive when dealing with issues arising out of transfers.

I started my contribution by referring to the conditions of workers in colonial Trinidad and Tobago. There can be no doubt that unless there is strong intervention from the trade union movement, the employers and governments will push us back to those dark days of super-exploitation.

Our message is clear. We must have greater control and influence over the levers of economic power which give big business the ability to determine our future without any democratic control. Our ministries of labour must be properly funded and given greater autonomy within the tripartite arrangements to determine and implement policies which support the ILO agenda.

We know that countries can only be politically independent if they are economically independent. Control over national economies cannot be divorced from ownership of those economies and we recognize the importance of a greater degree of social ownership of the means of production, distribution and exchange.

Finally, the labour movement is willing and always ready to work with governments and employers to create a civilization and culture where the majority of our people within society control the majority of the wealth that is created by our people for our people.

*Original Spanish:* Mr. MANTILLA HUERTA (Minister for Labour and Human Resources, Ecuador) — I would like to begin by congratulating the President, Mr. Wamalwa, on his skilful leadership of this Conference.

It is a great honour for me to speak here on behalf of the President of the Republic of Ecuador, Colonel Lucio Gutierrez Borbúa, who embodies the hopes of an entire nation for an end to poverty, corruption and the inequality that is rampant in our country and in the developing world.

The Director-General's Report, *Working out of poverty*, shows us the very stark realities of today's world. It shows us the curse of the twenty-first century, in which two contradictory realities exist side by side. On the one hand, we have a world of extreme wealth, and on the other, a world in which people struggle daily to survive; where wealth is concentrated in the hands of a small minority, while poverty is the lot of the vast majority. A world that is, in fact, a powder keg. Such extremes are precursors of conflict. Conflicts have to be dealt with through social and economic policies that seek to establish an equitable distribution of wealth and that takes prompt steps to resolve global social problems by creating decent work.

According to the Director-General in his Report, some 1.2 billion people survive on less than US\$1 a day. This should force us to be unflinching in our efforts

to overcome this problem — not by writing fine speeches, but by transforming words into deeds. This should be the commitment of this conference, this should be our message for the advocates of unfettered neo-liberal economies.

We have heard over recent days, messages from the Presidents of Brazil and South Africa, two countries in quite different regions, but sharing an identity determined by poverty, desperately seeking opportunities for the poor and for the most vulnerable groups, such as children, young people and women. If we really thought about the world's economy today, we would award the Nobel Prize for economics to the groups in our society that survive on less than US\$1 a day. In a world where people sometimes lose their faith in international institutions, the International Labour Organization stands out as an exception because of the work it has accomplished in the past few years, because of the very serious ethical role that it has played, and because of the opportunities that it promotes, not only in the world of work, but also in terms of striving to achieve world peace. It has pursued this agenda with great professionalism and put forward concrete solutions to the world's urgent needs.

I would like to take this opportunity to appeal to governments, employers and businesses of our American continent, Latin America, the "dark-skinned" America, the America of Bolívar, San Martín, Martí, O'Higgins and so many other liberators who were the founding fathers of our nations, and helped to build a united Latin America which should allow us to take up the challenge of the fight against poverty against corruption and create decent work for the young people who are the hope of the future in our region.

We have to make sure that economic globalization creates opportunities. By negotiating our foreign debt, we need to give up resources that can be invested in social programmes such as health care, job creation and social security, to make the ideals of the ILO a reality.

Ecuador and its Government are grateful for the support provided by the ILO, under its technical and economic cooperation programmes. These are aimed at eradicating the worst forms of child labour, restructuring the Ministry of Labour to make it more efficient, improving its use of human resources and providing the labour reforms which the Government plans to implement over the next few months and for the labour-intensive programme.

As democrats, we also understand that the best way of maintaining peace, maintaining democracy and achieving social justice is by offering our peoples real solutions to the social problems facing our countries. Our peoples don't believe in promises; they believe in realities, in real education and training programmes, in real opportunities for young people. The proposal made here recently by the President of Brazil regarding youth employment is one which we fully endorse and should be translated into concrete programmes for the Americas and for the world.

It is appropriate to highlight the work developed by Ecuador together with the ILO in implementing the time-bound programme to eliminate the worst forms of child labour that will be launched this year. This followed on the progress achieved in our tripartite and multisectoral cooperation in establishing a system of the child labour inspection and follow-up to inter-

nal agreements negotiated with UNICEF, the National Institute for Children and Families (INNFA), and other state departments. One example of this is the agreements that we negotiated with the flower and banana-growing sectors that include gender mainstreaming.

I would like to urge my fellow delegates to maintain an unflagging commitment to building a better world in which poverty will be consigned to the past and full employment finally becomes a reality.

May God guide the steps of the President and those of all the delegates here at this Conference.

Mr. ACHARYA (*Government delegate, Nepal*) — Let me begin by congratulating the President on his election as well as the other officials. I would also like to warmly congratulate Mr. Juan Somavia on his re-election as the Director-General of this important office for a second term. We are confident that we will continue to benefit from his dynamic leadership as he focuses on the ILO's core values and re-energizes it to meet the demands of the twenty-first century.

The subject and theme of the Report of the Director-General, *Working out of poverty*, is timely and appropriate. This is more so for a country like Nepal, which has placed poverty reduction high on its national agenda.

In his Report, the Director-General has underscored the need to make a concerted effort to attack poverty and yield the decent work dividends to families and societies as a whole. In full consonance with him, I believe that a decisive tripartite commitment to the eradication of poverty through the promotion of rights, employment, protection and dialogue should be an inalienable part of a poverty-reduction strategy.

It needs to be stressed here that poor people are the wisest managers of the meagre resources available to them. We can only imagine how better our world would be if we were able to lift all of these people out of poverty. Notwithstanding human rights perspectives and socio-economic stability, even the economic benefits to the world resulting from their productivity would be stupendous. Therefore, getting the poor out of poverty is not only a moral imperative, but it also makes perfect economic sense.

At a time when we boast of astounding progress in science and technology and the resulting abundance around us, it is distressing to note that the degrading and inhuman incidence of poverty continues unabated, and a large majority of the poor continues to live in squalor without any sign of hope. This should prick our conscience, as there are sufficient means and resources in the world to get them out of the vicious circle of poverty. We must therefore summon our political will and combine it with resources and sustainable programmes.

There is no alternative to the collective will and cooperation. If a decisive tripartite commitment is essential to eradicate poverty, so is an enhanced level of support from the international community to sustain national efforts. Decent work country programmes should also be integrated into a coherent international framework. This also means that we should not promote free markets and globalization alone, which seem to be an inexorable march of history, but we should also ensure that they are based on the principles of justice, equity and inclusiveness, and that no one is marginalized or adversely affected in the process.

His Majesty's Government of Nepal, though constrained by the availability of limited resources, has placed decent work high on the national agenda. Nepal is committed to the Declaration on Fundamental Principles and Rights at Work adopted by the ILO in 1998, and recognizes it as an instrument of social justice and equity. Since discrimination creates and reinforces inequity, poverty and social exclusion, we are determined to progressively eliminate all forms of discrimination.

Nepal has ratified eight ILO Conventions along with five fundamental Conventions. Guided by the overarching national goal of poverty reduction, the current Tenth Development Plan of His Majesty's Government of Nepal intends to ensure quality employment through effective labour administration, improved industrial relations and decent work. To achieve this, Nepal is making efforts to initiate appropriate changes in policies, legislative frameworks and the enforcement mechanisms to promote rights at work, employment, social protection and social dialogue all geared towards reducing the decent work deficit. Legislation has been enacted to ensure equal remuneration for work of equal value as well as the right to organize and bargain collectively.

Nepal has prepared a National Master Plan to progressively eliminate child labour as envisaged by the Worst Forms of Child Labour Convention, 1999 (No. 182). Nepal has been implementing the time-bound programme on the worst forms of child labour with the support of the ILO and IPEC. Other areas of our collaboration with the ILO include entrepreneurship development, social protection, gender mainstreaming, institutional capacity building, the rehabilitation of freed bonded labourers and combating HIV/AIDS.

As around three-quarters of the workforce in Nepal is engaged in subsistence farming, poverty in Nepal is largely a rural and agricultural phenomenon. To encourage voluntary efforts to protect the lives of workers engaged in this sector, His Majesty's Government has constituted a tripartite national voluntary body for putting forward measures on occupational safety and health. A mechanism has been implemented under the Ministry of Labour and Transport Management to help address safety and environment issues in the manufacturing and services sectors as well.

Of late, the Nepalese people are being attracted in greater numbers towards overseas employment for various reasons. In this context, the whole system of imparting skills and vocational training is being reviewed to link them more closely with employment policy objectives, labour market trends and the needs of the informal economy.

Nepal is aware of the course to follow and is committed to doing her part to the best of her ability. The Government and the social partners reaffirm the conviction that working together with clarity of vision, we will be able to achieve a higher standard of labour and work ourselves out of poverty. Labour protection in this sense is a matter of serious concern to us. Recently we have been experiencing changes in the world of work. Employers are demanding labour flexibility while the workers are in favour of enhanced enforcement and social protection. Therefore, an innovative approach to social protection is called for. We all have a common stake in these issues. To attain our goals, local, national and international efforts must complement each other.

I wish to see an enhanced level of ILO activities aimed at achieving the eradication of poverty and decent work in the days ahead.

I wish the work of this session of the Conference every success.

*Original Arabic: Mr. AZZOUZ (Workers' delegate, Syrian Arab Republic)* — First of all, I would like to congratulate the President on his election to head this Conference. My congratulations are also addressed to the Director-General on the extension of his term of office — proof of the confidence we have in him.

This session of the Conference is held at a time when the world is faced with many questions and serious challenges that have had a direct effect on the world economy, upon workers and employers. Violation of human rights and disregard of international legality, occupation of territories, taking even the wealth of the peoples, and looting scientific and cultural heritages.

All this is in direct contradiction with the Declaration of Philadelphia, according to which, everyone must assume responsibility for his own development. The wars which the world has known over the past 50 years have led to a situation in which our region has suffered and continues to suffer severely. We have had wars in our region since 1948, and it has borne the economic and social consequences of those conflicts. We have therefore been unable to implement development plans aimed at putting an end to unemployment and poverty.

The occupation of the Syrian Golan and the permanent state of war imposed upon us by Israel compels us to shoulder more responsibilities and ensure our defence against the occupying forces and their practices, which violate international law and custom.

Syria has declared, as stated by President Bashar al-Assad, its commitment to a just and comprehensive peace to solve the problems of the region on the basis of the principles which were enshrined in the peace process at Madrid and, as set forth in the resolutions of the Security Council, that is land for peace.

This situation has had an undesirable effect on our workers and employers, our living conditions and our economic and social development.

Despite all these difficulties, the Syrian workers, united under the leadership of the General Confederation of Trade Unions, alongside the other segments of the population, have consistently contributed to the process of modernization and economic and administrative reform, launched by President al-Assad.

This has been affected through the social partnership of the workers, the employers and the Government, and has been reflected in various reforms and various developments in the world of labour. Many pieces of legislation have greatly benefited the workers in our country. The social security system has been enhanced and extended. Large numbers of workers who were not previously covered now benefit from this system. The labour law has been amended, as has the law governing trade unions. A national agency to combat unemployment has been established, employment offices have been developed, and much also has been achieved in this regard.

We appreciate the efforts of the ILO in combating poverty and creating a favourable climate for economic development, and its condemnation of the

arms race, wars waged for economic reasons, and the occupation of territories by military force.

The development and prosperity of the world, the struggle against poverty and unemployment call for sincere efforts for just and comprehensive peace to be achieved, to allow countries to use their national resources for their economic and social development. All this should be done in an atmosphere of peace, far removed from war, the destruction of homes, the uprooting of trees, the dismissal of thousands of workers by the occupation authorities, and the takeover of national wealth and looting national resources.

We attach considerable importance to the agenda of this Conference, particularly those items concerning the development of human resources and occupational health and safety. We shall do our utmost to achieve these noble objectives, and we hope to receive technical assistance from the ILO, within the context of technical cooperation, particularly as regards organization of courses and workshops on the rehabilitation of workers. We wish this Conference every success.

*Mr. CSUPPORT (Employers' adviser and substitute delegate, Hungary)* — First of all, allow me to congratulate the President on his election to chair this 91st Session of the International Labour Conference. I also warmly welcome the re-election of the Director-General, Mr. Somavia, to his second term in this important office.

Hungarian employers accept and support the Director-General's Report, which echoes many of our concerns and suggests ways forward which are largely in line with our own positions. However, we would like to focus on some issues which are directly relevant to our national circumstances.

We Hungarian employers, really believe that decent work is the quality road to poverty reduction. The Hungarian employers' contribution to poverty reduction is best served by focusing on resources meeting the true needs of the workplace.

We think that national employers' organizations are central to efforts to implement ILO core programmes and objectives related to poverty reduction. At the same time, national employers' organizations need the help of the ILO. We would like to underline the need for dialogue with workers' organizations and our governments at national level. Governments need to recognize that the challenges of development call for a coherent employment policy at national level and this is best achieved through dialogue with social partners.

Hungary has been fighting poverty for decades. The fight against poverty is a general task and all the actors of society must contribute. Hungarian employers' organizations can make their contribution to this important task by developing enterprises, improving vocational training and improving the labour conditions. Hungarian employers' organizations agree that — within the framework of social dialogue at all levels — broad economic and social measures should be taken to further increase the employment rate and improve labour conditions and thus competitiveness.

The most effective way of combating poverty is to decrease the unemployment rate. During the past few years, Hungary has managed the great feat of holding the unemployment rate down to between 6 and 8 per cent.

Hungarian employers have accepted with comprehension and active cooperation the significant increase in the minimum wage. Creating jobs and increasing the minimum wage are significant steps, but are just one factor in the fight against poverty.

Ordinary working skills are not enough in today's global information society, because workplaces are highly sophisticated, there is too much information available and too little time to use and assimilate it. To reach their goal, all adults, men and women of all ages and in all walks of life, should join the campaign of lifelong learning. Of course, there are millions of adults who acquired a basic education years ago and who may have to brush up old skills, or perhaps learn new ones. Hungarian employers are paying great attention to training at the workplace and to continuously developing education, and they rightfully expect government support for this activity.

The countries acceding to the European Union are passing through a phase of rapid social, political, economic and social changes. The transition to a market economy means that particular attention must be paid to the lifelong development of the workforce's skills and qualifications. The fight against poverty will have to be continued in the future under steadily worsening conditions. It is extremely challenging for us to retain our market competitiveness while fighting against poverty. Furthermore, in certain fields, we have to increase this competitiveness. Integration into the European Union and globalization themselves mean great efforts, which we want to connect to our fight against poverty.

Public authorities are responsible for seeking the optimal balance between achieving the best short term and long term cost-effectiveness ratio defining the tasks of the services generally concerned and of others which might be affected and creating conditions for sustainable economic, social and environmental development with a view to poverty reduction.

In seeking to deal with this extremely complex issue we must abide by the principles and guidelines of the ILO concerning close tripartite cooperation among national government, employers and workers.

We thank the Director-General for his Report and for his leadership and we are pledge our full support to the implementation of the Report.

Mr. BEREKET (*Government adviser and substitute delegate, Eritrea*) — First, I would like to congratulate the President and the other Officers of the Conference on their election. I would also like to congratulate the Director-General on his re-election to a second term.

I would also like to take this opportunity to thank the Director-General, Mr. Juan Somavia, for his comprehensive and balanced Report, *Working out of poverty*. In his Report, he sets out the key problems and the ILO's long-term vision for addressing the plight of workers and their families, as part of its overall long-term strategy.

Let me now briefly outline what the Government of Eritrea is doing in this regard. Poverty reduction is Eritrea's greatest challenge and the Government has placed it at the top of its development agenda. To this end, the Government has embarked on the preparation of a poverty reduction strategy paper, that is country-owned, results-oriented and long-term in perspective. It is expected to outline a coherent and

practical strategy that reflects national priorities and local realities.

Eritrea's development strategy was articulated in the Transitional Economic Growth and Poverty Reduction Strategy, 2001-02. The strategy has three key objectives. First, it aims to induce a widely shared and sustained economic development by creating an enabling environment for a strong and competitive economy. The second objective is to raise the skills and knowledge base of the people by investing in education, nutrition and healthcare. Thirdly, it aims to reduce rural poverty by investing in rural infrastructure, agriculture, livestock and pastures management and developing marine resources.

In its pursuit of economic growth and poverty reduction, the main challenge facing Eritrea is increasing the productive capacity of its people through increased access to quality education and health services. Eritrea has made significant progress in rehabilitating and developing its basic infrastructure. Just as we had started to move away from humanitarian relief and towards rehabilitation and recovery, we find ourselves faced with another year of severe drought, the worst since 1991, and which has resulted in almost total crop failure.

Providing adequate healthcare services to meet the basic needs of its citizens is an important aspect of Eritrea's strategy to enhance development and reduce poverty. As a priority, the Government will increase expenditure on programmes that focus on the treatment and control of infectious diseases such as HIV/AIDS, tuberculosis, malaria and diarrhoea. The Government will expand its programme on immunization, nutrition and environmental health. So far, it has made significant investment in basic healthcare infrastructure, especially in underprivileged rural areas. Now, the emphasis will be on developing the needed expertise, by expanding training centres for health professionals and continue the programme of training community health workers.

On social protection and human welfare, the Government is committed to meeting the basic needs of those who cannot provide for themselves. The Eritrean Relief and Refugee Commission (ERREC), with assistance from the donor community and non-governmental organizations (NGOs), provides essential services in the form of humanitarian assistance in drought affected areas and for people displaced by war. The establishment of appropriate pension schemes and sound and sustainable social safety nets is also a priority for the Government as is the maintenance of harmonious industrial relations and a safe working environment.

The Government of Eritrea is committed to the implementation of the seven core ILO human rights Conventions which it has ratified. Furthermore, it is in the process of ratifying the Worst Forms of Child Labour Convention, 1999 (No. 182). Tripartite consultations and social dialogue are our guiding principles and, consequently, sound labour relations exist among the social partners at present in Eritrea. Our labour law clearly provides for the protection of women, youth and people with disability.

To safeguard safety and health in the workplace, efforts are being made in cooperation with the ILO to train inspectors. To improve overall conditions of work and to protect the rights of seafarers, a new law has been drafted and is under discussion before approval.

The Ministry of Labour and Human Welfare is launching a statistical survey to generate the key labour market indicators and assess the situation in Eritrea with regard to child labour. I wish to take this opportunity to request the ILO to render its support to our efforts in this regard.

Mr. KAPUYA (*Minister for Labour, Youth Development and Sports of the United Republic of Tanzania*) — Permit me to associate myself with previous speakers in congratulating the President and other Officers of the Conference on their election. May I also congratulate the Director-General, Mr. Juan Somavia, on his reappointment. His guidance in the formulation and articulation of the ILO's four strategic objectives of the Decent Work Agenda, his relentless efforts in articulating and giving directions on their achievements, particularly its inclusion as a strategy in achievement of the United Nations Millennium Development Goals, is evidence of his vision and ability.

The Director-General's Report is a focussed exposé to this constituency on what needs to be done, to achieve one of the Millennium Development Goals of reducing extreme poverty by half by 2015.

For a country like the United Republic of Tanzania, where the rate of unemployment currently stands at 12.9 per cent, composed mainly of young people and women; where most of the labour force lack employment and entrepreneurial skills; where most of the economic activities take place in the informal sector (currently over 60 per cent of the urban economic activities); where the majority of the labour force still work under unsafe conditions, with inadequate income security; a country still struggling to get rid of child labour and guarantee equal opportunities for all to access their productive forces; with enterprises still unequipped to compete in a modern global economy, this Report is timely and instrumental.

The above realities are compounded by the negative impact of globalization on our economy. These are factors like declining commodity prices, where our workers increasingly earn less and less, even where they have increased production, and attempts to diversify to other economic activities, like value adding to agricultural products, now meet familiar trade tariff barriers.

The United Republic of Tanzania has adopted a poverty reduction strategy, aimed at reducing abject poverty, measured in terms of income and expenditure, by half by the year 2010 in accordance with the Poverty Reduction Strategy Paper (PRSP). Technical support from the ILO to the tripartite partners continues to enable them to contribute to the process, particularly on the question of employment promotion.

In this regard, I wish to express my country's gratitude to the ILO for its Jobs for Africa Programme, which has produced a country action programme for employment creation and employment-intensive investments, particularly targeting youth. Technical and financial support in Phase II of the Jobs for Africa activities, to operationalize these programmes, would be greatly appreciated.

Due to the importance attached by my Government to the question of poverty reduction through employment creation, the hitherto Employment section of the Labour Department has been elevated to a fully fledged Department of Employment. The

challenge we now face is to build capacity and establish an effective institutional framework for the Department.

The United Republic of Tanzania has initiated a number of pro-poor economic strategies, including creation of an enabling environment for good governance. Further, the country has adopted policies to promote the private sector as an engine for investment and enterprise growth, a key to job creation, and policies to strengthen the role of the public sector as a provider of enabling an urban, political, social, economic and rural regulatory framework, which are critical for economic growth and social equity. These initiatives are also part and parcel of the New Partnership for Africa's Development (NEPAD).

Despite the above efforts to reduce poverty, critical challenges like enhancing the skill levels of the labour force, providing an appropriate framework for the informal sector, and promoting skill-based agriculture, still remain.

Despite recent constraints, my Government continues to implement the Decent Work Agenda, where activities have been undertaken in the area of the elimination of child labour, including implementation of the time-bound programme for the elimination of the worst forms of child labour, elimination of discrimination in employment, access to provision of free primary education and formulation of an all-inclusive social security policy.

The Director-General rightly noted in the preface to his Report that: "One cannot legislate employment in and poverty out." It has been noted, however, that inappropriate labour policies and laws can be a hindrance, not only to employment creation; they can also promote breaches of labour standards, inequities and social exclusion in the world of work.

In light of the above, the Government launched, in October 2001, a tripartite task force to recommend a labour regime which would enable enterprises to grow and compete in a modern economy, but at the same time protect labour and guarantee income security. My country appreciates the role played by the Strengthening labour relations in East Africa (ILO/SLAREA) project and the ILO Labour Administration audit report in complementing efforts of the reform process. The United Republic of Tanzania would appreciate ILO technical support in implementing the reform recommendations, particularly in strengthening the labour administration.

Let me conclude by assuring the Director-General and other Members of the ILO that the United Republic of Tanzania, through its tripartite structures and in partnership with ILO and other development partners, will strive to achieve the objective of working out of poverty and mitigate the negative impact of globalization. As the late Mwalimu Nyerere would have said: "It can be done, if we all play our part."

*Original French: Mgr. CREPALDI (Secretary, Papal Council for Justice and Peace, The Holy See) — We meet here in an international body, which, thanks to the tripartite structure of the ILO, is particularly representative of society. I feel particularly comfortable in bringing to you the message of the Catholic Church, which is an ethical message and, as such, a universal one.*

*Working out of poverty, which translates from the French version as "Freeing oneself from poverty*

through work”, is a very significant and evocative title for the Holy See. This is the theme of this 91st Session of the International Labour Conference, and we find it evocative for three reasons.

Freeing oneself is a strong word: it means to free the human being, in this particular instance, from poverty; poverty being a phenomenon which one could virtually call slavery, because it affects mankind deeply in his very dignity. The human being who is deprived of what is necessary to survive is a humiliated being, who has been denied his economic and social rights and, in extreme cases, even the right to life. But poverty is not an inevitability. That is why freeing man from poverty is an ethical imperative, which the conscience of humanity cannot ignore (John Paul II, Message for the Annual World Day of Peace, 1993). And the Catholic Church, whose mission is essentially that of serving mankind, all of mankind, being concerned also with the demands of daily life (*Mater et magistra*, No. 2), must be at the front lines of the fight against poverty.

Moreover, freeing oneself from poverty indicates that the poor themselves are active players in this process of liberation. They are supposed to participate in their own liberation from poverty. We must therefore give up the mentality that considers the poor — both individuals and peoples — as a burden (*Centesimus annus*, No. 28).

And, finally, the Holy See cannot fail but to agree with the existence of a direct link between poverty, work and lack of work. The Catholic Church, which considers itself the church of the poor, and has made them its preferred choice, knows very well that they appear in many different aspects and, in many cases, as the result of a violation of the dignity of human work, either because possibilities for human work are limited, which is the scourge of unemployment, or because the value of work and the rights which flow from it are underestimated, particularly the right to an equitable wage and to the security of the individual and his family (*Laborem exercens*, No. 8).

I would like to draw your attention to a value, which is echoed in all our consciences, in perhaps unusual terms, and it is “honour”. We must do everything to meet our commitments. The commitment in this case is that undertaken by the international community to reduce by half, by the year 2015, the number of people living in extreme poverty.

In his message for the World Day of Peace this year, Pope John Paul II mentioned this demand in particular of not breaking promises when he wrote: *Pacta sunt servanda*. If all commitments must be respected, one must particularly ensure that we respect commitments made to the poor. The suffering caused by poverty is dramatically increased by lack of confidence, and the final result is the disappearance of all hope.

The category which most specially needs confidence, since it has its whole future in front of it, is the category of young people. It is therefore necessary that those responsible should pay particular attention to the fundamental problems of unemployment as it affects young people (*Laborem exercens*, No. 18).

Obviously, this is a huge task and a difficult one, and that is why we must call to mind here the need to weigh the magnitude of the objectives against the realities of the situation. An opportunity to proceed in this direction could perhaps be offered by the strategic framework for the reduction of poverty. In fact, while it is true that what we expect from the poor

countries in drawing up these frameworks is extremely complex, the role that the ILO has played, plays and must continue to play to integrate the objectives of employment and decent work in strategies to reduce poverty is fundamental. The Catholic Church, for its part, has in many cases, placed its experience at the service of local communities within the framework of these processes of participation of the poor, who are increasingly asking that they be able to express their own creative personalities as citizens (*Sollicitudo rei socialis*, No. 15).

*Original Swedish:* Mr. KARLSSON (*Minister for Employment, Sweden*) — May I first of all join all those who have spoken before me in congratulating the President and his colleagues upon their election.

Absolute poverty continues to be the grim reality for over a billion people in our world. But the whole United Nations system has adopted the Millennium Development Goals as the focus for its activities. These goals are imperatives for immediate action and a yardstick for keeping the world community centred on achieving long-term goals and sustained support for greater international cooperation with low income countries and poor people. The Report to the 91st Session of the Conference focuses on these people — the working poor and the poor who are excluded from work — those who live largely outside formal and regulated systems, away from markets and beyond the influence of supportive public policy.

This is a challenge for all defenders of social justice and sustainable development. I agree entirely with the Report that work is the best and most dignified route out of poverty, and indeed, that cooperation and the involvement of the tripartite community is decisive in our search for solutions. Our task is to work together and to reinforce tripartism and dialogue among all stakeholders to overcome exclusion, social injustice and discrimination, and to open up opportunities for productive decent work in conditions of equity, security and human dignity.

I know, from my previous capacity as a trade unionist, but also in my present duties as Minister, that tripartite cooperation is not always easy. Demands and perspectives differ. But it is my experience that negotiated agreements can establish a solid base for relations on the labour market and in society — the foundation needed for difficult government policy interventions. The world community therefore needs to assist poor countries to build up strong and dynamic systems of tripartism, and empower both trade unions and employers’ organizations to take part more equally in such dialogues. There has always been tension between the market dimension of work and the social dimension. Tripartite cooperation is about managing these tensions and finding the most constructive balance. The need for balancing strong economic forces is also apparent in this era of globalization. Globalization on the basis of openness holds great promise for the future, but the benefits tend to concentrate to an already affluent minority of nations and people.

There are many facets of globalization and an often repeated theme in debate is the weakness of states. I don’t believe that is correct, and there is a danger in approaching problems with a sense of having no power to influence them. I am optimistic that through cooperation and solidarity, change is possible, that the future can become more equal, and that it is possible

to reverse the powers that bedevil developing countries. Governments and civil society, the United Nations, including of course the ILO, the Bretton Woods institutions and the WTO, need to band together to create and adjust international and national rules and market regulations in order to balance power differences and the twin imperatives of flexibility and security.

Something that can be done immediately is the implementation of the human rights at work that would ensure a social floor allowing markets to function more effectively and equitably. Workers' participation and social dialogue are ways of fostering cooperation and mutual trust, which in turn enhance economic performance. More focus also has to be given to the creation of the legal, political and social institutions needed to make markets and societies function properly. The quality of institutions and good governance in our economies is fundamental to strategies for productivity, growth and sustainable development in both poor and rich countries.

The core rights specified in the ILO Declaration are fundamental in that respect in all societies. They reinforce each other, and they contain, without any doubt, enabling rights. These basic freedoms are also decisive in the fight against discrimination, the theme for this year's Global Report. Discrimination is a basis for social exclusion and poverty. The elimination of discrimination at work is a prerequisite for human dignity, justice and social cohesion. Women and girls frequently face the worst discriminatory practices in life and in all countries, regardless of level of development. Pervasive gender discrimination contributes both to the feminization and perpetuation of poverty over generations. And I am convinced that, in the same way as a serious equality agenda often becomes a window of opportunity for growth and vitality at a workplace, the elimination of all forms of discrimination will release competence and capacity, and move us closer to a society characterized by development and solidarity and a socially inclusive world of work.

I wish the ILO, the Director-General and his staff, and the Conference, all success in their important work.

*Original French: Mr. RAIS (Government delegate, Algeria)* — It is a great pleasure for me to take the floor at this point in our work, and I would like to start by offering my sincere congratulations to the President on his election to preside over this session of the Conference. His sense of proportion and leadership will, I am convinced, enable him to translate the aspirations of our constituents into action. His presence here is also a tribute to his country and, through it, to the whole of Africa. Our congratulations also go out to all the Officers assisting him in his task.

Our Conference is taking place at a time in which the world is undergoing rapid major transformations, all too frequently with negative repercussions on the standard of living of our populations.

Indeed, one of the paradoxes of globalization, which is presented as a forum of solidarity and collective progress, is that it is currently manifested in an increase in poverty affecting more and more areas of the world population, especially in the South and among the most disadvantaged nations, including the middle-income levels, which are being dragged downwards.

A process of development, whose goal is not the well-being of humankind, is incompatible with the ideals and principles underlying our Organization. Accordingly, the Director-General, as usual, has identified the real issues and set forth guidelines for our activities in the years to come, reaffirming once again the principles of the promotion of tripartite social dialogue.

It cannot be denied that it is work alone, and the income it provides, which is the essential weapon in the fight against poverty. Hence we support the ideas put forward by the Director-General and the programme of action he proposes in order to eliminate this scourge and to secure for everyone decent work, which will contribute to the well-being and development of the world's population. Moreover, work is the only place in which human dignity can be achieved, far from the self-seeking pursuit of profit to the detriment of social justice.

I would like to take this opportunity of reaffirming my country's dedication to the realization of the main ideas espoused by our Organization in the area of social promotion and the improvement of working and living conditions of workers.

It is in the context of the fight against poverty that my country is endeavouring to enlarge and promote opportunities for access to decent work, inter alia, through programmes of job promotion for young people in general and for young graduates in particular.

The different development processes which human societies have undergone have given rise to situations which are now becoming apparent, some of which — in many respects — impair certain fundamental rights of workers. We must clearly identify these today and deal with them within the tripartite framework involving all major players in social dialogue.

We would like to express our satisfaction that these concerns have been placed on our agenda in the form of an item on the scope of the employment relationships. Situations have arisen in which the employment relationship has taken on disguised forms: for instance informal work, and subcontracting come to mind. If these are not monitored and properly regulated, they can lead to situations that are detrimental to the workers, who may in many cases find themselves denied any legal protection.

We therefore hope that those who will be dealing with this question will be able to come up with concrete proposals that will take all these aspects into account and strengthen our common fight for decent work.

The globalization of the economy and the quest by enterprises for competitiveness and performance at the lowest possible cost, on which their survival on an increasingly tight world market depends, compels the latter to make choices and, unfortunately, health and safety are frequently sacrificed on the altar of sheer profit.

These situations are dangerous in the long term, and should be of concern to us all; including in our agenda an item on occupational safety and health at work is, I think, a very useful means of creating conditions for strengthening policies geared to the prevention of occupational hazards and diseases.

For this purpose, the budget of our Organization should give a more predominant place to cooperation programmes to be carried out in this area, which should also include training for experts and staff

responsible for safety and health issues, as well as setting up institutions or bodies to prevent occupational hazards, particularly in high-risk sectors.

My country attaches great importance to the improvement of working conditions and wishes to see sustained and decisive action taken by the International Labour Office for the implementation of the actions that we have adopted for the years to come, and we assure you of our full support in this.

I would like to stress the fact that without constant improvement of training of the men and women involved in development, any policy against poverty is an illusion; hence, our activities to develop this potential must be an essential objective.

On this point, my country gives a predominant role to education and training, both in terms of the regulatory framework and with respect to the financial resources allocated annually to this important sector.

We expect these efforts to be backed up by different forms of cooperation under the aegis of the International Labour Organization through the implementation of specific programmes for the world of work.

The Report of the Director-General stresses social dialogue as a means of regulating and dealing with all the issues that arise for society.

In Algeria, we share this conviction and we are great believers in dialogue. Our legislation is therefore in conformity with all the Conventions which we have ratified, particularly those on fundamental freedoms and rights, and we feel that social dialogue is the appropriate means of managing labour relations.

Social dialogue is an actual reality in our economic and social environment, and enable us to cope with huge constraints and difficulties at a time when we needed to introduce the necessary economic reforms, with all that they imply in terms of frequently painful measures for the workers, and I commend these workers for their sense of responsibility.

I could go on at much greater length — the Report of the Director-General is so rich in subject matter and resonates a great deal with me — but the time limit compels me to stop at this point. However, I would not like to conclude without drawing your attention to the alarming situation of the workers in the occupied Arab territories as a result of the manifold aggressions perpetuated against them. In the course of our work special attention has been given to this question; King Abdullah of Jordan also spoke at length on this subject, which calls for the natural solidarity of all peoples. It also reminds us that any people that oppress another is not itself free.

Another Head of State, President Thabo Mbeki of South Africa, also demonstrated the solidarity of new partnerships here, stressing the fact that the New Partnership for Africa's Development (NEPAD), which he launched together with four other Heads of State from Africa, one of whom was President Bouteflika, offered scope for renewed partnership between North and South.

These forms of solidarity must become part of the day-to-day reality in our world where famine, in this third millennium, is still a scourge and an insult to human intelligence, as was pointed out here also by the President of Brazil, Lula da Silva.

United, together, we will use our creative spirit for the achievement of human well-being in this difficult world.

Mr. BARIMAH (*Minister for Manpower Development and Employment, Ghana*) — Like my colleagues before me, I wish first of all to congratulate the President on his election to chair this session. I would also like to congratulate the Director-General on his re-election to a second term of office. On behalf of my delegation, I pledge Ghana's fullest cooperation in ensuring the success of our deliberations.

The stimulating Report of the Director-General deals with a subject that is dear to my country — it is the strategy for working out of poverty. For my delegation, poverty reduction has been our national priority and the goal of decent work, as a panacea for poverty reduction, transcends all other issues. The war against poverty must be won in Africa. That is why we feel that the goal of decent work should also focus both research and policy action on practical measures that can have an immediate positive impact on poverty, while at the same time building infrastructure for longer-term progress.

The Decent Work Agenda must mobilize all countries as development partners in order to unleash the required synergies for the economic, social and political empowerment that flows from acting collectively to overcome vulnerability and exclusion.

Today's working life offers new vistas of hope and opportunities. However, meagre incomes, unemployment and pervasive poverty seem to be the lot of the vast majority of peoples the world over.

Ghana wholeheartedly welcomes the concept of decent work, which is our guiding principle in the creation of wealth and work. My delegation is, however, concerned that, at a time when developing countries are being compelled to liberalize their economies and remove subsidies, globalization and other multilateral processes, coupled with the protectionist policies of the industrialized countries, including agricultural subsidies, are leading to the collapse of industries and restricting job openings in developing countries. We should therefore also seek to preserve work and opportunities which already exist if we are to enhance and achieve the full and comprehensive objectives of the world of decent work.

Again, it is important to underscore the fact that sustainable growth alone cannot ensure poverty reduction, unless close attention is paid to income redistribution. The excruciating debt burden that hangs like the sword of Damocles over low-income countries is an obstacle that must be overcome in the war against poverty. We must additionally address other grave issues that militate against decent work, such as child labour, hazards at work and HIV/AIDS.

Purely, national strategies for implementing sustainable pro-poor and pro-jobs creation policies are unlikely to succeed in a globalized world in which economies are becoming increasingly integrated. It is for this reason that international action is required. We, on our part, have embraced and are committed to a partnership with the ILO and the international community with a view to placing employment generation at the heart of economic and social policy-making.

Ghana has also formulated comprehensive policies designed to promote full, productive and freely chosen employment in a government effort at poverty reduction. In that connection, the President's Special Initiatives (PSI), covering a number of commodities and aimed at creating at least 100,000 jobs for Ghana-

ians over the next four years, are worth mentioning. These projects initially involve the production and processing of cassava into high-grade industrial starch and the manufacture of garments and textiles. Similarly, the Vocational Skills Project (VSP) is aimed at the provision of short, focused, practical and demand-driven training for people in the formal and informal sectors of the economy, thereby creating access to a skilled and regular labour force.

The Ghanaian Government has established Integrated Community Centres for Employable Skills (ICCES) in 59 districts of the country, and plans are afoot to expand the project to all 110 districts by the end of the year 2003. These community-based centres will encourage employment, especially in rural areas, by training young people in employable skills. Workers' and employers' organizations and other development partners were involved in all these efforts, including the formulation and implementation of policies and actions aimed at poverty reduction. This underscores our conviction that each social partner has a unique and crucial role to play in the arduous task of freeing our people from the poverty trap.

I am happy to inform you that Ghana's new labour bill is currently before Parliament and we expect that, by the end of the current session, it will have been passed. The bill embodies the principles of the core ILO Conventions, namely the establishment of a labour commission, disability rights, social dialogue and tripartism, among others. We are confident that, with the support and assistance of the ILO and other development partners, the Government and people of Ghana can translate the abovementioned plans into reality within the shortest possible time and make great strides in our endeavours to create wealth and decent work for all.

*(Mr. Noakes takes the Chair.)*

*Original French:* Mr. SEM RAMBELOSON (*Government delegate, Madagascar*) — I am speaking on behalf of the head of my delegation, His Excellency, Mr. Jean Jacques Sem Rabenirina, Minister of Labour and Social Affairs of Madagascar, who was himself present in Geneva to participate in this current session of the International Labour Conference but who, unfortunately, has been compelled to leave, due to the duties and obligations of his office.

Like my predecessors, and on behalf of the delegation of Madagascar, I wish to convey my warm congratulations, firstly to the President of the 91st Session of the International Labour Conference and the Officers of the Conference on their election to preside over this august assembly and, secondly, to Mr. Juan Somavia, on the occasion of his re-election as Director-General of the International Labour Office. We wish him every success for the coming five years.

My delegation also wishes to pay tribute to Lord Brett, Chairperson of the Governing Body of the International Labour Office, for the efforts that he has made over a period of ten years on behalf of the Organization. We wish him a well-deserved and happy retirement.

The events following the elections of 2002 prevented Madagascar from fully participating in the 90th Session of the International Labour Conference. The peaceful resolution of these same events, however, enabled the establishment of a regime that was determined to meet a social challenge, namely

the eradication of poverty. The only way of doing this is through the successful creation of jobs, and only a decent job provides the means, *par excellence*, of emerging from poverty with dignity.

Thus, it is with genuine pleasure that the delegation of Madagascar has rejoined this prestigious assembly at the 91st Session of the International Labour Conference, in order to make its own modest contribution to our common struggle against poverty on the basis of our tripartite partnership.

The Report presented by the Director-General reflects the realities experienced by all of the member States of our Organization. The draft budget for the period 2004-05 is, moreover, fully consistent with the new challenges of that reality.

Madagascar sees this Report from the viewpoint of a country just emerging from a major political crisis, which had a considerable impact on employment and on labour, in view of the capacities of our country. In point of fact, the challenges of the present situation are particularly relevant for my own country which is, regrettably, witnessing volatility of employment, in particular in free trade areas.

Under these conditions, Madagascar has paid close attention to the measures envisaged by the International Labour Office in connection with the ILO Declaration on Fundamental Principles and Rights at Work and its Follow-up. Consequently, the Government of Madagascar, having already ratified seven of the eight ILO Conventions on the fundamental human rights of workers, has already undertaken to prepare, with the support of the ILO, the ratification of the eighth core Convention, the Abolition of Forced Labour Convention, 1957 (No. 105). The relaunching of the national study on the working conditions of those involved in forced labour is anxiously looked forward to, prior to that ratification.

We are also determined, as a beneficiary of the IPEC programme, to eliminate the worst forms of child labour and hope that it will be extended or at least maintained. In this connection, a programme of institutional support aimed at eradicating child labour in Madagascar is now under way. It consists of two essential parts, the raising of public awareness and the updating of all legislative texts relating to child labour.

The awareness-raising part of this programme, which was implemented in four of our six provinces, has now been completed. I would like to take this opportunity to announce the fact that the World Day against Child Labour was celebrated this year at the national level.

The relaunching of the Programme for the Promotion of Social Dialogue in French-speaking Africa (PRODIAF) will certainly help to promote social dialogue and tripartite cooperation at the national level.

Moreover, thanks to the re-establishment of tripartism, the National Employment Council (CNE), a national advisory body, was established and is now operational.

This National Employment Council is responsible for elaborating the national employment policy with the support of the International Labour Office. This strategy is emerging at a very timely moment, especially since we have had to register the loss of 150,000 jobs following the collapse of several industries and companies in free trade areas as a result of the post-electoral crisis of 2001-02.

The finalization of the amendment of the Madagascan Labour Code has been carried out thanks to the CNE, in an effort to adapt that Code to the present social economic context.

Moreover, the draft programme to extend social protection in order to provide coverage for independent workers and professionals, as well as providing coverage for other risks, is part of our Government's programme against poverty.

All of these activities contribute to reducing poverty through work and have been carried out, thanks to the technical assistance of the International Labour Office. In that connection, Madagascar wishes to express its gratitude to the Director-General and all of his team for this cooperation and trusts that will be continued.

Working out of poverty means updating and implementing the Declaration of Philadelphia, which was made 57 years ago. In reality, poverty is a threat to the prosperity of us all. That is why the Government of Madagascar is now finalizing its Poverty Reduction Strategy Paper (PRSP), which has been prepared with a view to securing more effective participation by the social partners.

The Director-General's Report, in the view of my delegation, provides a true framework of action for a country such as my own and will certainly appeal to our concern to give a social content to the Poverty Reduction Strategy Paper.

I wish every success to this Conference.

Mr. EDSTRÖM (*Workers' delegate, Sweden*) — I want to convey my sincere congratulations upon the President's election to the Chair of this Conference.

Let me express the appreciation of the Swedish trade union movement for the very important and comprehensive Report by the Director-General, *Working out of poverty*. It rightly emphasizes the urgent need for a variety of policy measures to be implemented at global and national level, some of them in bodies outside the ILO. That is why the voice of this Organization needs to be taken into account seriously, not least in the Bretton Woods institutions and the WTO, and why the Decent Work Agenda needs to be adhered to.

The Director-General is correct when he criticizes the neo-liberal dogma which preaches growth first and wealth distribution to workers and the poor later. We know that such fair distribution very seldom takes place. Likewise with the similar argument that, when poverty has been eradicated, then respect for workers' rights and other fundamental human rights will automatically follow as a reward. This policy has been advocated by some member States, whose records when it comes to respect for human rights and democracy are indeed poor, to say the least. The same basic concept can be found in practice in most of the export processing zones, established in order to attract investors with no real requirement on these investors to respect such rights. Even the World Bank prescribed five years ago that, from a developmental point of view, workers in the least developed countries should not have the right to organize and be able to act collectively to try to improve their living standards. In other words, the poorest workers most in need of freedom to act together should be denied their human rights in order to secure comparative advantages for those who profit from their labour.

I have never understood the claim, mainly from some countries in Asia, that their workers are different, apparently less touched by occupational health and safety hazards, with less need of social security or freedom of association. If those workers concerned shared such views, why then the need to repress their fundamental rights?

I am proud that the ILO, through its Decent Work Agenda, rejects such policies and views which, unfortunately, are still prevalent in many quarters.

For us in the Swedish trade unions, the ILO is not primarily a charity organization. It is an organization for social and political change. The Burmese regime — a member State that is bound to work for the aims of the ILO — stated at the special sitting on 7 June that the ILO has no mandate to deal with political or human rights questions. Do we share their view? Are political will and political decisions necessary to tackle poverty? Does the Decent Work Agenda require respect for fundamental human rights at work? The Director-General's Report is clear in rejecting the position of the Burmese regime. It also illustrates that we still have a long way to go before we get a true commitment by this member State to follow the requirements of this Organization.

The Report of the Director-General makes several references to the need to involve employers' and workers' organizations, and I do agree but, how can workers participate in formulating the economic and social policies needed to eradicate poverty, when anti-union discrimination prevails and trade unions are marginalized? A joint effort is needed to empower the workers to be able to act collectively and take part in true social dialogue. I am convinced that, where free and democratic trade unions are allowed to exist, it will result in a fairer and more socially just distribution of income and wealth which will contribute to the reduction of poverty. The effects of globalization undoubtedly force us to focus more on what could be done at national level, through good governance and tripartism, to reduce inequality.

Let me end my intervention by saying, as I have done on many previous occasions in this room, that tripartism should not only be practised for three weeks in Geneva, but also at national level. There are still, 67 member States who have not ratified the Tripartite Consultation (International Labour Standards) Convention, 1976 (No. 144). I was very pleased when the ILO, on 19 November last year, launched a campaign for the universal ratification of this priority Convention. Even though I was a bit surprised that this was not mentioned in the Report of the Chairperson of the Governing Body, I do expect a rapid and successful outcome to this campaign.

Mr. MUSENGE (*representative, International Social Security Association*) — Let me echo the expressions of all others who have spoken before me in congratulating the President on his election for the current session and also extend my congratulations to the Director-General of the ILO on the extension of his term of office.

On behalf of the President and the Secretary-General of the International Social Security Association (ISSA), it is an honour for me to address the 91st Session of the International Labour Conference.

I need hardly remind this august assembly that the ILO played an important role in creating the ISSA. I also hardly need to repeat that a key function of the

ISSA is to provide social security administrators and policy-makers with a forum for debating and sharing best practice with regard to the technical improvement of social security.

Improving that administration of social security remains a core objective of the work conducted by the ISSA.

However, in the developing context of social protection policy debates, the priority accorded to improving social security administration is not receiving the degree of international attention it should. This is something that the ISSA would like to contribute towards remedying.

In part, and somewhat ironically, the insufficient level of international attention being given to improving social security administration has occurred as a result of the perceived insurmountable problems facing social security across many countries of the South, including my own country, Zambia.

In particular, I am referring to the often low levels of coverage. Of course, these observed poor levels of social security coverage cannot be disassociated from the growth of informal economy employment. With this point in mind, the ISSA acknowledges that the emphasis of the Director-General's Report this year in promoting decent work as the best route of poverty also lies at the heart of promoting better social security.

Across the richer industrialized countries, a combination of evolving demographic structures and labour market patterns, as well as the belief in promoting greater individual responsibility, is influencing debates about what should be considered as the appropriate role to be played by social security.

As a result, and taking into account developing country and developed country trends, more emphasis is now directed towards questioning to what degree it is appropriate to argue that mandatory social security should be financed on a contributory basis, that it should be publicly administered, and in the main, organized at the national level.

These are questions that must be considered by all the social partners. These questions raise fundamental issues for the ISSA and the ILO alike.

With regard to the ISSA, these debates present a series of opportunities, as well as challenges.

First, and most positively, these debates present the ISSA with new opportunities to promote the continuing value of social security.

Second, the importance afforded by a growing number of international organizations to social protection policies provides greater opportunities for the ISSA to share its long-standing expertise in social security matters through promoting international collaboration and partnership. The ISSA initiative, a recent public outreach programme, which was launched in Canada last year, is but one example of this being put into practice.

Third, but more problematically, these debates also present challenges, since they do not automatically accord social security its heretofore important hierarchical position in the social policy framework.

Fourth, and again somewhat problematically, the concept of social security must be broadened to also embrace non-conventional approaches — such as the delivery of tax-credit benefits undertaken, not necessarily by the ministry responsible for social security, but by national fiscal authorities, as well as the deliv-

ery of benefits by privatized organizations or small-scale sectoral workplace entities.

The ISSA believes that social security should remain the normative base for both developing and industrialized countries. It is with great attention, therefore, that the ISSA will follow the ILO's ongoing endeavours to modernize its normative standards, but especially those that pertain to social security.

It is recognized that the foundation of the ISSA in 1927 was spawned from debates during the International Labour Conference that year. By continuing to complement one another, as well as collaborating with other organizations, the ISSA and the ILO have a common shared duty to defend and promote mandatory social security. Ultimately, the fulfilment of this shared objective will be aided by the successful promotion of the ISSA's traditional core role — the technical improvement of social security administration.

Supported by its member organizations, and while seeking to further build its special relationship with the ILO, it is to the better fulfilment of this fundamental objective of the pursuit of social justice that the energy and expertise of the ISSA will continue to be directed and applied.

Mr. EVANS (*representative, Trade Union Advisory Committee to the Organisation for Economic Cooperation and Development*) — I am glad to have the opportunity to address the Conference on behalf of the Trade Union Advisory Committee (TUAC) to the OECD. Although the OECD is a governmental organization made up of the industrialized countries, through TUAC and in conjunction with our Global Union partners, working people have a chance to have their voice heard in those governmental debates.

I would like to welcome the Director-General's crucially important report, *Working out of poverty*.

The Report is crucially important because three years into the new millennium, the world is further away from achieving the United Nations Millennium Development Goals on poverty reduction than it was when they were agreed. As the Report shows, 1 billion people in developing countries are in extreme poverty and 3 billion — half the world's population — live on less than \$2 a day.

The Report is crucially important because poverty and social vulnerability are also increasing in OECD countries. Growth is in freefall in the industrialized economies and deflation remains a real danger, whilst unemployment and job lay-offs are rising. This fall in growth is not the result of labour rigidities or excessive employment protection as some governments and employers argue, but the result of failing confidence following the financial market collapse in the wake of the dot-com boom and the Enron and other scandals of corporate governance.

The Director-General's Report is also important because the political fractures evident in the Iraq crisis must not be allowed to undermine the multilateral system and what is already inadequate economic and social coordination. The failure of the Evian G8 to move forward significant agendas and particularly the social agenda, although not surprising, must be a warning to all. Similarly, we have important and yet unfulfilled promises on the table from Monterrey and Johannesburg that are in danger of being forgotten.

But the Report also outlines the way forward to work out of this crisis and then to work out of poverty.

Firstly, we have to double income growth per head from 1 to 2 per cent a year and make sure that this growth generates jobs. The industrialized countries have to take a lead here and re-launch the world economy through a coordinated pro-growth and pro-poor stimulus.

Secondly, we have to make sure that resources are made available to fund development. Here, the ideas put forward from this rostrum a few days ago by President Mbeki for a Global Structural Fund need serious consideration and then to be acted on.

Thirdly, as Chapter 4 of the Report shows, we have to strengthen institutions in the labour market that represent and protect the poor. To start with, that means trade unions and giving the poor the basic rights to organize and bargain collectively.

But, as the establishment of the World Commission on the Social Dimension of Globalization shows, the task is a wider one than just convincing ourselves or labour ministers. We have to convince the finance, economics and trade ministers that meeting this challenge is crucial to the very survival of both our societies and our economies. We can no longer afford a situation where finance ministers and central bankers create or tolerate unemployment and poverty as a price worth paying for other policy objectives, and labour ministers are supposed to apply palliative measures, or worse to roll back civilized labour standards, in the illusory search for competitiveness.

That is one reason why increased cooperation between the OECD and the ILO is essential. It is an objective that we in TUAC have promoted incessantly in the OECD.

Working with our Global Union partners, TUAC has sought to make the ILO Declaration on Fundamental Principles and Rights at Work a system-wide standard also in the OECD and the IFIs. It is now included in the OECD Development Assistance Committee's Guidelines on Poverty Reduction, in the OECD Guidelines on Multinational Enterprises and through the OECD's work on trade and labour standards and sustainable development. It still, therefore, has to be in the WTO debate. We have also insisted that as all OECD members are members of the ILO, OECD countries have to respect all of those features and notably fundamental labour standards. It is for this reason that TUAC continues to insist that countries such as the Republic of Korea, which have had freedom of association violations condemned by the ILO, reform their labour legislation to bring it into line with ILO principles.

The Director-General's Report reinforces the crucial link between poverty reduction and the respect for human rights at work, the two key elements of the ILO's fundamental mandate. This is now more relevant than ever given the evident failings of the current model of globalization. We have to make its recommendations work.

Mr. SUKOMALSEN (*representative, Trade Unions International of Public and Allied Employees*) — At the outset, I would like to express my sincere pleasure at the re-election of the Director-General of the ILO.

The 91st Session of the ILC is taking place during an unprecedentedly difficult phase in the world situation. Never before have the jobs of workers and employees been so jeopardized and workers rendered so completely insecure in respect of their jobs, economic benefits, social security and trade union rights. This is

rather ironic in view of the Director-General's earlier Reports and also the present Report's plea for decent work and equality at work.

The World Bank and IMF have dictated a neo-liberal economy for about one-and-a-half decades and have proven to be definitely anti-worker.

The public sector industries are being closed down or privatized. Banking, insurance and financial sector employees are being hard hit as the governments of developing and developed countries are taking mindless steps for the purposes of privatization. The privatization of government departments and enterprises is also taking place in various countries. Telecommunication, postal and railway services are being privatized. Many government departments in several countries are either being privatized or simply closed down.

Casualization of staff, the introduction of contract system's instead of regular employment, an increase in home-based workers and the resulting steady reduction in regular and permanent employment in the public and allied services are the order of the day in all developing and developed countries. Thus, hundreds of thousands of workers are losing their jobs, unemployment has assumed formidable dimensions and poverty has increased.

This year's Report, which refers to "decent work dividends that accrue to families and societies [...] through a concerted effort to attack", poverty, practically loses all relevance in view of the present-day situation.

Workers and public sector employees have therefore started resisting this onslaught. The recent strikes of public sector employees in particular and other sections of the working class in different parts of the globe are an indication of the workers' determination to resist this offensive — the latest being the general strike in France.

Unfortunately, the Director-General's Report for 2003 does not refer to these new developments or the danger posed to workers and public employees and their resistance. Nor does the Report criticize the unlawful aggression on Iraq or demand a stop to such aggression and hegemonic military actions.

The ILO has failed to effectively intervene to safeguard the trade union rights of workers in regions where such rights are being jeopardized. This is regrettably the case in countries such as Colombia, where the murder of trade union leaders has become a daily occurrence, the occupied Arab territories and other regions where grave violations of basic trade union rights occur. We hope the ILO will effectively intervene in such grave cases concerning elementary trade union and human rights.

The TUI recognizes the important role played by the ILO at the present time and we would like to see a further strengthening of the ILO's role in the formulation and implementation of international labour standards despite financial, political and other forms of pressure exerted by the dominant economic powers and neo-liberal forces which seek to impose their economic and military hegemony.

Finally, on behalf of the Trade Union International of Public and Allied Employees, which represents 20 million public sector employees of different countries, I would like to say that we strongly believe that there should be more consensus-based functioning and decision-making within the ILO, with the involvement of all segments of the trade union

movement so that the ILO, its Governing Body and ACTRAV can effectively deal with the fast developing situation the world is witnessing today.

Mr. SUTTON (*representative, Trade Unions International of Workers of the Building, Wood and Building Materials Industries*) — Congratulations to the President on his election and to the Director-General on his re-election. I am pleased to attend this 91st Session of the International Labour Conference and bring greetings from the affiliates of the Trade Unions International of Workers of the Building, Wood and Building Materials Industries (UITBB) with our millions of construction worker members on all continents.

It is appropriate that poverty is a focus at this year's session, since poverty, inequality and degradation are all on the increase in today's world. After 20 years of being subjected to the neo-liberal economic agenda, first unfolded by Reagan and Thatcher, workers of the world find their daily existence more tenuous and less secure than ever. While there has been no shortage of well-meaning declarations and summits about poverty and inequality, the reality is that, under the economic imperialism or so-called globalization that prevails today, the winners are few and the losers are many.

For construction workers, the manifestation of these economic injustices are: dangerous workplaces; precarious employment arrangements; casual, contract and informal employment; attacks against trade union rights and freedoms; and increasing threats to hard-won standards by employers misusing migrant or guest labour workers.

At UITBB, we are active in all of these issues affecting the daily lives of construction and wood workers. There is no shortage of workers with the spirit and fighting qualities to want to confront the many problems faced by their brothers and sisters in construction. Resources are the only thing holding us back and in this regard we look to the ILO to give construction matters a high priority.

The UITBB, at its 13th World Conference in Larnaca, Cyprus, in April 2002, reaffirmed the need for an international to exist in the construction and related industries that possessed both the enthusiasm and the required ideological clarity to challenge the power of big capital. At regional meetings over the last nine months in the Asia-Pacific, Latin America, Africa and shortly in the Middle East and Europe regions, we are frankly and openly addressing the dynamics of the modern construction industry. One particularly evident feature is the concentration of economic power and control in the hands of a small number of United States and European construction giants.

The UITBB understands that political and economic questions cannot be divorced from each other and takes forthright positions on matters such as the illegal invasion of Iraq, the suppression of the legitimate rights of the Palestinian people, the economic blockade of Cuba and the general threat posed to humanity by an arrogant United States administration, intoxicated by its unrivalled economic and military power.

We believe that, while high-sounding concepts like social dialogue and social partnership have an important place, the key to liberating working people lies in teaching workers to unite and struggle together. In

other words, the real task involves exposing the class-based nature of society and facilitating militant struggles where workers can challenge for power in the workplace and for power in society.

We wish the ILO well in its important work. A strong ILO is needed more than ever.

Ms. LACROUX (*representative, United Nations Programme for Human Settlements*) — On behalf of Mrs. Anna Tibaijuka, Executive Director of the United Nations Human Settlements Programme (UN-HABITAT), I have the pleasure of conveying this address to the 91st Session of the International Labour Conference.

Let us recall that last year, at the 90th Session, UN-HABITAT and ILO renewed their commitment to further develop the strong and useful partnership they have enjoyed for many years. We agreed to strengthen that partnership as we implement the HABITAT agenda and the Millennium Development Goals.

What have we done jointly over the last year and what is our common way forward? Allow me first to recall the recent progress made in implementing the mandate of the agency. Target 11 of the Millennium Development Goals is our specific goal, aiming at making a significant improvement in the lives of at least 100 million slum dwellers by the year 2020. To that end, we have begun to implement the Cities Without Slums initiative.

Slum upgrading has become the top priority of UN-HABITAT, both at the normative and operational levels. UN-HABITAT and the ILO have been working together in that direction. For example, the collaborative work of the Sustainable Cities Programme of UN-HABITAT and the ASSIST and SEED programmes of ILO, in the cities of Dar-es-Salaam and Kampala, have been significant in improving the living environment and in providing employment opportunities for the urban poor. These experiences have been replicated in many other cities all over the world, giving way to developing the global advocacy role of the two organizations as well as strengthening our joint analysis capacities and knowledge management.

As we discuss today the Director-General's Report, *Working out of poverty*, we cannot agree more on the complementarity of the two agency perspectives. This Report focuses on the working poor and the poor who are excluded from work. We concur with the call of the ILO Director-General for a coordination of policies that focus on different dimensions of the lives of people living in poverty.

From the UN-HABITAT perspective, the ILO's current approach of meeting decent work deficits is essential for slum upgrading and for sustainable urbanization, in other words, for sustainable livelihood and a sustainable living environment.

We wish to associate ourselves with the view expressed in the Report that youth are key players in the fight against poverty, (the relevant chapter is entitled: "Wasting opportunities — Youth Employment"). On that subject, UN-HABITAT will co-host a follow-up expert group meeting on urban youth employment in June 2004 in Nairobi. This meeting will seek to enhance further coordination and collaboration among United Nations agencies, to set up programmes targeting urban youth. The need to enhance urban governance for employment creation for the

urban youth will also be explored. Also, other specific areas of collaboration have been identified, namely, youth entrepreneurship and youth employment training programmes with special emphasis on building and construction of youth and entrepreneurship.

The UN-HABITAT and the ILO have initiated a dialogue on improving housing finance mechanisms to benefit the poor. Delegates at the last UN-HABITAT Governing Council encouraged the financing of pro-poor investments in human settlements as a priority and urged financial institutions to develop mechanisms for increasing the supply of affordable credit for slum upgrading and other pro-poor settlements development.

At this point, I would like also to echo the United Nations Secretary-General's call for peaceful, prosperous cities, a call made at the opening of the 19th Session of the UN-HABITAT Governing Council. The Secretary-General's message highlights the importance of managing the problems of rapid urbanization, including post-conflict rehabilitation and the reconstruction of urban areas. In line with that message, the UN-HABITAT/Iraq programme and the ILO Crisis and Reconstruction programme, are presently exploring how to revive contacts in view of their interests in participating in labour and job creation activities in Iraq and assuming an active role in the Flash Appeal.

In conclusion, the HABITAT agenda, the Global Employment Agenda and the Millennium Development Goals provide a road map and timeframe for our two agencies' partnership programme in process. The UN-HABITAT is committed to strengthening this partnership with ILO at all levels towards making a definitive impact on urban poverty reduction through shelter development.

Mr. FARRUGIA (*Employers' delegate, Malta*) — On behalf of the Employers' delegation for this 91st Session of the Conference, I congratulate the Director-General for the Report which focuses on the fight against poverty. This is, of course, a noble and commendable objective since it is at the heart of human endeavour to improve living standards and to free people from the poverty trap.

Indeed, it is the ultimate aim of entrepreneurship through the utilization of factors of production, to generate wealth and economic and social prosperity. Therefore, it is clear that employers cannot help but support any initiatives through which the ILO may, within its parameters of tripartism, address the issue of poverty.

In the introduction, the Report rightly asserts that: "it is the world of work that holds the key for solid, progressive, and long-lasting eradication of poverty". The decent work strategies present an indispensable tool through which countries may reduce the burden of poverty through balanced and sustainable growth. Malta is a small economy, but in many ways it can serve as an example through which poverty has been substantially reduced over the past decades through the application of the principles contained in the decent work framework.

The Decent Work Agenda promotes better lives and livelihoods for families. In Malta, the recent changes in the legislation related to conditions of employment and industrial relations were based on the principle of having family friendly policies entrenched in our labour legislation. The law also has

provisions for the improvement of rights at the place of work, for example, in the case of part-time workers and employees on definite period contracts of employment. The local industrial environment is also being strengthened, in line with the objectives of the Decent Work Agenda, through the implementation of occupational health and safety regulations. The provision of healthier and safer workplaces is a priority for Maltese employers, and various initiatives are being taken, in conjunction with the other social partners, to minimize occupational hazards.

The efforts of Maltese employers to restructure industry are aimed at directing resources into activities which generate a higher value added, in order to provide a stable income and productive employment. Malta is facing the reality of globalization and, in Athens last month, signed the Treaty to become a member of the European Union. The Maltese employers' support for the decision to join one of the major trading blocks in the world reflects a commitment to face the challenges of competing in a liberalized environment, based on the belief that liberalization is the best strategy to improve living standards. Maltese employers therefore support initiatives by the ILO that call for the removal of barriers that serve to exclude countries from the globalized world.

The need for restructuring to compete in a globalized environment implies that decent work is a relative concept. If all countries had the same wages and working conditions, there would be less mobility of resources, and less incentive for investment to relocate itself. Resource mobility and entrepreneurship are catalysts through which countries may seek the best opportunities for employment creation through which to increase living standards. This can be achieved through the input of government, employers' and workers' organizations. In Malta, the process of social dialogue is active through participation in the Malta Council for Economic and Social Development. This serves as a vital forum through which matters related to economic and social policy are discussed on a tripartite level.

Welfare reform is another concern that needs to be addressed in order to prevent hardship to future pensioners. In Malta, as in other developed countries, changing demographics call for action, in terms of sustainable welfare systems, to safeguard intergenerational equality. This is also related to the overall participation rate of the labour force, and in Malta we are seeking ways to increase such participation, for example, by encouraging a higher female participation rate. This issue is interlinked with others which highlight the need for stronger emphasis on human resources development and skills training in Malta. Investment in human capital is vital to prevent social exclusion, which is a form of poverty in itself. The inculcation of a culture of lifelong learning is important to develop a flexible and productive labour resource. Although the primary responsibility for education lies with the government, Maltese employers work closely with educational and employment authorities to match skills development with the current and future needs of the country.

In conclusion, the Report of the Director-General provides a checklist by which countries may measure progress and formulate policies to address the issue of poverty in its various manifestations. It is an ambitious Report, because although the eradication of poverty in all its magnitude may be within the scope

of the ILO's influence, it goes beyond its span of activities. It is our firm belief, as employers, that the creation of work opportunities within the parameters of decent work, and encouraging a culture of entrepreneurship, are essential elements in any broad action programmes for reducing poverty. It is thus imperative that such programmes must also include efforts that provide incentives to entrepreneurship as a mechanism for wealth generation.

*Original Thai: Mr. TECHATEERAVAT (Workers' delegate, Thailand)* — It is an undeniable fact that the present so-called "free trade" world is a world without borders. It is a world where foreign capital can penetrate all systems, economic, social or political. Thus, many governments, Thailand included, emphasize the solution of economic problems by promoting trade in the interest of monopolized capitals. They attempt to convince the population that they can rely on multinational companies and, for their survival, globalization is not an option.

For the past four to five years, workers in many sectors have been hard hit by the economic crisis — allegedly resulting from uncontrollable profit-oriented businesses. Development which is incoherent with the economy has led to the bursting of the bubble economy and continuous lay-offs. Without unemployment insurance, everyone must struggle for their own survival, which is very difficult without the effective rights to organize.

In fact, the fundamental way to solve the problem is to establish the right to organize. This is the power relationship that will lead to bargaining for benefits. At the same time, the right to organize will provide workers with legitimacy and possibly some involvement in the structural decisions of the Government. The Government has the responsibility to oversee and support, while in reality the Workers' organizations have been weakened by the clever and tactical control of the Government.

However, confronted with this strong trend of capitalism — and irrespective of whether various development projects will bring about success or not — it is a proven fact that the single objective of economic development for monopolized capital and foreign funds from states and other organizations, as well as labour relation systems, rights, duties, the right to organize and the acceptance of negotiations, will bring about harmony and understanding, as well as create a better social and political atmosphere.

But the State has tried every way to downplay the negotiation processes and to undermine the activities of the workers' union. Although the present Thai Constitution provides clearly for the rights and freedom of its citizens, and both sides of industry agreed to ratify and accept ILO Conventions Nos. 87 and 98 some time ago, these rights are still been ignored by the State. In addition to the continuing use of outdated regulations pertaining to workers, especially the silence surrounding the problems of subcontracts in big enterprises, there is a trend towards dismantling the workers' unions, so that capital can suppress workers legally; since the National Peacekeeping Council of State enterprises have been separated from the private sector which was done.

At present, the Labour Relations Law in Thailand is divided in two sections: governing workers in the

private sector and workers in state enterprises. Therefore, these two sectors cannot merge into one. This has resulted in the revocation of the registration of the Bangchak Petroleum Public Company Limited Employees Unions (BCPEU), in 2001, although the International Labour Standards Department of the ILO had concluded, in Case No. 2181, that the Thai Government should re-establish the status of the union to BCPEU.

The Ministry of Labour in Thailand, however, remains indifferent. Cases like this could be repeated if Thailand maintains two separate labour relations laws.

On behalf of the Thai workers, I am confident that the ILO remains a strong Organization and that its mechanisms can be implemented in fairness for the benefit of all its member countries.

*Original French: Mr. GUIRO (Workers' delegate, Senegal)* — It is an honour and indeed a pleasure to take the floor from this rostrum to address my sincere congratulations, on behalf of the workers of Senegal, to the President, to the Vice-Presidents and to the other Officers of the Conference, on their election to preside over this session of the International Labour Conference.

I would like to congratulate Mr. Somavia on his re-election as Director-General of the ILO and to express to him our determination to continue to cooperate with the ILO and to support his efforts in achieving the noble and humanitarian objectives of our tripartite Organization.

The Director-General's Report provides an objective analysis of the situation and tells us that the global workforce is growing by 50 million people per year.

In fact, the number of people joining the active population is greater than the number of people leaving it and 97 per cent of this population is in developing countries. There are 180 million unemployed, of which half are under 24 years old, and in certain countries 90 per cent of the workers find themselves in the informal economy, which shows the dangers confronting humanity.

Faced with a one-way globalization, which makes the rich richer and the poor poorer, 3 billion individuals, half of the world population, struggles for survival on less than US\$2 per day. Some have to live on less than \$1 a day. We all know that the industrialized countries subsidize their agriculture to the tune of \$2 a day and per cow.

The African countries are those that are most afflicted by poverty, continually rising unemployment, a high level of illiteracy, the AIDS pandemic and malaria, which lay to waste the most active population.

At a time when the question of the health of populations is particularly acute for the emergence of Africa from underdevelopment, the African countries suffer even more from the lack of certain medicines and even primary health-care services. And then there is the debt and its consequences which weigh so heavily upon the economies of African countries.

We remain convinced that the first choice for getting the Africans out of this trap is still the cancellation of all debt and debt servicing. We are all the more convinced that in the context of globalization and glaring inequalities between the poor and the rich, North-South cooperation should take the form of the cancellation of the debt, thanks to more active solidarity.

Poverty stems from unemployment and lack of work. The creation of new and more jobs would be the most effective way to reduce poverty.

For this, ILO should offer more technical assistance programmes to poor countries so as to help them to promote economic growth, to create employment, fight against poverty and thus institute the concept of decent work.

Social protection is one of the basis of decent work, and in our country we have asked the employers and the authorities for a revision of the status of daily work, in order to remedy the multiple violations of legislation in this regard by the employers and to allow 30 per cent of the labour force in the private sector, but also in the informal sector, particularly in the transport sector, to have access to retirement and social security.

Furthermore, being aware of the fact that employment is a challenge to the State, employers and workers, we have set up, thanks to the technical assistance of the GUEBEC trade unions and the F.T.Q. Solidarity Fund, an employment/pensions solidarity fund that enjoys the support of all the trade unions, the employers, the informal sector and the State. The President of the Republic of Senegal has made available 500 million CFA to allow this fund to be launched. This fund will, thanks to workers' voluntary savings, finance projects creating employment and also save or consolidate existing jobs. We count on the ILO in order to be able, within the framework of the consultations planned in our country in July-August 2003 with the social partners and the Government, to benefit from assistance in consolidating this important economic and social achievement.

In conclusion, we remain convinced that the only way to fight against poverty is the creation of decent jobs. We are convinced that the ILO, with the support of the international community, will propel us towards a better world, with greater solidarity, guaranteeing the dignity of every individual through labour.

Mr. THAKKAR (*Workers' delegate, India*) — My delegation represents some 400 million workers in India (Bharat). The Director-General of the ILO and his associates are working sincerely to accomplish the laudable objectives of this Organization. We learn from his Report that more than one billion people live in total destitution, on incomes of less than US\$1 per day. The Director-General also reports that unemployment worldwide grew by 20 million since the year 2000 to reach 180 million at the end of last year. This is the ILO estimate; the reality could be even more painful.

Gender discrimination, child labour, illicit drug trafficking and sexual exploitation are on the rise. As a result of the dominance of the free market economy and globalization, millions of regular workers are marginalized, rendered jobless and exposed to starvation. Suicides are on the rise. Jobless young men are entrapped in the networks of drug mafias, criminals and terrorists. Communism has failed and capitalism is failing. The unethical governance of the corporate organizations has provoked that pious nun, Sister Patricia Wolf, to call for a halt to this unscrupulous capitalistic exploitation.

Physical power makes way for knowledge power, but the power of money enslaves both. The free man of means abuses his freedom, and selfishly enslaves intellectuals, scientists and technocrats and dares to

exploit man, as well as the resources at his command, and ventures even as far as despoiling mother nature. The wielders of power, in collusion with Capital have created the trinity of the World Bank, the International Monetary Fund and the World Trade Organization, in order to satisfy the insatiable greed of a few capitalists.

The capitalists ignore the real capital — Man. Unscrupulous scientists labour to establish the supremacy of science and man over spirit. Capitalists have stooped so low as to invest in terrorist groups and create wars. Like vultures, they profit from war.

In the 1991 war against Iraq, the Government of the United States made a profit of 49 billion dollars from the sale of weapons. The United States made \$21 for every ten invested, making a profit of \$11 billion. Multinationals invested nothing and made \$9 billion from the increase in oil prices.

Capitalist competition and free market economies, in fact, thrive on monopoly. There is rarely any real competition. The economist, Charles Gide, said that competition causes a gradual lowering of prices. In fact, capitalists want prices to rise. They do not play fair. They enter into "gentlemen's agreements", create cartels, form corporations, enter into collaborations, plan takeovers, mergers and mega-mergers. Globalization is a cover for all of this. Let us end this unfair game.

By ignoring the poor, capitalism is hastening its own end.

Man is at the centre of the process of universal evolution. Science, technology and knowledge must serve humanity including the poorest, so as to enable all people to realize their full potential, to enrich creation, rather than exploiting it.

Drawing on the experience of thousands of years, Bharat has evolved some fundamental principles for total human development: "*Purushartha Chatushtayam — Dharma, Artha, Kama, Moksha*". This means: Work to achieve wealth and nurture ambitions, but within the parameters of Dharma — sacred duty; only then shall you find real peace. We ignore this precept at our peril. We talk hypocritically of the holistic approach, but practice reductionism. We eschew the spirit in pursuit of material well-being.

Shri Aurobindo in "Savitri" says, "The world was a conception and birth of spirit in matter into living forms. Moreover, nature bore the immortal in her womb that she might climb through him to attain life." Scientists must realize that spirit and matter are both manifestations of the same eternal consciousness, God. Only synergy between the two can benefit humanity.

Inspired by Sisyphus, we propose this: let there be free fair competition; let there be open markets; let there be an abundance of products and purchasers. This will spell the death knell of capitalism, decentralization of the economy and work for all.

Let governments enact and enforce legislation requiring declarations of production cost by all industries and open auditing of production costs and efficiency.

These are our few humble suggestions. We hope that this august body will use its influence to help translate them into reality, so that the world economic order is set right and the impending disaster averted.

*Original French:* Mr. HOSSU (*Workers' delegate, Romania*) — I would like to join previous speakers in

congratulating the President and the two Vice-Presidents on their election. On behalf of the Romanian Workers' delegation, I extend my warmest fraternal greetings to you and wish you every success for the 91st Session of the International Labour Conference.

We find the Director-General's Report especially interesting because it stresses the fact that poverty is a grave reality of the world economy, closely linked to globalization, while employment remains the best means of combating poverty. In turn, employment is closely linked to the development of labour relations and social dialogue.

In this context, in Romania, the social partners are endeavouring to establish an adequate framework for the development of labour relations. As a result of this joint effort, two important laws governing labour relations in Romania have recently been enacted: a new Labour Code adopted in December 2002, which came into force in March 2003, replaces legislation dating back to 1972 which had become obsolete and no longer reflected the country's economic and social development. The second law, enacted in February 2003, is the new Act on trade unions, which replaces the old Act of 1991. Today, we can affirm that the content of these two Acts is in complete conformity with the standards of the International Labour Organization and European Union directives.

Nonetheless, some shortcomings persist in Romania with regard to the development of social dialogue. One example is that of the Romanian Social and Economic Council. All too often, the Romanian Government forgets its obligation to refer legislation to the Economic and Social Council in order to obtain its advisory opinion.

When legislation is discussed by the Council, its views are considered to be a simple formality and, most of the time, the Government and Parliament do not take them into account during the legislative process. That is why the content of numerous Acts is seriously flawed, giving rise to social tensions that could easily have been avoided, were the Act governing the operation of the Economic and Social Council actually observed.

One telling example of the consequences of non-observance of the consultative procedure involving the Economic and Social Council is the absence in the current Act on trade unions of any reference to the incompatibility which should exist between the duties of a workers' representative and those of an official.

The fact that strikes can be suspended by the courts for quite arbitrary and random reasons, at the sole discretion of the judge, constitutes a substantial restriction on the exercise of this fundamental right of all workers.

Another negative aspect of the new Romanian legislative framework is its lack of stability. We are confronted with a permanent conflict between various contradictory laws. One example of this involves the category of public servants who do not have the right, according to a special anti-corruption law, to establish or belong to a trade union, despite the fact that this fundamental right is enshrined in the Romanian Constitution and in the Act on trade unions.

This is why our union, Cartel ALFA, with the support of the National Trade Union Bloc, has filed a formal complaint against the Romanian Government of violation of the Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87).

These negative examples serve to illustrate the fact that social progress is still slow in Romania, but we trust that in the future, with the help of the International Labour Office, and thanks to a joint effort by all the social partners, we may yet attain an adequate, flexible framework that is in conformity with the Conventions and Recommendations of the International Labour Organization, in order to promote the development of labour relations and the attendant social relations.

Mr. RACHMAN (*Employers' delegate, Indonesia*) — First of all, on behalf of the Employer's Association of Indonesia (APINDO), allow me to join the previous speakers in congratulating the President on his election to lead the work of this 91st Session of the International Labour Conference. His experience and guidance will be valuable in steering us through a busy agenda, and I feel confident that the Conference will achieve a successful conclusion and meaningful results to benefit both workers and employers. May I also express our appreciation for the work of his supporting team in preparing all the documents to brief us on the topics of our deliberations.

The message contained in the Director-General's Report entitled *Working out of poverty* one which the business community in Indonesia must take to heart. Indeed, the terrible poverty which followed the financial crisis has not disappeared in our country, despite the recent and perceptible economic recovery. This poverty is largely related to unemployment, a problem which we must fight with all possible means in order to prevent it from increasing. In this context, may I recall the famous phrase that "poverty anywhere constitutes a danger to prosperity everywhere"; this is as much for developed countries as it is for developing ones. We must therefore not lose sight of this fundamental principle, which must serve as a guide for our action in combating unemployment.

However, it is sadly the case that all of us who are attending the Conference have witnessed that poverty indicators especially in developing countries, remain very alarming. Globalization, which should benefit all countries, is slow in materializing and the gap between rich and poor is in fact becoming wider and the rate of poverty is increasing.

It is therefore a good time for us and the ILO to develop coherent and concrete programmes together, in order to eradicate poverty through full employment. In this regard, in spite of all the means and ways implemented to confront unemployment and under-employment, we believe that investment is still the main engine of recovery. The view of the Indonesian business community's is that new investments, particularly foreign investment, in Indonesia, will surely assist our efforts to eradicate poverty in Indonesia. There is no doubt that investment holds the promise of new job openings, which can reduce unemployment and thus boost the economy of the country. Therefore, allow me at this juncture to appeal to this distinguished forum, and especially to the developed countries, to consider the merit of investing their capital in Indonesia and thereby to tap the potential of the Indonesian labour market.

In this regard, my organization would hope to prove a reliable partner for such an investment. Indeed, the relations between employment and enterprise development is self-evident, as is the fact that stronger enterprises working together with foreign

investors will bring much needed prosperity to people in the developing countries, including Indonesia.

Investment of course requires industrial peace at the enterprise level and therefore good bipartite relations and harmonious exchanges between employers and employees are vital. In its capacity, APINDO has worked hand in hand with trade unions to promote industrial harmony at the plant level. Furthermore, APINDO and the trade unions of Indonesia have made a commitment to maintain industrial peace and harmony throughout the country at all levels. In order to achieve this goal, APINDO has instigated training in bipartite relations with the support of the ILO Office in Jakarta, and we will continue to work in this direction. Through this mechanism, the transfer of important knowledge and experience can take place, for example in occupational safety and health issues, such as the prevention of HIV/AIDS, as well as in the areas of negotiation and collective bargaining, gender matters, decent work and wages, leadership, freedom of association, etc.

In conclusion, my association has always believed that such mechanisms — and this is equally true of the tripartite mechanism — are crucial in the democratic conduct of industrial relations, and as such gives them the ability to solve any manpower issues. Finally, I would like to end my speech by bringing to your attention the fact that since 15 May 2003, APINDO now has a new board of directors under the leadership of its president, Mr. Sofjan Wanandi, who has a well-known reputation as one of Indonesia's most successful employers.

*Original Spanish: Mr. GONZÁLEZ (Workers' delegate, Cuba)* — After having had the privilege of listening in this very room to the moving voice of the President of South Africa, Thabo Mbeki, I think there is little left to say about the causes of why our world has taken the inexorable slide towards impoverishment and why mankind is currently facing in horror a tragic present and future for at least two-thirds of the global population

The lack of political will among the leaders of wealthy countries, who are the main culprits in this disaster, to seek a solution to problems of development is the main obstacle barring the gates of hope that President Mbeki challenged us to keep open.

If the Washington Consensus is imposed on people, leaving the world at the mercy of the ineffable plans of the World Bank, the IMF and the WTO, if we have to entrust everything to the sacrosanct goodwill of the market; if there is no transfer of funds for development and our countries have to pay more than what they receive to the rich and opulent world; how then will we be able to create decent jobs that lead to the elimination of poverty?

If instead of elaborating serious and responsible programmes to combat HIV/AIDS, which threatens to destroy whole nations, we continue earmarking huge resources to the arms race to try to maintain a world order that is only being sustained by force, and continue the spoliation of the still considerable riches of southern countries, what will remain of our hopes?

If instead of programmes of development, plans of conquest are hatched in the tried and tested style of the Roman Empire to achieve the submission, by force or through blackmail, of whole nations and continents, will we not also be shooting down our hopes and aspirations?

If the UN institutions are cast aside and fascist ideas reborn as the only alternative for governing this world, which has already become ungovernable, the only hope we have left is to unite together and fight to turn into reality the aspiration being cried out by all our peoples, that a better world really is possible.

*Original Russian: Mr. TEBEYAN (Employers' adviser and substitute delegate, Bulgaria)* — First of all, I congratulate the President on having been elected to this important office, and I sincerely hope that this Conference will be useful and successful.

Bulgarian employers take an active part in the tripartite and bipartite social dialogue aimed at finding mutually acceptable solutions for an improved industrial dialogue.

Through the common efforts of the social partners and the Government, we have already prepared reforms that reflect the achievements, to date, of existing EU legislation, the *acquis communautaire*, in Bulgarian labour and social legislation. The most important aspect of these reforms is the banning of all types of discrimination in the workplace. However, it must be noted that, despite the fact that the requirements of the Discrimination (Employment and Occupation) Convention, 1958 (No. 111) of the ILO, are not being formally infringed, in Bulgaria we are still witnessing considerable discrimination against young workers who receive lower wages for the same work than their older colleagues. The reason for this is that an additional bonus is paid depending on a worker's length of career, but which is in no way connected to doing a specific job in a specific profession or working with the same employer for a certain amount of time. This makes it impossible to introduce a modern system of remuneration that establishes incentives for workers to get ahead in their jobs.

Bulgarian employers also consider that legislation in Bulgaria contravenes the Right to Organise and Collective Bargaining Convention, 1949 (No. 98) of the ILO, because it violates the principle of holding voluntary negotiations for the purpose of concluding collective labour agreements. The law compels employers to conduct negotiations and provides for the imposition of fixed fines in the event of the start of negotiations being delayed and it also does not allow employers to submit their draft of a collective labour agreement. Hence, the Government contravenes the autonomy of the social partners' organizations.

There are plans to hold negotiations between social partners' organizations where mutually acceptable solutions to these problems will be discussed. Another phase in bipartite negotiations has also been completed and it is expected that a national agreement on the scope of and procedural restrictions on collective bargaining by sector will be signed. Recently a bipartite agreement on the introduction of parental leave was concluded between the social partners. At the same time, tripartite negotiations on the Government's economic and social policy were conducted.

Bulgarian employers consider that it is vital to have a new approach to the development of human resources given the globalization of the world economy. Staff qualifications are the key to a firm's ability to compete. However, in order to trigger this process it is necessary to have an appropriate government policy aimed at providing incentives to employers which offer lifelong training and skill upgrading for their employers.

We support the efforts of the Bulgarian Government to expand the scope of labour relations and to curb undeclared employment, because this kind of work is harmful not only to workers who are employed in the shadow economy, but also to honest workers who are placed at a competitive disadvantage because of it. Thanks to the measures taken to create more jobs which were endorsed by the social partners, a considerable decrease in joblessness is being observed.

One of the main challenges facing employers in Bulgaria is improving occupational safety and health. In this connection, it is possible to say that the main

laws and standard-setting instruments are fully in line with the standards of the ILO. The basic problem here is linked to the need to make considerable investments, and not all companies can afford to do this within a limited timeframe.

In conclusion, we would like to say that we are sure that the resolutions of the 91st Session of the International Labour Conference will be another big step towards ensuring compliance with fundamental principles and rights at the work.

*(The Conference adjourned at 1.05 p.m.)*

## Eighteenth sitting

Monday, 16 June 2003, 3 p.m.

*Presidents: Mr. Wojcik, Noakes*

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

The PRESIDENT (Mr. WOJCIK) — We shall now resume the discussion of the Reports of the Chairperson of the Governing Body and of the Director-General.

*Original Spanish:* Mr. CELI VEGAS (*representative, Exchange and Cooperation Centre for Latin America*) — On behalf of the Exchange and Cooperation Centre for Latin America (CICAL), a non-governmental organization with headquarters in Geneva and with consultative status with ECOSOC, WIPO and UNCTAD, I offer my most hearty greetings to the Officers of the Conference and congratulate them on the outstanding way in which they are conducting the work of the 91st Session of the International Labour Conference.

The Report of the Director-General, *Working out of poverty*, shows us ILO priorities in reducing poverty by using the human, technological and financial resources currently available. The measures which are being applied in the developing countries in the current stage of globalization are creating uncontrolled consequences for all economic actors.

The representatives of governments have to implement measures which affect only the macroeconomic variables and to balance the monetary, fiscal and external sectors of the economy, disregarding the real sector, that is, the one that represents the growth of the physical production of goods and services. Enterprises use every means possible to acquire business assets in order to maintain their position in a highly competitive market. Workers, whether trained or not, are the most seriously affected since the conditions of labour are deteriorating constantly and leading to job losses, lower wages, loss of productivity and competitiveness in the activities for which they were trained, and so on.

In this context, the consequences are most harmful for those who are able to work but who cannot do so owing to the fact that the labour market does not offer them any opportunities. Extreme poverty and misery can alter political stability and create a degree of local and regional insecurity which affects relations between industrialized and developing countries.

At the international level, the World Summit for Social Development in Copenhagen, the United Nations Millennium Summit in New York, the International Conference on Financing for Development in Monterey, the World Summit on Sustainable Development in Johannesburg, as well as the recent

G8 meeting in Evian, were all aware of the situation of the 6 billion human beings on the planet: that 1.2 billion of them live in extreme poverty and 800 million are starving, and so on, but they did not approve concrete measures to reduce poverty. In other forums, the situation appears not to favour the developing countries. In the case of the World Trade Organization, the elimination of farm subsidies in the industrialized countries and the introduction of licensing for the production of basic drugs in the developing countries are points of conflict between countries that could seriously change development policies.

There are other options for making progress internally, such as institution building and consolidation. In Latin America, most of the countries have democratic governments which could contribute to the creation of unemployment funds, improve social security and the treatment of the retired, as well as facilitate the incorporation of informal and rural workers.

In conclusion, let me say that we are convinced that without new job opportunities the real sector of the economy cannot grow. For this, we propose that the representatives of the governments of the developing countries should participate in the various international events and present projects which give priority to the inclusion of the local human factor, including the training of women, the unemployed and children.

Mr. AUNG (*Employers' delegate, Myanmar*) — It is an honour for me to have this opportunity to address this 91st Session of the International Labour Conference as an Employer delegate from Myanmar. I would like to congratulate the President on his unanimous election to preside over this august assembly. I am confident that under his able guidance and leadership, this Conference will come to a successful conclusion. This is also an opportune moment for me to congratulate the Director-General, Mr. Somavía, on his re-election.

It is most appropriate that the Director-General's Report this year focuses on one of the most pressing issues of our time, the eradication of poverty. The Report identifies decent work as the best route out of poverty. We share the view that job creation can be instrumental in the eradication of poverty. We must therefore try to develop an economy which can create better employment opportunities for the poorest segments of our society.

The Union of Myanmar Federation of Chambers of Commerce and Industry (UMFCCI) is a federated organization of commercial and industrial associations and has been playing an important role in national development, as Myanmar embarks on the market-

oriented economic system. The UMFCI has been assisting the country's entrepreneurs in their business endeavours in order to create greater job opportunities for workers.

Recently, a training centre has been established under the auspices of the UMFCI with a view to enhancing entrepreneurship through human resource development. It is expected to meet the growing demands of the ICT age and technological developments.

We also pay great attention to the observance of workers' rights. When conflicts occasionally arise between employers and workers, we always try to find amicable solutions in order to preserve harmony.

A peaceful working environment can be a strong source of attraction for investors, both domestic and foreign, which in turn can help to promote greater job opportunities. Increasing foreign investment can also bring in technological know-how, which can provide an impetus to economic growth and development.

As an entrepreneur myself, I wish to say that there is a favourable environment for investors in Myanmar. There is an adequate infrastructure. Resources such as material and skills abound. I would therefore encourage investors to come to Myanmar. Investment can go a long way towards reducing poverty. We share the idea that creation of decent jobs is the best route out of poverty. But in this endeavour, employers cannot achieve their goal alone. Employers, workers and governments, must work together.

In conclusion, I would like to reiterate our confidence in the President's wisdom to lead this Conference to a fruitful conclusion.

*Original French: Mr. PRINCE (Workers' delegate, Switzerland) — The Director-General's Report to this 91st Session of the International Labour Conference quite rightly states that "the persistence of poverty is a moral indictment of our times".*

While the world has never known so much wealth, at the same time, poverty still exists in all societies, including in the so-called rich countries, which have been making welcome efforts to try and eliminate the most extreme forms of poverty in developing countries and in some of the transition countries.

Eliminating poverty, through decent work, is a collective challenge which can be crowned with success, at the national level, through the concerted efforts of the government, employers and trade union organizations and, at the international level, through the cooperation of the International Labour Office, whose experience in the preparation of Poverty Reduction Strategy Papers (PRSP) is useful, in view of the tripartite nature of this process. But it is not enough either to create tripartite committees or to have regular meetings. Social dialogue, where it has been institutionalized, must be a genuine dialogue. We need to bring together social partners with a deep commitment to the values of the ILO, the Constitution of which – established in 1919 – states that: "Universal and lasting peace can be established only if it is based upon social justice." In order to achieve their objective, policies designed to combat poverty must always be based on "the promotion of rights, representation, employment and protection", as the Director-General indicates quite rightly in his Report.

The Swiss Federation of Trade Unions (USS/SGB) held its most recent Congress in Berne, in October

2002, on the theme: "More rights in the workplace". This Congress adopted various proposals aimed at enhancing the application of international labour standards by the Swiss Confederation, with a view to providing better protection for workers. Even though poverty in Switzerland cannot be compared with the enormous suffering that we see in many parts of the world, it tends to be suffered in silence, and we share the Director-General's view that: "Investing in social dialogue is a key element in promoting a process of institutional change to improve the performance of labour markets and thus the poverty-reducing quality of growth."

Professor Stiglitz, quoted in the Report, is correct in arguing that: "Collective bargaining and indeed the whole process of social dialogue, where they function well, help to resolve market failures by promoting the sharing of information and collective action for common objectives."

It is not widely known that Switzerland suffers from a large deficit of social dialogue, given that collective agreements do not apply to more than one job out of every two, whilst the European average is above 85 per cent of jobs.

There are too many companies that do not respect employers' associations, and interfere with the appointment of workers' representatives. The best known case is the Presses Centrales in Lausanne. The management first of all withdrew from the employers' association, Viscom, thereby derogating from the collective agreement. It then refused to negotiate with the trade unions. At the same time, it prepared a framework agreement, which it discussed with the staff committee, which was inconsistent with the Collective Bargaining Convention, 1981 (No. 154).

The State, through the Vaud office of conciliation and arbitration in collective disputes, has declared this action in accordance with Swiss law, and decided that Convention No. 154 was inapplicable, in view of its overly vague formulation.

The third biggest Swiss press group, Tamedia, no longer respects the independence of parties which make up the trade union negotiating group. It wants to choose the spokespersons itself.

Worst still is the situation at Swisccarton, which totally rejects getting involved in collective agreements. The Swiss Textile Employers' Association has signed a collective agreement which only applies to 10 per cent of its members.

Edipresse, the largest press group of French-speaking Switzerland, has claimed that the trade union, which represents half of its staff, has no right to interfere in the company's affairs.

Other employers have eradicated union activity on their premises by unfairly dismissing unionists or representatives of joint staff welfare committees. Unfortunately, all of this is possible in Switzerland.

This year, there have been over a dozen dismissals of this nature, in the following companies: Filature de Laines Peignées d'Ajose S.A., Usine métallurgiques de Vallorbe S.A., Swiss Metal Casting S.A. at Bienne, Edco Engineering and Favelplast S.A. (Neuchâtel), Pizza Hut in the centre of Bern, Model Emballages S.A., and so on.

Swiss law does not provide for the reinstatement of union representatives following unfair dismissal. Whereas the maximum compensation provided for in such cases amounts to six months' salary, courts usually award no more than half of that. Conse-

quently, the USS/SGB lodged a complaint with the Committee on Freedom of Association on 14 May 2003, regarding the inadequacy of Swiss legal provisions against unfair dismissal. Following remarks made by the Union to the ILO last year concerning the failure of the authorities to encourage negotiations under the terms of the Right to Organise and Collective Bargaining Convention, 1949 (No. 98), which Switzerland ratified in 1999, the report of the Committee of Experts on the Application of Conventions and Recommendations of 2003 refers to the Swiss case and requests the Government to reply with its comments, which we look forward to reading. We also look forward to the day when the actions of our country will be consistent with international labour standards, providing for the right to collective bargaining as a basic human right.

There is another issue which should be brought to this assembly's attention, concerning abuses of immunities, particularly prevalent in the Geneva region. Abuses have occurred in the case of some diplomatic missions or senior officials of international organizations, who have shamefully exploited their employees, by paying meagre salaries and failing to make social security contributions, thereby taking advantage of their immunity.

According to an official report by the Federal Justice Department, some diplomats have employed people in near slave-like conditions; there have been cases of exploitation and violence, no or ridiculously poor wages, sexual and physical abuse, as well as isolation, absence of free-time, poor diet and ill-treatment.

Enough is enough. The USS/SGB, together with trade unions from Geneva, will make a number of proposals designed to ensure that international labour standards are applicable to persons in the domestic service of diplomatic missions in Switzerland.

The Declaration of Philadelphia, adopted by the International Labour Conference in 1944, states that "labour is not a commodity".

Let us all work together to put an end to despotism, one of the major causes of poverty, even when it is perpetrated by those covered by immunity.

Mr. DE LA CRUZ, JR. (*Workers' delegate, Philippines*) — First, let me congratulate the Director-General for his productive work in past years. We appreciate the role of the ILO and all its instruments in guaranteeing the rights and welfare of its constituents. The agenda for this year's session of the Conference speaks of the urgency of the task before us.

Let me, on behalf of the Philippine Workers' delegation, present our submissions on human resource development. The world of work today is very different from a decade ago. The vast changes in technology and, in the way we do things have drastically altered employer/employee relationships and require us to be more imaginative, creative and anticipative. We in the workers' movement realize that to sustain our families and our work, we must keep up with developments in technology. This is key, not only in helping us keep our jobs but also in assisting our social partners in this highly competitive world.

Responsible trade unions in our country believe that competitiveness and productivity among workers can only be assured if they are given the necessary motivation and an environment in which they are able to hone their skills through meaningful training,

multi-skilling and life-long learning. We agree that vocational and middle-level manpower and other educational programmes should be given equivalency that is acceptable between and among nations and between international and local institutions. However, we also warn that apprentice and dual training programmes should not be used to exploit workers, particularly the young, women and the vulnerable. Skills development and other education programmes should be primarily used to upgrade skills and enrich the mind and body, not solely for the sake of profit.

On employment relationships, the trend of employment relations in today's scheme of things, one that constantly seeks to overturn the long-established maxims of security and sustainability, poses a great challenge to the ILO. This body was created primarily to minimize, if not totally stop, the exploitation of labour. It is this body's responsibility to combat the scourge of labour flexibilization. The sustainability of enterprises depends on who delivers products and services of the best quantity and quality. However, trade unions do not believe that there should be a race to the bottom in dealing with labour costs.

We in the trade union movement have simple things to say: In a civilized world, employment of people should be both a mandate of commerce and a social responsibility; As in obligation and contracts, an employer has a responsibility to take care of his employees and employees have the obligation to perform their assigned work; and for any work assigned, there should be equal pay for equal work.

Jobs that are necessary to the everyday function of an enterprise, should be classified as regular work. Pieces of work that are essential for a business to be sustained, whether clerical or technical, is an equal job. Where there is work which needs to be done on a regular or periodic basis and is essential, that is a regular job. Regular, well-paying jobs sustain the lives of workers and their families. Itinerant, contractual and flexible work arrangements create friction on the shop floor. This promotes discontent and imbalance and results in industrial unrest.

Laws and regulations can be drafted and mangled by brilliant minds. We insist that employment relationships should remain as a social contract between equal beings, between men and women bound by equity and justice and by communities and societies moulded with a human face.

On occupational health and safety, experts agree that there is a direct link between the safety and health of workers and productivity. The performance of workers in the workplace is connected to the environment in which they operate.

Today, there are new challenges; transmittable diseases, HIV/AIDS and just recently the severe acute respiratory syndrome SARS, have added to the many concerns of occupational health and safety. There is value for multilateral corporations in addressing these issues among employers and workers, among institutions and among countries. There is an urgent need to increase awareness among workers and employers and to advance initiatives to make the workplace safer, not only in terms of work ethics, adaptability and accident prevention but even in interpersonal contacts. We should all work together to protect workers in the workplace, and also work doubly hard to ensure the future.

World security has vastly changed after 11 September 2001. On the identification of seafarers, we emphasize

that security and background checks should be done with full guarantees of their basic human rights. We appeal for understanding. Seafarers undergo long periods at sea, and they need ample time and opportunity to recover from the rigours of the work.

Again, on behalf of the Workers and the whole Philippine delegation, we congratulate the Officers and staff of the ILO for their excellent work.

*Original German:* Mr. HEINZEMANN (*Employers' delegate, Germany*) — The Director-General's Report, *Working out of poverty*, is outstandingly good as was to be expected, an excellent document and also an basis for discussion.

The Director-General has taken a comprehensive approach and he pinpoints interconnections between different elements such as infrastructure, tradition, education, employment policy, forms of production and many other aspects. Ultimately, all these elements influence the development of a human being and that person's opportunities in society.

These opportunities are shared out very unevenly across the world. I am fortunate in that I come from a developed, industrialized country but, of course, I am concerned to see how many people live in abject poverty and have virtually no chance whatsoever of escaping from this poverty.

The Report of the Director-General shows various ways in which many strategies can be implemented to promote employment, particularly amongst the poorer members of the population in rural parts of developing countries, but also in craft enterprises in urban areas. It is encouraging to see that the ILO, by providing advice, arranging micro credits, and helping people to help themselves, is making a contribution and improving the lot of these people. The ILO has our unstinting support in this endeavour. It is doing an excellent job. I think that it is the smaller, more manageable projects that clearly act as a catalyst, and provide encouraging examples for people to copy and which then can be developed on a larger scale.

I have somewhat more of a problem with the big macroeconomic theories, however. First of all, these macroeconomic theories have a tendency to be readjusted from time to time and, to be blunt, to be more or less watered down. Moreover, they are not clear and unambiguous and so they are not particularly comprehensible or easy to understand.

There is one point on which I would urge the ILO to take a clear stand and not to allow or countenance any misunderstandings. On page 6 of the Director-General's Report the Organization expresses its opinion on globalization. In the second paragraph of the section entitled "Towards a fair globalization" the third sentence reads: "Questions of legitimacy and sustainability have led to increasingly acrimonious exchanges, most visible in the protests that regularly accompany major meetings of international, financial and trade institutions."

I think that the ILO should clearly distance itself from troublemakers who take advantage of such events to loot shops, organize street battles and attract public attention in other ways. This is not rational debate. The devastation which this city recently experienced is not a yardstick for the acrimonious nature of exchanges. I refuse to use such categories in any such discussion.

This does not mean to say that we should shirk debate on the ways in which globalization can be

made to benefit everyone. It is an important discussion. The short time allotted to me today, however, only allows me to say that promoting self-employment and entrepreneurial initiative, and securing the participation of all countries, if possible, in globalization are key elements of such a strategy. The States which share least in globalization are among the poorest in the world.

*Original French:* Ms. ST-PREUX CRAAN (*Minister of Labour and Social Affairs, Haiti*) — I have the honour of conveying the greetings of the Government and the people of Haiti on behalf of the delegation that I head. It is always with great pleasure that this country takes part in the work of the International Labour Organization.

In conveying to the President my congratulations on his election, I would like to remind him that the values upheld by this august assembly ever since its creation, the values of justice, of redress and prevention, are a great source of inspiration for countries such as Haiti that are committed to the struggle for peace, social justice and the improvement of the living conditions of all workers.

I would like to seize the opportunity to support the directives that are included in the Director-General's Report, for decent work to be considered as the route that States must take in order to escape the torment of poverty and to advance along the road of economic and social progress.

The State of Haiti subscribes unreservedly to these directives and its leaders have clearly stated their political resolve to implement them. For this purpose, a law condemning child labour has recently been submitted to Parliament by the executive and it has been accepted. A massive campaign raising awareness about the need to eradicate domestic work by young people is under way and should lead to a national plan in this respect.

The Tripartite Consultation and Arbitration Committee that has been dormant over the last few years, has been reactivated. The minimum wage in industrial establishments has just been revised upwards. The Government has undertaken and continues to undertake programmes aiming for: a more sustained involvement of the social partners in the fight against poverty and in the creation of productive jobs; legislation which better respects the fundamental rights of workers; and the education of all children under the age of 18. The support and understanding of the international community are indispensable for these objectives to be obtained.

The programme for the creation of productive jobs, which in partnership with the private sector, had envisaged 500,000 new jobs over five years; has remained in a drawer, a victim of unjustified economic sanctions. The trade union sector, the employer sector and the Government consult more and more in order to find solutions together to the various problems that we are facing. The private sector banks of the country have recently signed an agreement with the Government making it possible to grant a bridging loan to the country in order to release funds that had been frozen for more than five years and on which the Government had to pay more than US\$30 million in interest.

I would like to take advantage of this forum to launch an appeal for the solidarity of our sister nations, so that funds vital for sustainable development projects will at last be released for Haiti.

The Government of the Republic of Haiti has great pleasure in renewing its commitments to the International Labour Organization, and reaffirms its desire to work to accomplish its ideals for the benefit of all workers in Haiti and throughout the world.

Mr. LLOYD (*Government delegate, Australia*) — On behalf of the Australian Government, I would like to congratulate the President on his election to preside over this session of the Conference. I also welcome the opportunity to comment on the Director-General's Report to the Conference.

It is the Australian Government's view that the achievement of the ILO's four strategic objectives depends on a sound framework of principles-based labour standards.

We have argued that the ILO's standard-setting processes should be reformed with the aim of achieving this vision of a modern labour code. The general discussion on occupational safety and health presents us with an opportunity to achieve substantial reform of international labour standards in this area. What we do here at this session of the Conference can set precedents for future general discussions of this nature.

The general discussion on the scope of the employment relationship will test our capacity to implement serious reform. The time available at this Conference to discuss, revise and develop labour standards is limited. It should not be wasted on issues that do not enjoy the broad support of the membership. This particular matter has, in essence, been discussed at two previous sessions of the Conference under the heading of contract labour.

Priority should be given to reviewing and modernizing existing standards, rather than debating the development of a new instrument. Such an instrument may well serve to reduce the flexibility of employers in managing their workforces. It may also take away from many workers the opportunity to choose to work other than in full-time employment. The interests of many employees who choose to work flexibly should not be ignored.

The modernization of the international labour code could be an important component of any strategy to fight poverty. Other essential components include policies aimed at promoting strong economic growth, and labour market reform. The Government of Australia has achieved continuing high rates of economic growth in a tough economic environment. This has been made possible by sound policy settings in economic management, microeconomic reform and labour market reform. A sustained growth in real wages and the creation of over 1 million new jobs have been achieved since 1996.

Average weekly full-time earnings have increased by 13.5 per cent since 1996. The federal minimum wage has increased by 8.2 per cent over the same period. These changes have occurred in a cooperative workplace environment where the annual strike rate for 2002 was the lowest recorded since records began in 1913. Furthermore, more employers and employees have been empowered to design workplace agreements that best suit their circumstances. As a result, workplace flexibilities have been achieved that not only increase productivity but also improve the work-life balance.

The regulation of workplace relations through agreement-making is now entrenched in Australia.

The system has as its fundamental aspects the rights of freedom of association and choice of agreement stream. While the Government is pursuing further reform, Australian workplaces are more efficient and competitive. Employers and employees are more conscious of their mutual interests and are increasingly reflecting those interests in innovative agreements.

The Government of Australia has recently received the final report of a royal commission into the building and construction industry. As is the experience in many other countries, this industry in Australia is marked by lawlessness, some corruption and a poor safety and health performance.

We are committed to achieving reform in this vital sector. An economic study shows that if workplace practices in the construction sector could match standards in domestic house-building, real gross domestic product would be 1.1 per cent higher.

The Royal Commission made 212 recommendations aimed at improving performance and achieving cultural and structural reform. Recommendations also address improvements to safety, compliance with taxation laws and the protection of employee entitlements.

The Government will take measures to restore the rule of law in the industry. This will include new industry-specific legislation and the establishment of a new law-enforcement agency for the industry.

In conclusion, the Government of Australia is encouraged by the progress that is being made with respect to standard-setting reform. However, we remain concerned that the need for the reform of the Labour Code has not yet been embraced by many Members. There is still much to be done, and the Government of Australia intends to pursue the necessary reforms. It is our belief that a modernized code of international labour standards is fundamental to achieving the ILO's goals and meeting the challenge of overcoming poverty.

Finally, I wish to record my pleasure at Mr. Brian Noakes, Vice-President of the Conference, being recognized recently with an Order of Australia honour. This honour is an appropriate recognition of his outstanding contribution to workplace relations, both in Australia and through the ILO.

*Original French: Mr. VAN (Employers' delegate, Cambodia)* — It is a great pleasure for me to be able to address you today on behalf of the employers of Cambodia. I extend my warmest congratulations to the President on his election, and on the excellent way in which he is presiding over the work of this Conference. I would also like to greet the Vice-Presidents and all delegations in attendance who are contributing to the success of this major event.

Like so many other developing countries, Cambodia is struggling to build a more equitable society, a society in which, thanks to recent activities described by Mr. Juan Somavia, Director-General of the International Labour Office, all citizens can acquire a certain level of dignity and exercise their legitimate right to be happy.

I would like to mention the high degree of concordance between our national strategies, on the one hand, and the more recent trends developed by the ILO, on the other, which were analysed during the Global Employment Forum to which several speakers have already referred, and which was held in November 2001. At that meeting, it was stated quite clearly

that the ILO could not offer a “one size fits all policy” to all governments because it is impossible to address such a broad diversity of situations with one policy. There is no universal remedy for all of the different employment problems which exist around the world.

We need employment policies that are adapted to suit the conditions of each country, but are based on recruitment rules and afford a certain level of flexibility and a modicum of security, which is what all workers need.

It is not easy to do this, because while attracting investment to labour-intensive sectors, it is also necessary to promote a spirit of enterprise and entrepreneurial activities and, above all, it is necessary to facilitate access to employment by acquiring more theoretical and practical knowledge.

We are very pleased to note that these aspirations are clearly reflected in the strategic planning and operational objectives of the ILO.

I would also like to congratulate the Governing Body and the Director-General’s team on the excellent results that they have already achieved with regard to implementing concepts of responsibility and the strategic preparation of a performance-based budget.

I would also like to suggest an external audit that might even make it easier to evaluate the results achieved. This would also be a step forward in terms of modernizing the ILO’s method of management and would also give the Organization greater credibility.

In response to the Director-General’s appeal, I would like to draw attention to the fact that is it absolutely essential for the ILO to go even beyond promoting worldwide the working conditions that have been achieved in developed countries.

For reasons of consistency and diversity, the ILO must urge the industrialized countries to adopt the sort of worldwide macroeconomic policies which were advocated during the Global Employment Forum. These policies should result in effective measures to achieve the essential tools for development. In addition to general principles, it would also entail transferring scientific and technological know-how and financial resources, just like the familiar strategy which ensured the viability of the European Union.

Above all, the rich nations must apply policies which will throw their markets wide open to products and services from developing and underdeveloped countries. The specific nature of the ILO does not require it to take a narrow view of circumstances in a globalized world, as if decent work as a universal phenomenon could only be possible if we create a world which is integrated from a social and economic point of view, and which is governed by human solidarity. The globalization of decent work is only possible if we have a worldwide project, which encompasses economic and social aspects at the same time. Only in this way, can we achieve sustainable development and peace in this world.

The employers of Cambodia, therefore, encourage the ILO to transmit to the United Nations and the social partners throughout the world, and especially to those who control knowledge and to economic leaders, that message which is so often repeated in the world of work. It is a message which also has to take into account the threat which is hanging over the very survival of humanity. That message is, if we want decent work, we have to promote a decent world for all.

*Original Portuguese: Mr. SEVENE (Minister of Labour, Mozambique)* — On behalf of the Government of the Republic of Mozambique, I would like to congratulate the Director-General, Mr. Juan Somavia, on his re-election to such a prestigious post.

I would also like to congratulate the President of this Conference and the Officers of the Conference, who guide the discussions of this session.

The Report of the Director-General is an excellent platform for our discussion, on issues related to the main concerns of Africa, more importantly human resources development to reduce skills shortage and improve working conditions in our countries.

In Mozambique, the low economic growth, brought about by cyclical natural disasters coupled with the visible effects of war, is still one major factor behind the spread of poverty. As a way of tackling the situation, the Government of my country has defined a programme for the reduction of absolute poverty (PRAPA) in order to face the worrying scenarios of poverty, that affect a considerable portion of the population, particularly the young.

The PRAPA is a national strategy and was designed with the involvement of representatives from all strata of Mozambique society, based on participative principle. Consequently, those living in absolute poverty have become aware of the fact that it is not the end of everything, and therefore it is important to get to know the causes of it and prevent its effects.

Through PRAPA, Mozambique intends to mobilize internal and external resources in order to empower all those who live in abject poverty, so that they themselves will be the main players in the eradication of its effects and causes.

It is within this ambit that illiteracy, unemployment, the lack of professional qualifications and an inefficient network of social and economic networks have been identified as being the main causes of poverty, particularly in rural and suburban areas of my country.

The Ministry of Labour considers that the ILO can and should fulfil its mandate in the international community in order to support countries in their struggle for the reduction of absolute poverty. From this standpoint, we welcome the approach of the Director-General in his Report, *Working out of poverty*, when he says that we should give dignity to people in order to prepare a better future for future generations.

The experience of Mozambique proves that education and vocational training are vital, from the standpoint of greater employability, particularly for young people and the long-term unemployed, cooperatives and small undertakings in the informal sector. All this represents an investment so as to ensure that abject poverty will not be perpetuated in our countries. Further, productive investment and intensive use of labour make it possible to promote sustainable development and social progress.

The role played by the ILO in order to promote decent work and the technical assistance that it provides for developing countries, with special attention to the African continent, are an important milestone in the aid to development. The experience of Mozambique has shown that education or vocational training play an important role in the process of developing human resources, so as to keep workers constantly up to date, particularly women in the

labour market, which is constantly changing as a result of new technology and forms of organization in production.

Against this backdrop, the Government of Mozambique eagerly awaits support from the ILO in order to establish and implement a strategic plan for employment and vocational training, including the implementation of the project for the prevention and resolution of labour disputes.

In my country, where the problem of AIDS is a central issue, we count on the support of the ILO — as well as of non governmental organizations — for its eradication. My country has engaged in the revival of the economy and the results of these efforts so far are quite encouraging. However, natural disasters and HIV/AIDS have seriously jeopardized the growth rates that have been achieved so far.

Before concluding I would like to inform everybody present that the Republic of Mozambique has ratified Conventions Nos. 29, 138 and 182. In so doing, it has ratified the eight core Conventions of the ILO.

I reiterate the commitment of my country to the core values of decent labour, promotion of employment and the alleviation of poverty. We look forward to receiving the appropriate input from the ILO through the Turin Centre in the definition and implementation of active and effective partnership-based programmes.

Mr. ALEMAYEHU (*Workers' delegate, Ethiopia*) — I would first like to congratulate the President and the other Officers of the Conference on their election to preside over this session of the International Labour Conference. My thanks go to the ILO secretariat for providing us with the all-important documents for the agenda items before the Conference.

The Confederation of Ethiopian Trade Unions strongly believes that the ILO core Conventions should be ratified and respected. We are therefore happy that our Government has ratified all the core Conventions of the ILO.

The problem of unemployment and underemployment is still a major concern in our country, and is exacerbated by deep-rooted poverty. The impact of globalization has worsened the living conditions of workers in many of the least developed countries, including my own.

We do not see the situation improving. In this regard, the ILO needs to launch a concrete plan of action to help workers who have been marginalized. Strengthening tripartism and social dialogue is very much crucial to overall national development. The ILO strongly believes that social dialogue is vital for speeding up development and securing peace. We continue to focus our efforts on the realization of tripartism and social dialogue in order to promote social security, vocational training, viable employment policy and productivity.

Responding to change has never been easy, but it is the key to remaining relevant and in touch with people's needs. It is a challenge for all of us, because on the road to competitiveness and productivity at all costs in today's globalized world, we seem to have lost sight of the social justice, personal dignity, and family and human values, that make life worth living and economic systems legitimate.

This truth is the driving force behind the ILO's Decent Work Agenda. Decent work can be achieved in open economies and open societies if we pursue the

strategic objectives of employment rights, social protection and dialogue. Decent work is a development approach based on the realities on the ground. Workers need access to basic social protection and employment.

The technical support provided by the ILO in formulating the National Poverty Reduction Paper (PRSP) is to be commended and the Confederation of Ethiopian Workers appreciates that.

Another issue to which I would like to draw the attention of delegates is HIV/AIDS, a pandemic that cannot be eradicated as we would wish. Many families are at risk of breaking up as a result of the problem. In order to fight this killer disease, the ILO is called on to do its level best to save lives, as this is one of its principal objectives. The Confederation has contributed much to the fight against the scourge of HIV/AIDS in collaboration with ILO area office and the social partners. We urge the ILO to increase its assistance to a number of programmes to protect workers from the pandemic.

Lastly, I would like to stress the need for the ILO to further strengthen its support to African countries, especially those efforts that are targeted to alleviating poverty and reducing unemployment. Efforts to strengthen labour unions in their efforts to improve the living conditions of the workers should be given the necessary support. Our Confederation has already established a solid foundation for effective cooperation with the ILO Area Office and the East Africa Multidisciplinary Advisory Team based in Addis Ababa, and we hope that this will be further strengthened.

*Original Spanish:* Mr. CEVALLOS (*Employers' delegate, Ecuador*) — I would like to congratulate the ILO for stressing how important SMEs are in generating employment.

This is my first conference and I have obtained a huge amount of information, but I am also starting to have some misgivings; one of them being how the ILO can help us with efficient mechanisms and courses of action to increase the possibility of holding a successful social dialogue. In Ecuador, various attempts have been made to get a social dialogue started but, in my opinion, this is not really working because there are some, very well organized groups which are out to get what they can for themselves and various actors which should take part scarcely get a look in, while participation is poorly managed.

I wonder how associations representing employers and workers can be promoted in my country when successive Government's policy has been and still is to punish the business community with more taxes on production, so individuals turn to the informal economy where there is no protection of any nature and little chance of joining an association. Underemployment in Ecuador at present is running at about 44-45 per cent.

How can we learn and train in order to work in the knowledge society let alone talk about continuous training for workers, when in Ecuador we have a state teachers' trade union most of whose members have put their own fears, interest and selfish desires first, rather than thinking how important it is for the population to have a decent basic education.

What we small and medium-sized businessmen would like would be for workers and the Government to recognize how vital it is to encourage the

young to acquire an entrepreneurial spirit, that entrepreneurialism which together with capacity-building, training and a social conscience actually creates opportunities for decent work. We would like workers to learn new skills suited to trends on the labour market, workers to understand exactly what globalization means and how it affects all of us in a company and workers fully to comprehend the word "competitiveness" and what effect it has on employment.

What we would like would be for workers and employers to learn to all use the same language.

We Ecuadorian employers believe that both workers and employers suffer from: the political immaturity shown by the population when it comes to electing their rulers; the golden bureaucracy in state enterprises which benefit from privileges which are an affront to human dignity and help to create second-class citizens; the damaging effect of politicking on the economy; limited access to state education and a lack of decent training for teachers; the growth of poverty and a shrinking middle class and impunity for the embezzlement of state assets.

I take this opportunity to urge further promotion of regional training centres in various parts of the world, so that ILO training becomes more accessible and so that developing countries are encouraged to take part in basic and continuous training.

I would also urge our Government to grasp the hand that the ILO is extending to us.

*Original Spanish:* Mr. RODRIGUEZ DÍAZ (*Workers' delegate, Colombia*) — On behalf of the Colombian workers I congratulate Mr. Somavia on his re-election as Director-General of the ILO. We offer him our best wishes for success in this term of office. We would also like to express our thanks to him for his expressions of solidarity with the Colombian trade unions. I would like to take this opportunity to stress the commitment of the Director-General to employment policy and to eradicating poverty objectives on which we definitely concur with him.

We wish to recall that, five years ago, the Workers' group at the 86th Session of the Conference submitted a complaint against the Government of Colombia under article 26 of the Constitution, but there has been no progress in finding a solution to the Colombian case, despite offers from the Government in various ILO forums and the credibility accorded to its official statements to the Governing Body.

On the contrary, governmental policy against the rights of workers has become more aggressive. The Ministry of Social Protection has been weak in the discharge of its duties of respecting, defending and guaranteeing the Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87), the Right to Organise and Collective Bargaining Convention, 1949 (No. 98) and the Labour Relations (Public Service) Convention, 1978 (No. 151). Today, despite the fact that Convention No. 151 is in force, the Government undermines its effectiveness and is opposed to its application.

The trade unions recognize the complexity of the Colombian case in that, in addition to the *de jure* and *de facto* violations of Conventions No. 87 and No. 98, there is a general climate of impunity, which covers not only crimes but also acts of trade union persecution.

The current Government has issued Decree 1919 eliminating benefits due to public servants which had been recognized in unilateral acts by the administration or obtained by collective bargaining. The most serious consequence of this was removing the possibility for public servants to bargain collectively in flagrant violation of Convention No. 98.

Furthermore, the Government has refused to receive the united petitions of the state sector and, by means of presidential circulars and directives, has instructed official bodies not to negotiate wage increases. On the other hand, and as we pointed out earlier, the intolerance of participants in the armed conflict has involved society in general, to such an extent that to encourage workers to organize or to be a trade union official is regarded as subversive by some sectors in Colombia.

In 2002, 184 trade union members were murdered and 32 have been murdered so far this year. Of them, a large number were teachers, a situation which deserves world condemnation. An analysis of information of events in the first months of 2003 shows that, although in this period murders have declined, there has been an increase in death threats, arrests and general harassment of trade unionists.

An additional source of concern is the wind of constitutional change which is driving the Government, because it is seeking to reverse the democratic advances obtained in the 1991 Constitution and to limit actions of *tutela*, a legal mechanism which has enabled people to obtain guarantees of and respect for their fundamental rights.

As can be deduced from what I have said, the situation of trade union rights in Colombia remains serious. We have observed little enthusiasm for building a state policy which would help to solve the problems of the many violations of trade union freedom.

There is an upward trend in violations of collective bargaining, seen in an increase in the number of workers bound by collective pacts, with a corresponding reduction in the number of workers benefiting from collective agreement, and in the growing tertiarization and precariousness of labour contracts, which makes it difficult for workers to join trade unions.

Today, it is with great concern that we have to report that our President has submitted to the Constitutional Court a statement of intent to denounce certain ILO Conventions which present a challenge to the ILO and constitute an attack on workers.

On the basis of the reasons given above, the arguments contained in this statement and mass dismissals in Colombia, we must restate the need to act on the complaint against the Government of Colombia and set up a Commission of Inquiry which, as an independent mechanism provided for in the ILO's Constitution, may make specific recommendations to solve the problems of trade union freedom.

For us, a commission of inquiry is the appropriate mechanism for the international community to contribute to solving the problems contained in the complaint. We therefore request that a Commission of Inquiry be established at the next meeting of the ILO's Governing Body. Colombia's workers await this step and announce that, in defence of human rights, we shall also appeal to the United Nations.

*Original Arabic:* Mr. EL MUGASSABI (*Government delegate, Libyan Arab Jamahiriya*) — In the name of God, the Merciful, the Compassionate. First of all, I should like to congratulate the President on his election to the presidency of this 91st Session of the International Labour Conference. I would also like to congratulate Mr. Juan Somavia on his re-election. This is evidence of the confidence placed in him and the extent to which people appreciate his tireless efforts devoted to improving employment conditions throughout the world, especially in the developing countries.

I would also like to congratulate the Director-General on his excellent Report, entitled *Working out of poverty*. Poverty is a subject of great concern to all countries and regional and international organizations. Poverty is spreading throughout the world, in a clear and moral conviction of this age, characterized by the amassing of huge fortunes while grinding poverty continues to exist, as only a limited number of people control the wealth, without justice or equity.

There are many different causes of poverty, foremost among which is the lack of employment or work opportunities, causing unemployment and worsening of the unemployment situation. The World Summit for Social Development was held in Copenhagen in 1995 and was attended by 117 Heads of State and Government. The aim of that summit meeting was to identify strategies to combat unemployment and poverty. A number of important decisions were taken at these. States were encouraged to develop plans and programmes, and the international community was also required to live up to a number of obligations. The same applied to civil society.

Then there was the Millennium Summit in Geneva in the year 2000, five years after the Copenhagen Summit. Five years on, after Copenhagen, it appeared that unemployment was still on the rise and poverty was still spreading – all of which goes to show that not all the commitments and pledges taken at Copenhagen were honoured. This would delay the reduction of poverty by 50 per cent by the year 2015. The Millennium Summit identified specific goals and indicators for the eradication of poverty and hunger.

Efforts must be exerted and resources mobilized to attain these goals, and countries need to work together in solidarity, with the support of regional and international organizations, and also with the support of the social partners and civil society, so as to achieve the society we desire, in which there are opportunities for decent work and in which people can live in freedom and dignity and from which poverty will have disappeared.

As I was saying, poverty is spreading throughout the world, and we have not achieved the objective of full employment. We must put an end to this situation. I would remind you of the fact that more than half the populations of the developing countries and the transition countries live in poverty: 1.2 billion people (that is 23 per cent of the world's population) in 1999 lived on less than \$1 per day, and 1.6 billion people across the world have less than \$2 a day to live on.

The Report also indicates that the slow growth rate in sub-Saharan Africa has resulted in an increase in the number of people living in poverty, and has also increased the number of people who have to subsist on less than \$2 per day.

Africa is particularly hard hit by high unemployment levels. There are several reasons for this. One of

them is colonization and its control of resources; then there is drought, armed conflicts, and natural disasters, as well as a demographic explosion. The population has grown by 7.8 million, while the economically active population has grown by only 2.9 per cent. Illiteracy is widespread in Africa among young people over 15. There is also the problem of HIV/AIDS – 28 million people were afflicted with this disease in 1999 and the number of handicapped people reached 38 million in 1999 also. The situation is indeed serious and growing more so in Africa, which is why the ILO has decided to devote greater resources to this continent in 2004 and 2005. The Organization is looking for more donors so as to be able to fund these various programmes. For example, I would like to refer to the African employment programme, the programme to combat HIV/AIDS and the full employment programme. There are other programmes specifically designed for the African continent to help promote sustainable development in that continent so that everyone there can live in dignity. I would also like to refer to the Durban Summit in 2002, which adopted an African declaration for the promotion of employment and the struggle against poverty.

For more than 30 years now the Libyan Arab Jamahiriya has been striving to provide greater job opportunities and to improve education and training. We do everything we can to ensure that everyone is involved in economic decision-making, social decision-making, and political decision-making. Law No. 13 of 1980 guarantees social security coverage to everybody.

In the past 30 years there has been a great deal of change — political change and social change. In our country, we have moved into the era of technology. We have drawn inspiration from the Green Book, which is going to help us promote economic development without discrimination or despotism. I would also like to refer to a number of laws which have been enacted in my country and which are all designed to promote employment for all.

As we are discussing the Director-General's Report entitled *Working out of poverty*, we would like to reiterate the right of the people of Iraq to live in freedom and in dignity. Workers, employers and employees there have lost their work, and this has resulted in high unemployment levels and an aggravation of poverty. The ILO should take into consideration the tragic situation in Iraq and develop programmes to promote employment and decent work there, until Iraq emerges from its ordeal, the occupation ends and the Iraqi people are able to manage their own affairs.

The Libyan Arab Jamahiriya wishes to assert what is stated in the ILO's Constitution, namely that peace can be established only if it based upon social justice. We condemn international terrorism in all its forms, especially state-sponsored terrorism, and we hope that Israel will destroy its weapons of mass destruction in order that efforts aimed at the achievement of peace may be successful.

I wish the Conference every success and we hope that the decisions taken here will enable all people to live in peace, security and dignity.

*Original Portuguese:* Mr. SITOIE (*Workers' delegate, Mozambique*) — Allow me on behalf of the Mozambique Workers' Organization, OTM-CS, to extend fraternal greetings to the President, the Vice-

Presidents, the Director-General and to all the distinguished delegates and guests at this 91st Session of the International Labour Conference.

I would like to congratulate the Director-General on the well thought-out Report he has submitted for debate at this session. The Report bears witness to the importance of the topics discussed during this session, namely, implementation of the ILO Declaration on Fundamental Principles and Rights at Work, decent work, and poverty reduction and development.

The Mozambique Workers' Organization, OTM-CS, has made it a priority to ensure effective implementation of the ILO Declaration on Fundamental Principles and Rights at Work, in order to enhance working conditions and workers' standard of living. Among its other priorities are: the freedom of association; collective bargaining; the elimination of all worst forms of child labour; and the unabated struggle against discrimination and forced labour.

The world today is facing the changes and the challenges of economic globalization and technology, which bring with them new problems with regard to implementation of the fundamental principles enshrined in the eight core Conventions of the ILO.

It is important to point out that the Mozambique Parliament recently ratified the remaining three ILO Conventions, namely the Forced Labour Convention, 1930 (No. 29), the Minimum Age Convention, 1973 (No. 138), and the Worst Forms of Child Labour Convention, 1999 (No. 182), which means that our country has now ratified all eight core Conventions of the ILO.

However, the OTM-CS emphasizes that ratification of these Conventions is not an end in itself. Above all, what is important is their effective implementation and monitoring by all of the social partners, in a spirit of tripartite social dialogue, with the involvement of civil society in general.

I would also like to congratulate the Director-General and the Governing Body, on behalf of my organization, for having put decent work and poverty reduction on the agenda at this session. Many developing countries have adopted Poverty Reduction Strategy Papers, to be funded by the international financial institutions, such as the International Monetary Fund and the World Bank. In Mozambique, it has been called the Plan of Action for Absolute Poverty Reduction (the PARPA). Within the framework of NEPAD), we hope that the international financial institutions and the international community of rich countries will support these initiatives for the reduction of poverty – poverty which affects the majority of our populations, in particular in sub-Saharan Africa, where HIV/AIDS is also having a severe impact on human resources.

Finally, I would like to thank the ILO Bureau for Workers' Activities for its assistance to our Organization, and appeal for it to continue, bearing in mind the new challenges brought about by the market economy and globalization policies.

*Original Spanish: Mr. PACHECO LLANES (representative, Trade Unions International of Workers of Energy, Metal, Chemical, Oil and Allied Industries) — Be advised, world stability is breaking down.*

Currently, we are at the crossroads. The world has to choose the direction it will take. That is necessary at this time because humanity's basic rights, such as work, education, democracy and social development

are breaking down in the face of the foolhardiness of invasion and the threat of "intervention" by states.

The great powers have undermined international law, and with it multilateral negotiation to promote agreements amongst nations. The unilateral decision to go to war and intervention to impose political conditions on a people undermine the right of nations to their sovereignty and the minimum conditions of international coexistence.

At a time when geopolitics and market interests are bringing crisis to the world, workers should act together to point out this situation and to urge all diplomatic circles to try and stop this new vision that threatens the future that we must build for our people. People's work should open new horizons. We must prevent goods or commercial law from limiting our destiny. We are not goods or market products: this fact must be made clear, and solidarity, social conscience and coexistence are the way to move forward.

In the trade union world, there are more and more threats, there is more unemployment, there is uncertainty in employment, and there are more children at work in contradiction of the standards. There is more piecework, rather than a full working day. There are persistent attacks on collective agreements to impose flexible conditions for global competitiveness; there are obstacles to trade union democracy and freedoms, in order to maintain production levels.

Direct investment and export processing companies represent fleeting capital in the developing countries where they establish themselves. They only stay if production is favourable, if the supply of labour is plentiful and not subject to conditions or if customs or tariff barriers protect them and if salaries are the smallest part of their capital.

Privatization of public services, especially energy, soon becomes a private monopoly. That is the natural tendency, and it is market trends that induce them to act in this way.

Therefore, whenever we are in an international meeting, we seize the opportunity to propose that energy should become a human right because, without energy, it is not possible for people to develop and to obtain a minimum standard of living.

There are 2 billion human beings who do not have access to basic energy services; two-thirds of the African population use firewood as a source of energy and, while their citizens have a life expectancy of less than 40 years, 20 per cent of the world's population consumes 80 per cent of energy production.

We have been especially concerned for the workers who have been subjected to an unjust war in Iraq, against the will of the rest of the world and without any respect for institutions.

We condemn this bellicose attitude, which is generated from the United States. We also condemn aggression, repression and murder of trade union leaders wherever they are in the world, but especially in Colombia, and we also state that capitalist exploitation and incompetent government are responsible for an ecological disaster such as the Prestige oil-tanker spill off the coast of Galicia.

It is possible to achieve a better world, where there is decent work, dignified work. It is possible to achieve a better world because work gives man dignity, and the future, as the past, is built on dignity through work.

*(Mr. Noakes takes the Chair.)*

Ms. VALKONEN (*Workers' delegate, Finland*) — The Director-General's Report, *Working out of poverty*, is an excellent continuation of the two preceding Reports.

Improving employment and, above all, creating decent jobs is a great challenge worldwide. In order to meet this challenge, we must combine our efforts on a global basis and define our goals even more precisely. Improving employment must be made the top priority of economic and social policy.

Unemployment is a serious problem in the developing countries, but it is also a heavy burden in the industrialized countries, as it undermines the preconditions of growth and well-being. As the Report emphasizes, unemployment is a major cause of social exclusion and poverty. It is always a crisis for the individual and his or her family, but ultimately it affects society as a whole. Beware of unemployment, immense reserves of know-how and human knowledge are wasted.

In many cases, unemployment creates a vicious circle that is hard to break. It rapidly erodes the skills of the individual and weakens his or her chance of finding a new job.

In order to reduce unemployment, we need effective tripartite cooperation. The early 1990s were, for Finland, a time of economic recession during which the unemployment rate, at its worst, reached a peak of 20 per cent. The Finnish social security net, above all our unemployment benefit system, made it possible for people to cope. Strong tripartite cooperation between trade unions, employer organizations and the Government played a decisive role when the economy in the mid-1990s entered a new phase of growth. This development was based on a wide consensus about the direction of economic and social policies. Abolishing unemployment was declared to be Finland's number one objective. Comprehensive incomes policy settlements were adopted in order to create a favourable environment for economic stability and new employment opportunities. Better employment is a basic requirement for maintaining and improving the foundations of a welfare society.

Finnish tripartite cooperation is based on long experience and has many unique national features. The ability of trade unions and employer organizations to conclude mutual agreements is an essential part of the Finnish model and an important element of its success. However, this would not be possible without a free, independent and strong trade union movement. A well-functioning, continuously improving system of social dialogue creates stability and security.

Strengthening tripartite cooperation is a great challenge and provides an opportunity to further promote employment and well-being. To that end, all member States should ratify the Tripartite Consultation (International Labour Standards) Convention, 1976 (No. 144).

The Director-General's Report also devotes attention to the difficult position of women in working life and the feminization of poverty. As the Report emphasizes, promoting gender equality and eliminating discrimination at work are essential to defeating poverty.

*Original Arabic:* Mr. GHANDOUR (*Workers' delegate, Sudan*) — In the Name of God., the Merciful, the Compassionate!

Mr. President, on behalf of the Confederation of Sudanese Trade Unions I would like to congratulate

the President on his election and wish him every happiness and success.

I would also like to congratulate Lord Brett on his term of office as Chairperson of the Governing Body and I thank him for all his work during the past ten years.

I would like to avail myself of this opportunity to congratulate the Director-General of this Organization on his election for a second term in office. I would like to wish him success. I would like also to congratulate him for his Report, *Working out of poverty*, that has tackled questions of extreme importance with a view to providing decent work and alleviating poverty in the world and achieving a better balanced and just world.

We are very attached to the lofty values and objectives of this Organization that are enhanced through tripartite dialogue.

In Sudan, we have gone beyond the dialogue to the full participation of workers. Indeed workers play an active role in the drafting of legislation and the setting up of various strategies and policies at the local and national levels.

Women workers have overcome all obstacles and are now playing an important role in the labour market, accounting for 60 per cent of the labour force.

The number of women students now amounts to more than 65 per cent in the universities. Women in our country are playing an increasingly important role in society.

At this juncture, I should like to stress here that the role played by women in the labour market and the framing of various plans and strategies is a guarantee of development in our country; society cannot only be developed by men.

Like all other workers in the world we are concerned with globalization, unemployment, privatization and restructuring.

Just a few days ago the G8 met to try to establish new directives for the world's economies and to ponder the difficult conditions faced by the world. But the marginalized peoples of the world were crying out to the G8 summit. We hope the G8 has heard and understood the message from the peoples of the world. The leaders of the G8 countries must understand that the more the rich become richer, the more the poor become poorer. The poverty of the world will jeopardize the wealth of the rich, unless the rich countries accept a sharing of the wealth among all the people of the world.

Thanks to local, national, regional and international efforts, hopes to achieve peace in Sudan have been bolstered.

We are looking forward to the month of August when a peace agreement is due to be signed by the various parties to the conflict. We hope that this agreement will end destruction in our country and will provide more jobs to the needy and to the various segments of the population in our country. Our Federation has played an important role in forthcoming the peace process.

We are looking forward to cooperation with this great Organization to provide help to the parts of our country where development has been badly hindered by war.

Last year I talked about the lack of technical training and technical help from the Organization. This year, however, I would like to express my heartfelt appreciation to the Bureau for Workers' Activities on its

initiative to resume training courses in our country after a cessation of over 14 years.

I would like to thank the Organization and look forward to contribute to the enhancement and the fulfilment of its noble goals.

At the same time, I would like to remind you that we had thought that the days of aggression and direct military occupation had gone for ever. However, we are still witnessing such a situation; I must point to the historic role which the ILO must play, regarding the thousands of Iraqi Workers dismissed or displaced unjustly and unlawfully. I would like to express support and pay tribute to the people of Iraq. I would like to pay tribute to the millions of freedom-loving peoples in the world and, more particularly, those in the aggressor countries who sided with right and the law and refused to support aggression and oppression.

I would like to pay tribute to the workers in Palestine, the Golan and South Lebanon who have suffered from occupation, blockade, hunger and killing. If justice does not prevail, there can be no hope to live in a world of democracy, justice, equality and stability.

*Original Arabic: Mr. MOHAMED (Workers' delegate, Bahrain)* — First of all, I should like to convey to you the greetings of the Workers of Bahrain and their best wishes for the success of this Conference, towards fulfilment of the ILO's mission and the attainment of its objectives.

I should also like to thank the Director-General of the ILO, Mr. Juan Somavia, for his outstanding efforts and those of his team, in the preparation of technical reports, particularly his Report, *Working out of Poverty*.

Poverty is a great challenge to all the peoples of the world. Its existence brings shame to humankind, and at a time when it is suffering from wars and their consequences, while a tiny minority benefits from the pain of others. Poverty is one such thing, a scourge that is rampant in the countries of the south in particular.

At the dawn of a new century, we must work to lessen the number of those who die because of poverty.

The Director-General of the ILO has said that work is the best route out of poverty. That is indeed a very true and fitting statement. It must be given effect, by creating new job opportunities, redistributing wealth in an equitable manner, fighting financial and administrative corruption, adopting the principle of transparency as a means to sustainable development, encouraging decent work, putting an end to child labour, and promoting the participation of women in the workforce on an equal footing with men.

While it is true that work is the cornerstone of the fight against poverty, it is also true that the problem of unemployment and its related crises must be addressed by economic programmes and projects to absorb available manpower, while attracting young people to training and employment programmes, so as to eliminate unemployment.

Today we are faced with an unemployment problem in a part of the world which attracts immigrant manpower. Expatriates constitute over 70 per cent of the total manpower of the Gulf Cooperation Council countries, a very high percentage, with serious consequences for local labour which has been witnessing steadily increasing unemployment, due to an absence of clear labour strategies and a decreasing number of

new job opportunities. In Bahrain, for example, unemployment is at 15 per cent, while expatriate labour represents over 62 per cent of the country's total manpower.

This situation has the effect of increasing the number of people living at or below the poverty line. Wages are low and there is no minimum wage law. The country, like the other GCC countries, depends on petroleum as the main source of income. In such a situation, where petroleum prices are continuously fluctuating, budget deficits in petroleum producing countries which should supposedly have a surplus, have begun to weigh heavily on the states, which have resorted to borrowing on the international financial markets, causing further disequilibrium. This leads to increasing poverty and increasing numbers of people with limited incomes, as well as the shrinking of the middle class to such an extent that it can no longer be a motive power in the internal market. This leads to a recession with consequent effects on the economy. We are therefore faced with a situation of an absence of decent work ultimately leading to increasing the number of poor people.

In the light of this confused situation, labour unions have begun to be established, following the promulgation in the Kingdom of Bahrain on 24 September last year of a law on labour unions. This gave impetus to the reform movement led by his Royal Majesty King Hamed Bin Issa Al Khalifa. Numerous unions were formed in the private sector, and workers in the government sector began a movement towards establishing their own unions. However, certain government agencies were opposed to this movement by the Bahraini workers, and the Civil Service Department, a government agency, distributed a notice to all the ministries of the Kingdom prohibiting the establishment of labour unions, alleging that the law did not permit this. The General Federation of Bahrain Workers and all the labour unions considered this to be a flagrant discrimination against government sector workers and in flagrant contradiction of the labour unions law, the Constitution and the National Labour Charter, not to mention the relevant international conventions, particularly Conventions 87 and 98. We assert that the existence of labour unions is essential and a right of all workers without distinction, including government sector workers. The unions defend the legitimate rights and interests of workers, in conditions of decent work with wages commensurate with the cost of living, and contribute to alleviating the effects of a brutal globalization towards a more just and positive globalization.

While our Conference is discussing a comprehensive Report on fighting poverty and reducing its incidence in countries which have historically suffered from the scourge of poverty, other peoples are in a state of new poverty. The Palestinian people, who are suffering under Israeli occupation, with an unprecedented economic and political blockade, are facing rising unemployment, now affecting half the workforce, leading to numerous new cases of poverty and to a decline in standards of living.

The same is true of the Iraqi people, who are faced with a similar process of impoverishment. Following the occupation of its territory, the occupying forces did not fulfil their duty of maintaining security and keeping order. The occupation forces are called upon to fulfil their tasks and to prepare for their departure from Iraq.

We stand alongside the Iraqi people and their political forces, including the Iraqi workers, to obtain their freedom and independence and build their country as they see fit, not as planned by the occupation forces.

From the forum of this important Conference, we assert the principles set forth in the Report of the Director-General, and endeavour to contribute to the alleviation of poverty in cooperation with all the social partners.

In conclusion, we wish this Conference every success in its work.

Mr. OWUOR (*Employers' delegate, Kenya*) — I would like to express my admiration for the competent manner in which the President of the Conference, The Hon. Michael Wamalwa, the Vice-President of Kenya has presided over this Conference, which has justified the faith which the distinguished delegates had in him in electing him to the presidency of the 91st Session.

Since he had spent most of his political life in Kenya fighting for the rights of the poor and the socially excluded, his election was a great tribute to his record of service to the poor as well as to our country, Kenya.

The Director-General's Report, *Working out of poverty*, epitomizes the rationale of the ILO's existence, namely the promotion of lasting peace through social justice. And social peace can only be achieved through the elimination of hardship and privation, by the provision of decent work to the world's people.

The Director-General's Report shows a worrying trend, especially in the developing countries, with regard to poverty. Some 180 million people are unemployed and 1 billion people are living on US\$1 a day or less.

In sub-Saharan Africa, the number of people living in absolute poverty increased by 34 per cent between 1987 and 1998. Currently, some three-quarters of Africa's people are living in absolute poverty. African countries have been engaged since the late 1980s in the restructuring of their economies under the supervision of the Bretton Woods institutions. But the more they have proceeded with the various phases of their structural adjustment programmes, the more people have been thrown out of work and fallen deeper into poverty. Since then the Bretton Woods institutions have incorporated Poverty Reduction Strategy Papers (PSRDs) into their structural programmes. Unfortunately, as we note from the Report, ministers of labour, employers and workers have been largely sidelined in the PSRP process. Instead, most donors are relying on some urban-based NGOs, which they are funding as partners in the process.

I would therefore encourage the Director-General to strengthen the Jobs for Africa programme and to use it as a basis for integrating ILO activities into those of the Africa's Development (NEPAD). At the national level, the ILO should call upon member States involved in PRSPs with the IMF and World Bank to incorporate organizations of employers and workers in the dialogue leading to the implementation of the strategies.

HIV/AIDS is beginning to nullify any gains which some of our countries might make in eradicating poverty. The missing link in the fight against HIV is the non-availability of affordable anti-retroviral drugs. Despite the agreement reached in Doha last year,

there is still some resistance by some pharmaceutical companies to reducing the prices of hevirupine, which can assist reduce mother-to-child transmission.

The non-affordability of anti-retrovirals in my country is shown by the fact that, out of 2 million people thought to be infected with HIV/AIDS, only about 2,000 were able to afford anti-retrovirals in 2001. Although the country has been able to reduce the prevalence of HIV infection from 13 to 10 per cent in the last two years, we are still losing an average of 700 people daily from the pandemic. There is also the added burden of AIDS orphans. With some 1 million AIDS orphans, we have many families now headed by children as young as 10 or 13 years old. And although donors such as the UNDP, the World Bank and USAID have risen to the challenge posed by the pandemic and come to our aid, the assistance is still meagre in relation to the magnitude of the pandemic.

The ILO for its part has disseminated its code of practice on HIV/AIDS in the world of work. This code has proven helpful in ensuring the elimination of discrimination and stigmatization affecting those living with HIV/AIDS in the workplace.

However, with sub-Saharan Africa accounting for 70 per cent of the 42 million people infected in the world, the ILO, which in 1964 declared itself to be the social conscience of mankind, needs to continue to work closely with WHO, UNICEF and other bodies to soften the current international resistance to moves intended to make anti-retroviral drugs more affordable. The war against poverty will be won or lost on the battlefield of HIV/AIDS.

It is sad to note from the Director-General's Report that the values of non-oil exports from sub-Saharan countries have halved over the last 20 years. Those countries undergoing stabilization programmes with the Bretton Woods institutions are obliged to agree, as a condition for receiving aid, not to subsidize their agricultural producers. Yet for most of our countries, agricultural produce constitutes the bulk of our exports. Our peasant farmers cannot compete in the global market with subsidized agricultural products from the industrialized countries. The section on solidarity in the globalizing world in the Director-General's Report points out that, in 2001, the OECD countries subsidized their agricultural industry to the tune of US\$311 billion. This was about six times the total overseas development aid of US\$52.3 billion to all developing countries given by OECD countries in 2001. If OECD countries stopped subsidizing their farmers, our agricultural producers would be able to compete in the global market on the basis of their competitive advantage, and export earnings could assure them a sustainable livelihood.

In addition to the subsidies, consumer organizations involved in ethical trade initiatives in industrialized countries are now demanding that agricultural exporters to Europe observe not only statutory sanitary and phyto-sanitary standards, but also allow NGOs supported by them to be parties to collective agreement at the expense of trade unions; and are calling for workers engaged in seasonal industries to be provided with permanent contracts of service and for employers to observe certain non-core ILO Conventions which their countries have not ratified.

On the other hand, my delegation is satisfied with the progress made so far by the ILO/USAID project on strengthening labour relations in East Africa as it applies to Kenya. Under the African Growth and

Opportunities Act 2000, those African countries that have adopted participatory democracy and good governance, respect human rights and the ILO fundamental principles and rights at work, and protect the environment, may export their goods duty-free to the American market. The project is intended to assist the three East African countries of Kenya, Uganda and the United Republic of Tanzania to amend their labour laws and practice in line with the ILO core labour standards. The result has been a major boost in our exports to the United States, and at the same time a great improvement in the protection of workers' rights, thus helping to improve the quality of life in the whole region. This is a case where the ILO Declaration has been used as an incentive for promoting trade, rather than as an instrument for trade restrictions. I hope that those engaging in the promotion of corporate social responsibility will emulate this positive case of collaboration between the ILO and the East African countries with the help of the United States.

*Original Spanish: Mr. AGUILAR GARCÍA (Workers' delegate, Guatemala)* — I stand before you to speak about decent work, poverty and human development, synonymous with measuring social welfare and economic welfare in any country or nation.

I would therefore like to say that the level of poverty and the level of development should be looked at from a pragmatic trade union point of view as it corresponds to the twenty-first century, based on the honesty, morality and personal ethics of each individual and from that point to combat inequalities at the macroeconomic level in the social, political and economic orders.

I say this because in the countries of the world, especially in Central and Latin America, there is a lack of credibility and a lack of morality and ethics on the part of the leaders and this has led to an increase in the inequalities and in the gaps between the rich and the poor, the haves and the have nots, between stable work and unemployment.

Unfortunately, this is something that is repeated in many countries, and especially in my country, Guatemala, there is no exception at all regarding inequality and discrimination.

Inequality and discrimination have led to much frustration and loss of hope, to the extent that the only barriers to impunity, as is the case of some trade union officials in management positions, in the Institute of Social Security in Guatemala, are themselves involved in corruption and immorality, factors that undermine and extinguish any light of hope or improvement.

In Guatemala, two out of three people lack any retirement protection.

In Guatemala the official rate of unemployment is 20 per cent and the informal sector is the only driving force for survival in an economic crisis that seems to be endless.

The social security service have been taken over by a mafia made up of politicians and leaders who found in the Executive Board of the Institute of Social Security a gold mine for their dirty deals, which led to an embezzlement of 270 million quetzals, which is some US\$33 million – an embezzlement that has squeezed the life blood of the country. This mafia, which includes some trade union officials, should be in jail, but it is still in power.

In Guatemala, times are hard and as if that were not enough, there is one embezzlement after another. There are constant violations of the law and the present Government, which is only seven months from handing over power, has recently increased VAT on packaged goods from 12 per cent to 30 per cent, affecting the cost of the basic family shopping basket for those with the fewest resources, because in Guatemala, bottled goods such as sodas are a large part of the daily diet of workers. This is just one example of the indirect tax burden on the people of Guatemala, a burden that in turn affects the purchasing power of the wage for those who have one and leads us to wonder how those who do not earn a wage manage to survive.

That is the reality in my country, and the same happens in many other countries of the world. I do not simply want to give you figures and percentages and cold statistics that prove, from a technical point of view, the levels of inequality and poverty. I stand before you bravely, in all seriousness and responsibility to say that poverty and lack of employment are very often the result of corruption, which is in no small part attributable to this political and trade union mafia that I have mentioned today.

While the crises are very serious and seriously affect the economic base of any country, made up of workers, there is still hope. For the people, there is the principal stronghold of faith – a God who will not abandon his people. As is said in many religions of the world: work honours God and dignifies man.

Let me conclude by quoting a famous line from Father Hurtado: Lord, make the distance between my words and my actions become “smaller daily”.

Long live the working classes.

*Original Arabic: Mr. AL-KA'ABI (Employers' delegate, United Arab Emirates)* — It is my great pleasure that on behalf of the Federation of the Chambers of Commerce, Industry and Agriculture of the United Arab Emirates to address your august assembly. It is my pleasure to congratulate the President of the Conference and his three deputies on their election.

I would also like to congratulate the Director-General of the Organization on his election to a second term

The Director-General's Report *Working out of poverty* has never been so timely. Today half of the world's population lives in absolute poverty. The Director-General's Report defined a clear-cut strategy to fight poverty and provide decent work and social protection and improve the living conditions of workers.

We would like to express our support of the various ideas set forth in the Director-General's Report. We would like to stress the importance of quality education and vocational training to provide better working conditions and create jobs and adopt policies to alleviate poverty. We know that by developing human resources, we can provide jobs and create a more stable society.

The Director-General's Report has been comprehensive in providing solutions to poverty. This solution is an example to be followed both by developing and developed countries. Developing countries in general have been witnessing high demographic growth rates, which of course have led to a growing need for jobs and for health and education services.

Under the circumstances, it is important to embark on economic reforms to ensure a better contribution by the private sector and the public sector to achieve economic growth levels which are better than today's. Thanks to the wisdom and counsel of our Head of State, Zayid bin Sultan Al Naleyan, our country has devised a strategy to bring about an equilibrium between social and economic development. Such policies and such strategies adopted by my country have been successful in providing social protection to the entire population.

Social protection in our country is ensured by various legislations and laws covering the public and private sector. Our country has set up a special fund to help young couples to set up families to better contribute to the stability of our society. President Zayid has also taken the initiative to create better living conditions and more housing projects. In this context, a commission has been set up to supervise the creation of jobs and the provision of social protection to the workers. Representatives of various organizations of the civil society sit on this commission.

Our country has also set up a number of funds to provide financing for projects for young people in our country, under the auspices of the Minister of Defence and the Industrial Bank in the Emirate of Abu Dhabi.

There is also a very ambitious project launched by the Chamber of Commerce and Industry of Dubai to finance young entrepreneurs' projects. Furthermore, the employers' federation plays a crucial role in the development of activities, such as encouraging investment, and training courses for young people and women, to enable them to better participate in the various economic sectors.

Our country has also embarked on reforms to provide better living conditions and to provide better jobs in various industrial and agricultural sectors, with a view to increasing competitiveness and productivity. In order to implement strategies to fight poverty efficiently, it is important to bolster cooperation among the social partners. I would like to call on countries to increase cooperation with our country in particular and the Arab world in general. I call on the Organization to increase activities that would promote the better usage of the Arabic language in the documents of the Organization.

We also call on the Organization to provide support for the Palestinian Fund, to help Palestinians benefit from social protection and to ensure a better cooperation among the social partners in the occupied territories.

*Original French: Mr. BELZIN (Workers' delegate, Haiti)* — The delegation from the Republic of Haiti has the remarkable privilege of extending to you greetings on behalf of the workers of Haiti. It feels honoured and overwhelmed to have been invited to attend this high-level international gathering. We are very grateful for this invitation.

The links between decent work, poverty reduction and development, the theme of this 91st Session of the International Labour Conference, being held under the auspices of the International Labour Organization, is something which is of crucial importance to us trade unionists from a country like Haiti, which is on the threshold of abject poverty.

How could it be otherwise? The salient features of the country's economic underdevelopment, or rather

underdeveloped economy, are instability and dependence.

Dependence can be found at several levels. First of all, at the level of large companies which take advantage of small producers and labourers and which export virtually all of our basic commodities.

Their activities are governed by decision-taking centres beyond the control of our national Government. Their forecasts, projection and calculations have nothing to do with the interests of our nation which is being exploited.

Statistics show that more than 65 per cent of the total imports of the country are made up of manufactured goods. Another, fairly important, feature of the way in which Haiti's economy functions is its virtually inherent instability. The dominant role played by agricultural products is the main cause of this instability.

First of all, because our chief export, coffee beans, is very sensitive to changes in the weather. The volume of exports also fluctuates in accordance with the biennial cycle of this product.

Furthermore, exports of primary products fluctuate substantially, both in terms of volume and value, because of the instability of the world market. Variations in income from exports, 40 per cent of whose total value comes from the sale of coffee, have an almost direct impact on the national economy which consequently suffers from a shortage of foreign currency that is aggravated by the fact that goods bought when exports are rising are generally paid for during a recession.

The instability of the prices we get for the commodities we export upsets the terms of trade. These terms are often unfavourable to us, because the country sells its exports for a lower price than it pays for its imports.

Thus, workers suffer and are placed at a disadvantage. Underemployment limits their purchasing power, or reduces it more or less to zero, especially as the minimum wage paid to a Haitian worker is ridiculously low. This unfortunate situation is exacerbating rural and urban poverty. The impoverishment of the population is being worsened by the poor performance of vital economic sectors, the social services and the population and environment sectors.

The responses of the Haitian Government to the numerous adverse effects of this economic situation, include a rigorous management of the economy and the introduction of an integrated national development plan targeting all the sensitive sectors of our economy.

In accordance with the philosophy of the International Labour Organization and the Recommendations, Conventions and Treaties it regularly produces, the Haitian Government, at previous sittings, has been trying to stabilize the financial situation and release funds in order to reduce the financing of state expenditure, through job creation.

The Government's integrated development programme consists of four parts. First, a social chapter, which involves undertaking renovation work in the capital and in rural towns, renovating roads and works of art, restoring irrigation systems, promoting community development projects, building rural markets, drilling wells and filling in ditches.

There is also an ecological chapter to this development programme. Emergency measures need to be taken to slow down the rapid deterioration of the

vegetation coverage in our country. These measures must take a comprehensive approach and combine the reconstruction of vegetation with youth mobilization. At the same time, a “green plan” is being prepared to increase forestry and fruit production and also to protect fragile ecosystems and promote sustainable agriculture.

Thirdly, there is a chapter to provide credit to small and medium-sized enterprises in the agro-food, agro-industry, construction, craft and in certain other specific sectors. The fourth part of this programme is devoted to helping the national police force to modernize, so that it can play its full role in the construction of a democratic State governed by the rule of law.

The construction of Haitian society now needs a powerful polycentric and responsible political system and, a strong and peaceful pluralist democracy. All of this, of course, involves some interaction between the three powers: the State, the economical pавos and the power of the masses, in particular the working masses. All of this requires a development programme aimed at reducing poverty by providing decent work to counteract the poverty which currently prevails in Haiti. This is certainly not a utopic view, but is simply a set of measures which are within our immediate reach.

The contents of the programme, as well as the ways and means, are set out in the 1987 Constitution. The Haitian miracle is still a possibility, all we need is the political will to implement it.

Mr. JENNINGS (*representative, Union Network International*) — On behalf of Union Network International (UNI), the global union federation for services and skills, I would like to say that we welcome the Director-General’s Report, *Working out of poverty*, but I have to express our disappointment at the absence of a global initiative to tackle rising unemployment. By creating decent jobs with decent salaries, you have a decent chance of defeating poverty. The world is not delivering that opportunity to millions of people.

The recent G8 meeting in Evian failed to address unemployment and poverty. We have a synchronized global recession, yet global political leaders look the other way. We have global recession, yet there is no joint global action from the multi-lateral system. Let us improve global governance by a joint initiative for jobs.

We want the ILO to lead the crusade for jobs and investment in people.

A global labour market is emerging with a transfer of jobs in manufacturing and services, within nations and between continents.

I was shocked to learn recently that customs bonded manufacturing plants are now being dismantled in Mexico, and shipped and put together once again in union-free China to save a few cents an hour. We see, at the same time, the growth of export processing zones, where 37 million people work without any floor of labour rights. This is intolerable. Everywhere we see the share of wages in national wealth in decline as chief executive officers pay themselves more than reasonable salaries.

The ILO’s work to build global labour standards is critical and that is why these standards should be mainstreamed throughout the multilateral system.

Let us not use the erosion and denial of labour standards as a competitive tool in a global economy.

The debate here on human resources management is important to skills and lifelong learning, but also for the globalization of industrial relations.

Unions are negotiating global framework agreements with companies which cover trade union rights and human resources policies. The latest agreement is between UNI and ISS, the services provider, which has 250,000 members of staff. We are trying to set a new tone and content in relations between unions and employers internationally. We want more companies to follow this example.

The sectoral activities of the ILO must now become structures for global dialogue, where the social partners working together build a decent work agenda in their respective sectors. A combination of global agreements and global sector-specific dialogue can improve corporate social responsibility.

The trust in business has sunk in the wake of corruption in Wall Street and corporate board rooms around the world. How can you build trust when the US administration hands a lucrative government contract to WorldCom, the perpetrator of the largest corporate fraud in the United States?

How can you rebuild trust when WalMart will not recognize unions and hires union busters in the United States; when T-Mobile practices codetermination in Germany and hires union busters in the United Kingdom; when DHL dismisses a shop steward in Belgium against these international labour standards and local law; when Westfield Holdings, a target of our 2003 “Justice for Janitors” campaign, owns over 100 shopping centres around the world, yet refuses to pay a decent wage to its own janitors; when the CEO is the second richest person in Australia? You rebuild trust by respecting working people and by working with their unions. How can you trust a company that does not recognize the rights of its own staff, as defined by the ILO?

The ILO should promote a dialogue and rights-based corporate social responsibility programme. The ILO must develop a framework to hold companies — and not just nations — to account.

We look forward to the ILO meeting in October on violence and stress at work. Millions of union members in the postal sector, finance, security and commerce are subject to physical and verbal abuse in the workplace. UNI wants to globalize the “Freedom from Fear” campaign, recently launched by USDAW, our shop workers’ affiliate in the UK, to end violence in the workplace — everywhere.

The work on employment relationships is important to UNI. An increasing number of workers are freelancers, particularly in the media, entertainment and IT. It is UNI’s job, and that of its affiliates, to organize these workers, and it is the ILO’s job to ensure that governments adapt their labour laws to cover new categories and stamp out sharp practices by employers. Casualization and casual employer practices will further drive down rights and incomes.

And whilst talking of sharp practices, we ask the ILO why a private group of US lawyers is writing the new labour law in Afghanistan, and not the ILO itself? We call upon the ILO to conduct an investigation into this and into why the World Bank is trying to promote inward investment in Afghanistan by slashing the minimum wage by 10 per cent, when the minimum wage of Afghan workers is US\$0.60.

We must ensure that we are not faced with a similar situation in Iraq. In both nations, we want to see the emergence of a free and independent trade union movement, and we want to see the ILO playing a key role in the establishment of a new labour relations system.

In conclusion, we call upon the ILO to act with a greater sense of urgency to tackle unemployment and poverty, improve corporate social responsibility and adopt a much more aggressive approach in the promotion of decent work.

My final message is to welcome to this room a young student, who has been shadowing me all day

long, Leonie Gerder, from the International School. She has spent a day with me at the union office; this morning she met a trade union leader from Zimbabwe, and learnt about his life under the Mugabe regime. I thought it would be useful for her to come to the ILO to get an idea of what goes on here.

All I can say for the record is that when she reaches the workplace, I hope that she will have a decent job, decent wages and decent working conditions.

*(The Conference adjourned at 5.25 p.m.)*

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