

**Resolutions adopted by  
the International Labour Conference  
at its 97th Session**

**(Geneva, June 2008)**

**I**

**Resolution on strengthening the ILO's capacity to assist its Members'  
efforts to reach its objectives in the context of globalization \***

The General Conference of the International Labour Organization, meeting in its 97th Session, 2008,

Having adopted, within the framework of the sixth item on the agenda, entitled "Strengthening the ILO's capacity to assist its Members' efforts to reach its objectives in the context of globalization", a Declaration which may be referred to as the ILO Declaration on Social Justice for a Fair Globalization,

Recalling that the Declaration has a number of measures of a strongly promotional nature involving Decent Work and should bring benefits to ILO constituents as quickly as possible, and

Noting that it is important that work to enhance the capacity of the ILO proceed as soon as possible,

1. Notes that the provisions of the Declaration and its implementation should not duplicate the ILO's existing supervisory mechanisms, and that its implementation should not increase the reporting obligations of member States;

2. Calls upon the Director-General to submit, as a matter of priority, an implementation plan to the Governing Body in November 2008 and, if the Governing Body deems necessary, a set of final proposals for its consideration at its next session thereafter, covering all the elements of implementation in the Declaration, including:

- (a) the provisions of paragraphs A and C of Part II of the Declaration as well as the provisions of the Annex to the Declaration;
- (b) without limiting the foregoing, the following elements:
  - I. *Capacity and governance issues* – concrete proposals on ways to:
    - (a) strengthen the research capacity, knowledge base, and production of evidence-based analysis, including ways to cooperate with other research institutions and external experts;
    - (b) ensure that the field structure review leads to a field presence configuration best able to respond effectively and efficiently to constituents' needs;
    - (c) strengthen the coherence and cooperation within the Office and between headquarters and the field;
    - (d) strengthen human resources development and adapt it to the knowledge needs of constituents;
    - (e) adequately monitor and evaluate programmes and ensure the feedback of lessons learned to the Governing Body, including independent assessment;

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\* Adopted on 10 June 2008.

- (f) improve the working methods of the Governing Body and the functioning of the annual International Labour Conference;
  - (g) adapt and review institutional practices, management and governance;
  - (h) monitor and evaluate the implementation of Decent Work Country Programmes (DWCPs);
  - (i) fully implement results-based management, including the full use of the IT systems; and
- II. *Recurring items on the agenda of the International Labour Conference* – proposals on:
- (a) the sequence and frequency of items recurring on the agenda of the International Labour Conference;
  - (b) relation of discussions of such items at the International Labour Conference to the Global Report under the follow-up to the ILO Declaration on Fundamental Principles and Rights at Work;
  - (c) relation to the Strategic Policy Framework;
  - (d) the role of the field structure;
  - (e) consolidation and streamlining of reporting by Members and the Office; and
- III. *Partnerships* – proposals on cooperation with other international and regional organizations and with relevant non-state actors;
- (c) in addition, due regard to the concerns of constituents, as expressed in the report of the Committee on Strengthening the ILO's Capacity at this session of the Conference;
3. Considers that the Governing Body may wish to establish an appropriate and credible mechanism to implement such a programme in the light of the experience and lessons drawn from the positive experience gained in the discussion of this item at this session of the Conference, possibly by establishing a steering committee;
4. Notes its expectation that the outcome of this work will involve the most effective, efficient and economical use of resources possible, including identifying possible cost savings;
5. Decides that the steps taken pursuant to the present resolution will form an integral part of any evaluation by the Conference of the impact of the Declaration under Part III of the follow-up to the Declaration.

## II

### **Resolution concerning promotion of rural employment for poverty reduction \***

The General Conference of the International Labour Organization, meeting at its 97th Session, 2008,

Having undertaken a general discussion on the basis of Report IV, *Promotion of rural employment for poverty reduction*,

1. Adopts the following conclusions; and
2. Invites the Governing Body of the International Labour Office to give due consideration to them in planning future action on the promotion of rural employment for poverty reduction on the Decent Work Agenda and to request the Director-General to take them into account both when formulating the Strategic Policy Framework 2010–15, and when implementing the Programme

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\* Adopted on 11 June 2008.

and Budget for the 2008–09 biennium and allocating such other resources as may be available during the 2010–11 biennium.

## **Conclusions on promoting rural employment for poverty reduction**

### **Introduction**

1. As stated in the Declaration of Philadelphia, “poverty anywhere constitutes a danger to prosperity everywhere”.

2. The Governing Body, at its 295th Session in March 2006, chose the promotion of rural employment for poverty reduction for discussion at the International Labour Conference. The intended outcome was to comprise: a stocktaking of the nature, magnitude and changing patterns of rural employment in the world, with a particular focus on developing countries; a comprehensive strategy to promote employment and decent work in rural areas around the world; and an integrated plan of action for the ILO to implement this strategy, including a conceptual framework, standard setting, technical cooperation and knowledge management.

3. The importance of the rural sector has risen on the political agenda both nationally and globally because of factors such as the persistence of poverty in rural areas, urbanization, globalization and climate change – and most recently, the food crisis, food shortages and rapidly increasing food prices. The Millennium Development Goal on the eradication of extreme poverty and hunger, and the global goal of achieving decent work for all, will not be achieved unless rural poverty is reduced.

4. Historically, agriculture has been an engine of economic development, providing the food, feed, fibre and fuel with which to create more diversified products and services in other sectors. In many countries, agriculture continues to be the mainstay of rural livelihoods, a major contributor to GDP and an important source of export earnings. Agriculture cannot play this dynamic, wealth-creating role without an enabling policy environment, which ensures adequate institutions, decent work, and sufficient, well-targeted public and private investment.

5. Three-quarters of the world’s poor live in rural areas where decent work deficits are typically severe. Rural labour markets are often dysfunctional. Labour market institutions, organization and representation tend to be weak. Underemployment is widespread and incomes are generally low. Access to social protection is extremely limited. Rural workers are often vulnerable, they are, in numerous circumstances, not fully covered by national labour law and, more broadly, their rights are often not realized or enforced. As in urban areas, a large share of economic activity in rural areas tends to be informal.

6. A paucity of economic opportunities and under-investment in rural areas, together with poor infrastructure and public services including education and, in many cases, the prevalence of weak governance and underdeveloped markets compound the difficulties incumbent on working life in rural areas.

7. There are common and particular features to the world of work in rural areas. Among these are the predominance of agriculture and the importance of seasonal and climatic factors. Particular challenges include:

- prevalence of child labour, migrant workers, family and informal work;
- the unequal treatment of women in rural areas;
- the unequal treatment of youth and indigenous peoples in rural areas;
- poor occupational health and safety and working conditions;
- poor infrastructure and access to public services;
- lack of training.

8. However, rural areas are also characterized by great diversity and should not be conceived of as being exclusively agricultural. There is a mixture of on- and off-farm activities ranging from smallholder agriculture or pastoralism to highly sophisticated commercial agribusiness supplying global markets and with intense regional and national linkages with industrial and services sectors.

9. Because national and local contexts are diverse, there is no single policy response to the challenge of addressing rural employment for poverty reduction and decent work deficits. The diverse nature of rural communities affects employment patterns and income generation. Employment is characterized by seasonality and is often based on family units. Policies also need to recognize diversity of country and regional situations in line with the level of development, resources and institutional capacity, without undermining the importance of labour and environmental standards.

### **Framework for action**

10. In developing countries, which suffer greatly from lack of resources and means, poverty reduction through job creation in rural areas cannot be achieved at the national level alone. The challenge posed by poverty in least developed countries represents a much more general challenge that must also be addressed at the global level.

11. Employment and poverty in rural areas are multifaceted and this calls for multifaceted policy responses. The Decent Work Agenda provides a framework for addressing the multiple challenges of promoting rural employment for poverty reduction. The four pillars of decent work – rights, employment, social protection and social dialogue – are recognized as interdependent and mutually reinforcing parts of a whole. The Global Employment Agenda (GEA) and the resolution on the promotion of sustainable enterprises additionally provide useful frameworks.

### **Strategies to promote decent and productive employment in rural areas**

12. Rural employment strategies should form an integral part of national employment strategies and should aim to eliminate poverty. A key objective should be to develop and implement effective regulations, where applicable, that enable the shift from informality to formal status, which can assist in raising productivity, increasing earnings and extending coverage of existing rights, social protection and social dialogue.

13. Agriculture is usually the mainstay of most rural economies and can be an engine of economic growth, poverty reduction and social progress. Because increased per capita agricultural output and value added tend to have a disproportionately positive impact on the incomes of the poorest, and because of its strong linkages with non-farm activities, agriculture and rural development are key to promotion of rural employment for poverty reduction.

14. Increasing diversification and agricultural productivity through technical progress and investment is central to poverty reduction. For this to happen, agricultural support services need to be tailored to serve the needs of small-scale farms that engage the bulk of the rural population and account for most food production in developing countries.

15. New sources of demand, especially for certain high-value products, and the overall trend towards greater global integration, offer opportunities and challenges for rural employers and workers. Modern commercial farming is often associated with the concentration of commodity markets and the economic power of a limited number of multinational agribusinesses in the industrial food chain. Notwithstanding the potential of exploiting new market opportunities, in many countries, the production of food for local consumption remains the primary focus. Innovative measures are required to ensure that small farmers

have access to wider markets. Strategies should be developed to ensure access to adequate training and technology, land and water for the development of food production, according to national circumstances.

### **Priority policy guidelines**

16. The ILO's GEA is an integrated approach. The employment pillar of the Decent Work Agenda is fully relevant to the rural context. The GEA recognizes that decent and productive employment is the fundamental link between growth and poverty reduction.

### ***Economic policies to support rural employment for poverty reduction***

17. *Growth and macroeconomic policy.* The generation of more and better jobs in rural areas requires first and foremost an enabling legal and regulatory framework for the promotion of growth and investment that is socially, economically and environmentally sustainable. Monetary, fiscal and exchange rate policies should guarantee stable and predictable economic conditions and should avoid biases against rural areas. Sound economic management should balance the twin objectives of creating more and better jobs with combating inflation, and provide for policies and regulations that stimulate long-term productive investment.

18. *Trade and investment policy.* The varying development levels of countries must be taken into account in lifting barriers to domestic and foreign markets. Efficiency gains caused by trade integration can lead to positive employment effects either in terms of quantity or quality of jobs or a combination of both. However, as trade integration can also lead to job dislocation, increased informality and growing income inequality, measures must be taken by governments in consultation with the social partners, to better assess and address the employment and decent work impact of trade policies. Actions are also needed at regional and multilateral levels to remove trade distortions and to assist developing countries in building their capacity to export value-added products, manage change and develop a competitive rural and agricultural base.

19. *Productive physical and social infrastructure.* Investment in rural infrastructure is crucial for employment and growth. It works as a bridge between rural and urban areas and between agricultural and non-agricultural sectors. Transport and IT infrastructure, for instance, is crucial to link rural producers and businesses to markets. A wide variety of infrastructure projects can directly support agricultural productivity and lend themselves to implementation using labour-intensive methods, where appropriate. Social infrastructure, such as schools, health, potable water and other basic facilities, are also essential to stimulate shared and sustainable rural development. Public-private partnerships can extend the reach of resources.

20. *Technology policy.* Public and private investment in research and development activities is an important catalyst for innovation in agriculture and other rural sectors as well as in environmental protection and can stimulate strong productivity gains. Communicating the results of research and providing training in good agricultural practices and the use of new technologies to small and medium-sized farmers through extension services contribute to raising agricultural productivity, improving livelihoods and environmental sustainability.

21. Technical progress is not just a question of mechanization, but rather the application of good agricultural practice and new technologies with a view to improving sustainable productive land use. In that sense, technical progress is aided by the tripartite partners facilitating the development of a skilled and educated agricultural workforce as well as on the availability of information,

credit and markets. Application of technologies in agriculture may be labour displacing or labour augmenting. Hence, the employment impact of various approaches to increasing productivity needs to be considered and strategies developed to manage these effects, including economic diversification in rural areas.

22. *Sectoral approaches.* At the heart of the sectoral approach is the effort to strengthen mutually beneficial linkages among enterprises so that they work together to take advantage of market opportunities. Targeting labour-intensive subsectors as well as sectors with high growth potential in rural areas has significant potential to integrate farmers and rural enterprises into national and global production systems. More and better jobs could be created.

### ***Policies to develop skills, technology and employability***

23. In developing policies for extending the availability and improving the quality of skills development provision in rural areas, it is important to take account of the strategic orientations of the conclusions to the general discussion on skills for improved productivity growth and development (ILC, 2008).

24. Education, skills training and lifelong learning are key drivers of capability, productivity, competitiveness, and social development in rural areas. The development of a skilled workforce and the strengthening of human capabilities through appropriate systems of education, vocational and technical training and lifelong learning are important for helping workers to find and sustain decent and productive jobs and keep pace with changing technologies and new employment opportunities.

25. Public policy should provide access to quality compulsory and free, basic public education without denying access due to inability to pay. Public policy also should target investment to rural areas in developing countries to ensure basic education, reduce illiteracy and strengthen numeracy skills. Policies should also strengthen secondary education and vocational training in rural areas and ensure equal access for all men and women with a view to creating career pathways to retain workers in rural areas. Quality education is a key tool in eliminating child labour. As part of the process to encourage lifelong learning, public policy should give due recognition to prior learning as a means to promote access to education.

26. The outreach and effectiveness of rural training infrastructure may be improved, among others, through the use of community-based intercultural training approaches, mobile training and the use of mass media and the Internet.

27. Modern agriculture is characterized by improved plant varieties, poultry, fish and livestock, the application of new technologies and sophisticated processing and handling techniques. Workers should be consulted prior to the introduction of significant new technologies and work processes. Non-farm enterprises, too, increasingly use modern information and management systems requiring new capabilities for workers and managers alike, as well as expanding electricity distribution. New measures for sustainable development and quality standards require continuous skills upgrading, which is the joint responsibility of governments, employers and workers. In order to upgrade their skills, workers should have access to and opportunities for training.

### ***Policies to promote sustainable enterprises***

28. The conclusions of the 2007 discussion on the promotion of sustainable enterprises provided detailed guidance on what constitutes a conducive environment for sustainable enterprises and responsible enterprise-level practices. These conclusions in their entirety provide a relevant framework for promoting sustainable rural enterprises and paragraph 11 of these conclusions is included in Annex I.

29. Policies to promote non-farm employment and enterprise creation in rural areas are essential if development is to be sustainable. Small and medium-sized enterprises, including cooperatives or other community-based organizations, provide a major source of rural employment. Rural non-farm activities are especially critical as they offer the rural poor economic alternatives to traditional activities.

30. Cooperatives are often a major source of employment in rural areas. Cooperatives can be an important element of local economic development. It is important to ensure an appropriate legal framework in line with the ILO Promotion of Cooperatives Recommendation, 2002 (No. 193).

31. Entrepreneurship needs to be fostered in order to stimulate the creation of rural enterprises and create the conditions for innovation, the uptake of new technologies and participation in expanding markets. Awareness raising of the benefits of enterprise and training in basic management skills can encourage the creation of enterprises and be targeted at women and specific groups and sectors such as youth, indigenous peoples and smallholders.

32. Within a rural context, the following elements are particularly important to facilitate the creation and development of sustainable enterprises:

- (i) *Access to financial services.* A well-functioning financial system provides the lubricant for a growing and dynamic private sector. Making it easier for SMEs, including cooperatives and start-ups, to access financing, for example, credit, leasing, venture capital funds or similar or new types of instruments, creates appropriate conditions for a more inclusive process of enterprise development. Financial institutions, particularly multilateral and international ones, should be encouraged to include decent work in their lending practices.
- (ii) *Enabling legal and regulatory environment.* Poorly designed regulations and unnecessary bureaucratic burdens on businesses limit enterprise start-ups and the ongoing operations of existing companies, and lead to informality, corruption and efficiency costs. Well-designed transparent, accountable and well-communicated regulations, including those that uphold labour and environmental standards, are good for markets and society. They facilitate formalization and boost systemic competitiveness. Regulatory reform and the removal of business constraints should not undermine such standards.
- (iii) *Rule of law and secure property rights.* A formal and effective legal system which guarantees all citizens and enterprises that contracts are honoured and upheld, the rule of law is respected and property rights are secure, is a key condition not only for attracting investment, but also for generating certainty, and nurturing trust and fairness in society. Property is more than simply ownership. Extending property rights can be a tool for empowerment and can facilitate access to credit and capital. They also entail the obligation to comply with the rules and regulations established by society.
- (iv) *Access to transparent and competitive markets, services and inputs,* including through clusters and to national and global value chains. This includes local infrastructure, efficient customs systems, predictable legal systems and effective public services.
- (v) *Social dialogue.* Social dialogue based on freedom of association and the right to collective bargaining, including through institutional and regulatory frameworks, is essential for achieving effective, equitable and mutually beneficial outcomes for governments, employers, workers and wider society.
- (vi) *Respect for universal human rights and international labour standards.* Competitiveness should be built on values. Respect for human rights and international labour standards, especially freedom of association and collective bargaining, the abolition of child labour, forced labour and all forms of discrimination, is a distinctive feature of societies that have successfully integrated sustainability and decent work.

- (vii) *Social justice and social inclusion.* Inequality and discrimination are incompatible with sustainable enterprise development. Explicit policies for social justice, social inclusion and equality of opportunities for employment are needed. Effective exercise of the right to organize and bargain collectively is also an effective means to ensure fair distribution of productivity gains and adequate remuneration of workers.
- (viii) *Adequate social protection.* Sustainable tax-based or other national models of universal social security that provide citizens with access to key services such as quality health care, unemployment benefits, maternity protection and a basic pension, are key to improving productivity and fostering transitions to the formal economy. Protecting workers' health and safety at the workplace is also vital for sustainable enterprise development.

33. Local economies usually have specific roots and traditions, are anchored in social networks and woven into unique institutional relationships. Local and regional development approaches need to be promoted that build on the unique potential of rural economies and that foster dialogue and cooperation among local governments and organizations of workers and employers, in cooperation with other community organizations. National policies for rural employment promotion can be made more effective by adapting them to the economic, environmental and social conditions of specific territorial contexts.

#### ***Labour market regulations, institutions and policies***

34. Rural areas need strong labour market institutions and effective labour administration, including labour inspection and appropriate training and extension services. Rural areas also need the strong involvement of independent representative organizations of workers and employers in social dialogue. Collective bargaining is one important means of promoting decent and productive employment and livelihoods in rural areas. All these must be relevant to, and meet the needs of, rural communities.

35. In order to formulate effective evidence-based policies and regulations for rural areas, better data collection on rural employment is required and the ILO may assist with this process.

36. Meeting the employment challenge in rural areas requires specific and effective active labour market policies. These could include demand-led technical and vocational training, labour market information services, enterprise promotion, and employment guarantee schemes.

37. Governments, employers and workers should promote employment opportunities for youth who have reached the minimum legal age for employment in their country, whether in agriculture or in non-farm activities in rural areas. This means addressing the quality of employment provided, especially levels of skills training and career prospects, when creating decent jobs for rural youth.

#### **Strategies to extend rights at work in rural areas**

38. Most rural workers, especially those working in agriculture, are poorly protected by national labour law. Many are excluded from the scope of legislation, such as casual or seasonal workers, due to the nature of their employment. Others are excluded on the basis of their membership in a particular group, such as migrant workers or indigenous peoples. Governments should ensure that national labour standards are applicable to all forms of contractual arrangements, including those involving multiple parties, so that employed workers have the protection they are due. The legal protection afforded to rural workers is often not realized in practice.



39. The huge gap in protection and implementation affects not only the realization of fundamental principles and rights at work – freedom of association, forced labour, child labour and discrimination – but also other workers’ rights related to wages, working time, occupational safety and health, and social security, for example. To create decent jobs in rural areas, legal and practical hurdles to effective protection must be removed.

40. International labour standards are one of the essential elements to guide national legislation and policy to help address labour protection gaps, as they provide an internationally recognized framework for governments in the implementation of decent work principles in all areas of labour, including in rural areas. Most ILO Conventions and Recommendations are of general application, that is, they cover all workers, including rural workers. However, the fundamental principles and rights at work – in particular freedom of association and the right to collective bargaining – are essential as they are enabling rights for access to other rights.

### **Priority policy guidelines**

41. *International labour standards.* The ratification and effective implementation of the fundamental Conventions, that play an important role in the attainment of social justice, should be promoted. In addition, other instruments relevant to rural employment for poverty reduction should be promoted (see Annex II). This should not compromise the consideration of other relevant international instruments.

42. *Labour legislation.* National legislation should be reviewed with a view to promoting the extension of national labour law to all rural workers, including agricultural workers, as well as its effective implementation. National legislation should take into consideration the specificities of rural work and spell out the rights and responsibilities of all concerned, governments, employers and workers.

43. *Occupational health and safety.* Urgent, immediate and effective action is needed where necessary by governments and employers to improve safety and health in agriculture. Use of WIND (Work Improvements in Neighbourhood Development) methodologies can also improve occupational health and safety for rural communities.

44. *Freedom of association and collective bargaining* are enabling rights. They are a means to achieve decent work for all. Freedom of association and the right to collective bargaining can contribute to stable economic development and sound industrial relations. Therefore governments should facilitate a conducive environment to the creation of independent rural workers’ and employers’ organizations and eliminate obstacles to their establishment and growth.

45. *Equality of opportunity and treatment.* Many rural workers, in a number of countries, can suffer from discrimination on a number of levels. Certain groups of rural workers are particularly disadvantaged, including women, migrant workers and indigenous peoples. Effective action needs to be taken to remove all forms of discrimination, which have the effect of nullifying or impairing equality of opportunity or treatment in employment and occupation. Extending coverage, implementing laws and enforcing rights at work in rural areas are essential for equality.

46. *Forced labour.* Forced labour is a significant feature in the rural areas of some countries. Induced indebtedness is often backed by intimidation and the threat of violence against workers or their families. The legal status of millions of migrants in an irregular situation makes them particularly vulnerable to coercion, because of the additional and ever-present threat of denunciation to the authorities. Member States need to address the structural concerns, including policy failure, that give rise to forced labour. Governments should take active measures to enforce the rule of law, and to respect, to promote and to realize, in good faith and in accordance with the Constitution, the principles concerning the fundamental rights which are the subject of ILO Conventions on the elimination

of all forms of forced or compulsory labour so as to eradicate the use of forced labour and apply criminal sanctions to those who exploit forced labour.

47. *Child labour.* Urgent, immediate and practical action is needed by governments, employers, and employers' and workers' organizations and in cooperation with other partners, to eliminate child labour in rural areas. Governments should ensure that the fundamental principles as derived from the Minimum Age Convention, 1973 (No. 138), are applied to agriculture. Approximately 70 per cent of working children are found in agriculture. Child labour should be seen not only as a breach of labour law but equally as a violation of children's rights. Child labour undermines decent work, and the effective functioning of rural labour markets is undermined by the presence of child labour. It exacerbates existing insufficient household income and deepens poverty. Strengthening cooperation among relevant ministries is critical to addressing this problem.

48. *Labour inspection.* Labour inspection is often absent or inadequate in rural areas. This contributes to poor compliance with labour law. An effective system of labour inspection at the national level, carried out by professionally trained and adequately resourced inspectors, who are suitably qualified and knowledgeable about rural labour market issues and independent of improper external influence, benefits governments, employers and workers. Labour legislation based on transparent and predictable laws and regulations can assist in this regard. It provides better protection of rights, encourages safe and healthy work practices and productivity improvements at work including through the provision of information and advice, and contributes to the creation of a workplace health and safety culture. The Labour Inspection (Agriculture) Convention, 1969 (No. 129), provides guidance on improving labour inspection in agriculture.

49. *Information on rights and responsibilities.* There is a need to embark on advocacy and information dissemination campaigns to inform rural workers and employers on their rights and responsibilities. Awareness raising is not a substitute for law enforcement.

### **Extending social protection and social inclusion**

50. Rural populations are often characterized by high levels of vulnerability. Many rural people rely on small-farm agriculture, casual and temporary work that renders them particularly vulnerable to exposure to chemical hazards, climatic and natural disasters as well as the seasonal variations in the availability of work and food. As they can lack basic services, they are particularly at risk in terms of health shocks, illiteracy, poverty and social exclusion and low levels of education and skills. Internationally, agriculture is one of the most dangerous occupations in terms of accidents at work, fatalities, injuries and work-related ill health. Rural populations share with their urban counterparts the risk of exposure to major pandemics, in particular HIV/AIDS, which is devastating many rural communities. The high level of poverty and underemployment in many rural areas also reduces the capacity for rural workers and their families to cope with the financial impact of risks. Geographical isolation, lack of health services and poverty also reduce access of rural workers to treatment and antiretrovirals.

51. Too few people have access to the strategies and mechanisms usually employed to face risks. In many developing countries, social security coverage is quite low or non-existent in rural areas. Access to market-based and other savings and insurance mechanisms remains low, especially for the poorest. Preventive measures to minimize, control or eliminate occupational risks do not reach the most vulnerable, especially in remote rural areas, and legislation in this field is rarely applied.

## **Priority policy guidelines**

52. Social protection is an important means of reducing poverty and vulnerability and of improving the health, nourishment and literacy of populations, and greatly improves chances of achieving sustainable and equitable growth, well-being and high productivity. Social protection is indispensable to social inclusion to assist women and disadvantaged groups in rural areas, notably children, the elderly, the disabled, and the large number of unemployed and underemployed rural people. Measures to extend social protection, particularly social security, should be a priority.

53. Social protection should be based on sound and stable macroeconomic policies. Extending social protection to all is a shared responsibility. Successful strategies should be specific to national circumstances, but are likely to involve a number of complementary approaches. Regardless of the approach adopted, sound administrative and financial management is essential.

54. To strengthen capabilities of poor people, to maximize their access to opportunities and to improve financial sustainability, measures to extend social protection should be linked with efforts to provide basic education and health services, to boost rural employment and to enhance employability. Recent approaches to extend social protection in rural areas, such as employment guarantee schemes or conditional cash transfer programmes that require school attendance, may offer useful examples.

55. Governments, employers and workers should take urgent, immediate and effective action to reduce workplace accidents and work-related ill health, to secure a safe and healthy working environment and to develop a safety and health culture based on prevention in rural workplaces. National strategies to improve occupational safety and health need to be developed and implemented by the tripartite partners.

56. Migration is a common feature of many rural societies. Migrant workers in rural areas are in many cases vulnerable groups that often experience discriminatory treatment on the job and can face strong disadvantages in terms of pay, social protection and representation. The non-binding principles and guidelines for labour migration included in the ILO Multilateral Framework on Labour Migration provide useful guidance to address such situations and indicate how best to facilitate access for migrant workers to decent work. Governments and the social partners should strive for better integration of migrant workers and full respect of their human rights. One of the main outcomes of migration is the growing flow of remittances to developing countries. Remittances contribute to domestic consumption, growth and economic security. Lowering the costs of remittances is an important step to enhancing their development impact.

57. Efforts to promote the application of the ILO *Code of practice on HIV/AIDS and the world of work* must continue. This code of practice is a comprehensive vehicle that covers education, prevention, training, assistance, discrimination, and occupational safety and health among other issues. It forms a sound basis for developing partnership at the workplace as well as for effective action on HIV/AIDS beyond the workplace in rural and urban areas. United action among the key actors on HIV/AIDS should also be strengthened.

## **Promoting social dialogue and better governance**

58. Decent work deficits are often traceable to governance deficits. The interests of poor rural populations should be reflected in national policy frameworks on employment, rural development, health, education, social security, agriculture and infrastructure.

59. Good governance covers tripartism, employment policy and labour inspection. Good governance means voice and accountability, and construction

of a legal infrastructure establishing public institutions that are characterized by predictability, transparency and are reliable over time. The purpose is to hinder corruption and inefficient administration and to create an enabling environment for sustainable enterprises which will assist in the migration of informal enterprises into the formal economy.

60. Knowledge and enforcement of the law tend to be weak in rural areas and labour codes frequently treat the agricultural sector differently from other sectors for a variety of reasons. Collective agreements can play an important role in setting out agreed principles and processes of governance at the enterprise or sectoral level, defining the terms and conditions of employment, and clarifying the rights and duties of employers and workers, and can thus provide the basis for stable labour relations.

61. Wage fixing is one of the most contentious rural labour issues, largely due to the lack of bargaining mechanisms through which workers and employers can freely negotiate mutually agreeable outcomes. Wages in agriculture tend to be low, with many workers being paid below the national minimum wage, where one exists. Non-payment or deferred payment of wages, inappropriate deductions from wage packets and other abusive practices deepen the poverty of the working poor.

62. Sharp inequalities in the distribution of and access to land are a major source of extreme poverty. However, land reform alone does not offer a universal solution to reducing poverty. In some countries, successes have been achieved, where distribution of and access to land have provided a sustainable livelihood and stimulated rural employment, whilst in others land reform has led to damaging effects. Effective land reform relies on broad political support and substantial state support in the form of registration of land rights, public investment, credit and technical assistance to enable newly endowed farmers to make productive use of their land, access markets and raise themselves from poverty. The International Conference on Agrarian Reform and Rural Development (ICARRD) in 2006 provided useful insights in this regard.

### **Priority policy guidelines**

63. Social dialogue based on freedom of association and the right to collective bargaining and supported by institutional, legal and regulatory frameworks is one of the most essential means for achieving effective, equitable and mutually beneficial outcomes for governments, employers, workers and wider society. Better organization of rural employers and workers and stronger labour market institutions are necessary to foster social dialogue in rural areas.

64. Strong institutions of social dialogue can promote good governance in the world of work. In this context, good governance requires the representation and participation of the social partners at national, regional and local levels. The social partners need to increase their outreach to rural employers and workers, and to assist in developing social dialogue for workers and employers to assist in the migration of the sector into the formal economy.

65. Social dialogue, at international level, can include the conclusion of International Framework Agreements between multinational enterprises and Global Union Federations in different sectors.

66. Employers' and workers' organizations should fully participate in the formulation of Decent Work Country Programmes (DWCPs) and should seek to include rural employers and rural workers to encourage the inclusion of rural issues in DWCPs.

67. Sound labour administration enables governments to give effect to key economic and social policies that have direct impact on the workplace. In the context of an effective regulatory and legal framework, government and the social partners should work together to extend the functions of effective labour administration and labour inspection to informal entities and, through information and training, encourage compliance with labour law.

68. In the context of a coherent national plan, governance may be improved by decentralizing or delegating powers to competent and accountable local and regional authorities. Greater effectiveness and efficiency of local administrations may be realized through ongoing training of locally elected officials, empowerment, flexibility and capacity building.

69. National policies for rural employment promotion can be made more effective by adapting them to the economic, environmental and social conditions of specific contexts. An approach that integrates different sectoral or territorial policies can improve the coherence and effectiveness of public expenditure in rural areas.

### **The roles of governments, employers and workers**

70. Cooperation between governments, workers and employers at the national, regional and local levels is an important element in promoting employment through the development of integrated strategies and programmes that are focused on reducing poverty in rural areas. This cooperation requires the support and commitment of the tripartite parties to shared roles and responsibilities, for example in promoting social dialogue, partnerships and access to services such as education and training. In addition to these areas of shared responsibility, there are areas where governments, workers and employers respectively should take the lead or would play a particularly useful role and these are listed below.

71. *Governments should:*

#### **A. Governance**

- Promote peace and social stability.
- Ensure the application of the rule of law and good governance based on transparency, predictability, stability and freedom from corruption. Good governance also covers tripartism, employment policy and labour inspection.
- Create an enabling environment for effective social dialogue and tripartism in rural areas.
- Develop policies in a manner that ensures the systematic analysis of their potential impact on different policy spheres and stakeholders.
- Ensure a formal and effective legal system which guarantees all citizens and enterprises that contracts are honoured and upheld, the rule of law is respected and property rights are secure.

#### **B. Rural employment policy (national and local)**

- Include rural employment issues in national development policies.
- Encourage a coherent and integrated approach to employment promotion and poverty reduction in rural areas among all relevant government ministries and agencies at all levels of government.
- Consult representative organizations of rural employers and workers at the national and local levels with regard to:
  - the formulation and implementation of national and local policies on rural development;
  - the formulation, implementation and evaluation of DWCPs.
- Invest adequately in agricultural and rural development taking into account national conditions.

- Encourage and support territorial approaches to rural development, where appropriate, and ensure coherence with the national development policy framework including sound environmental practices.
- Support skills development including lifelong learning and vocational education and training for both farm and non-farm activities.
- Create, maintain and promote as appropriate a conducive enabling environment for sustainable rural enterprise development and ensure responsible enterprise-level practices.
- Promote the formalization of work in rural areas without hindering the livelihoods of the rural poor.
- Encourage the effective use of public–private partnerships to implement policy measures in rural areas.
- Ensure the sustainable utilization of the environment and natural resources.

#### C. Rights in rural areas

- Ensure that national legislation guarantees and defends the freedom of all workers and employers, irrespective of where and how they work, to form and join organizations of their own choosing without fear of reprisal or intimidation.
- Prevent violence against employers, leaders of employers’ organizations, workers and trade union leaders.
- Develop and enhance social protection for all which is sustainable and adapted to national circumstances.
- Provide the necessary legal and institutional provisions in order that rural workers can access their rights.
- In the context of a national plan, review legislation with a view to extending existing employment and labour rights to all.
- Conduct information campaigns to better inform rural employers and workers including:
  - their rights and responsibilities at work;
  - occupational safety and health;
  - HIV/AIDS at the workplace;
  - fundamental principles and rights at work.
- Promote gender equality, the empowerment of women, equal access to education and vocational training, and better possibilities for all to reconcile work, private and family life.

#### D. Services in rural areas

- Improve and promote access to basic services and investment in rural areas, including in the fields of health, education, energy, transport, technology and communications.
- Adequately staff and resource labour administrations, including labour inspection services.
- Where there is no existing labour inspection in rural areas, adequately staff and resource a labour inspection service.

#### E. Government capacity

- Collect reliable data on the livelihood characteristics of rural households, including gender-disaggregated data, to assist policy-makers in evidence-based policy formulation and make such data available in accordance with national law and practice.

*72. Employers' organizations should:*

- Advocate for effective rural economic and social development policies that produce an enabling environment conducive to enterprise creation and development.
- Extend their representation to rural areas and help their members in terms of representation to gain the benefits of cooperative actions.
- Act as a coordinator or broker among value chain actors from rural and urban areas to promote improvements and bring together member companies to negotiate with third parties.
- Provide direct services to help enterprises develop, along with information on legislation, markets, market and regulatory requirements, as well as quality and safety standards of importers and retailers.
- Promote training to improve productivity and good enterprise practices.
- Participate in the formulation, implementation and evaluation of DWCPs and ensure adequate attention to issues of rural employment and poverty reduction.

*73. Workers' organizations should:*

- Organize and represent rural workers through the processes of collective bargaining, including at sectoral level.
- Continue efforts to extend their representation to rural areas, including by organizing workers in the informal economy.
- Assist workers – including migrant workers – with information, services, and education.
- Strengthen the participation of women and youth in workers' organizations in rural areas.
- Promote youth employment.
- Promote occupational safety and health in rural enterprises and communities.
- Participate in the formulation, implementation and evaluation of DWCPs and ensure adequate attention to issues of rural employment and poverty reduction.

### **Plan of action for the Office**

74. The ILO should develop a strategy and a programme of work for rural employment. The plan of action needs to be rapidly and efficiently focused on practical interventions which are formulated in light of the ILO's financial and human resource capacities taking into account the Programme and Budget for 2008–09 and the Strategic Policy Framework for 2010–15. Actions will draw on the ILO's comparative advantage and core mandate. In this regard, it is important to recall instruments which guide the ILO's wider Decent Work Agenda. The ILO Constitution, including the Declaration of Philadelphia, as well as the ILO Declaration on Fundamental Principles and Rights at Work and its Follow-up, 1998, emphasize that economic and social policies are essential and mutually reinforcing components in leading to broad-based sustainable development and social justice in rural areas.

75. The ILO is well equipped to develop a strategy on rural employment for poverty reduction due to its mandate covering the world of work and its unique tripartite structure, which constitutes a comparative advantage in the multilateral system. The ILO should commit to develop and implement a strategy on rural development and rural employment in line with its four strategic objectives in relation to social and economic issues in rural areas. The ILO should coordinate efforts with other intergovernmental agencies at both the international and country levels in order both to achieve greater policy coherence in the multilateral system and to deliver as one. The growing collaboration with the Food and Agriculture Organization of the United Nations (FAO) should be

further encouraged, as should the ILO's engagement in the International Partnership for Cooperation on Child Labour in Agriculture.

76. The plan of action should take DWCPs as the ILO's entry point at the country level. Governments should formulate and implement DWCPs in consultation with representative organizations of workers and employers.

## **Employment**

*77. The ILO should:*

- In order to inform future workplans, provide to its Governing Body a comprehensive report analysing the impact of prior activities focused on rural employment and gaps in coverage and barriers to ratification and implementation of international labour standards in rural areas.
- Ensure that national employment strategies and DWCPs adequately incorporate the promotion of productive employment in rural areas in accordance with the strategic orientations provided by these conclusions and the GEA.
- Encourage member States to adopt gender- and family-sensitive national rural employment policies.
- Promote the implementation of the 2007 conclusions on the promotion of sustainable enterprises in rural areas.
- Promote sustainable small and medium-sized enterprises, cooperatives and other community-based organizations.
- Promote entrepreneurship in rural areas, paying particular attention to the situation of women as well as young people, indigenous peoples and smallholders.
- Review data-collection systems and tools in order to support government efforts to strengthen evidence-based policy-making concerning rural employment and related issues.
- Provide technical assistance to constituents and support research on the linkages between economic growth, productive and decent employment and poverty reduction, including in the context of trade policies and practices.
- Undertake research on the enterprise and employment implications of biofuel production.
- Support constituents in developing policies to extend education, skills development, training and retraining programmes.
- Promote effective employment programmes such as employment guarantee schemes that target rural workers for the purpose of providing decent work.
- Develop territorial approaches to promote rural employment and poverty reduction.
- Promote accessible, universal, quality education and skills training in a system of lifelong learning in accordance with the needs of the rural economy.

## **Standards**

*78. The ILO should:*

- Promote the Declaration on Fundamental Principles and Rights at Work, 1998.
- Promote the ratification and effective application of labour standards relevant to rural areas. (See Annex II.)
- Promote the extension of national labour laws to all rural workers, including agricultural workers, migrant workers and indigenous peoples, where appropriate, through a programme of advocacy, capacity building and technical assistance.



## **Social protection**

79. *The ILO should:*

- Promote the extension of social protection to all, including the rural poor. In this respect the Governing Body is encouraged to explore the concept of a global social floor.
- Promote occupational safety and health in rural enterprises and communities.
- Promote the use of adequately staffed and resourced labour inspection to ensure compliance with occupational safety and health legislation in rural enterprises.
- Promote the ILO *Code of practice on HIV/AIDS and the world of work* in rural areas.
- Promote universal access to potable water.

## **Social dialogue**

80. *The ILO should:*

- Support the development and help build the capacity of rural employers' and workers' organizations, particularly in the agricultural sector.
- Encourage linkages between rural employers' and workers' organizations and their national and international counterparts.
- Promote effective social dialogue and labour market institutions in rural areas.
- Provide training, policy advice and technical assistance to build capacity in labour administration, including labour inspection, in rural areas.

## **Implementation**

81. All constituents must be engaged in the development of their DWCP. This means that the priorities of the constituents must be reflected in their DWCP so that they are demand-driven. In particular, DWCPs should help to build the capacity of constituents.

82. Within the parameters of the programme and budget, the Office should ensure that the above plan of action is implemented by the concerned programmes at headquarters in a coordinated and efficient manner and in cooperation with other international bodies as appropriate. Priority should also be given to ensuring that the plan of action is reflected in the design and implementation of DWCPs. Arrangements should be put in place to adequately monitor progress and impact. In addition, progress should be reported to the appropriate Governing Body organs.

## **Annex I**

### **Paragraph 11 of conclusions concerning the promotion of sustainable enterprises**

11. The enabling environment for sustainable enterprise development comprises a large array of factors, the relative importance of which may vary at different stages of development and in different cultural and socio-economic contexts. However, there are some basic conditions that are generally considered to be essential. These interconnected and mutually reinforcing conditions are the following:

- (1) *Peace and political stability.* Peace and political stability are basic preconditions to nurture the formation and growth of sustainable enterprises while war and civil conflict are major deterrents of investment and private sector development.
- (2) *Good governance.* Democratic political institutions, transparent and accountable public and private entities, effective anti-corruption measures and responsible corporate governance, are key conditions for making market economies and enterprises perform in superior ways and be more responsive to the values and long-term goals of society.
- (3) *Social dialogue.* Social dialogue based on freedom of association and the right to collective bargaining, including through institutional and regulatory frameworks, is essential for achieving effective, equitable and mutually beneficial outcomes for governments, employers, workers and wider society.
- (4) *Respect for universal human rights and international labour standards.* Competitiveness should be built on values. Respect for human rights and international labour standards, especially freedom of association and collective bargaining, the abolition of child labour, forced labour and all forms of discrimination, is a distinctive feature of societies that have successfully integrated sustainability and decent work.
- (5) *Entrepreneurial culture.* Governmental and societal recognition of the key role of enterprises in development and strong support, both public and private, to entrepreneurship, innovation, creativity and the concept of mentorship, particularly for start-ups, small enterprises and targeted groups such as women and youth, are important determinants of a conducive business environment. Respect for workers' rights should be embedded in programmes targeting entrepreneurial culture.
- (6) *Sound and stable macroeconomic policy and good management of the economy.* Monetary, fiscal and exchange rate policies should guarantee stable and predictable economic conditions. Sound economic management should balance the twin objectives of creating more and better jobs with combating inflation and provide for policies and regulations that stimulate long-term productive investment. Attention should also be given to increasing aggregate demand as a source of economic growth contingent on national conditions. In the case of developing and least developed countries, achieving sound macroeconomic conditions usually requires the decisive support of the international community through debt relief and official development assistance.
- (7) *Trade and sustainable economic integration.* The varying development levels of countries must be taken into account in lifting barriers to domestic and foreign markets. Efficiency gains caused by trade integration can lead to positive employment effects either in terms of quantity or quality of jobs or a combination of both. However, as trade integration can also lead to job dislocation, increased informality and growing income inequality, measures must be taken by governments in consultation with the social partners, to better assess and address the employment and decent work impact of trade policies. Actions are also needed at regional and multilateral levels to remove trade distortions and to assist developing countries in building their capacity to export value-added products, manage change and develop a competitive industrial base.
- (8) *Enabling legal and regulatory environment.* Poorly designed regulations and unnecessary bureaucratic burdens on businesses limit enterprise start-ups and the ongoing operations of existing companies, and lead to informality, corruption and efficiency costs. Well-designed transparent, accountable and well-communicated regulations, including those that uphold labour and environmental standards, are good for markets and society. They facilitate

formalization and boost systemic competitiveness. Regulatory reform and the removal of business constraints should not undermine such standards.

- (9) *Rule of law and secure property rights.* A formal and effective legal system which guarantees all citizens and enterprises that contracts are honoured and upheld, the rule of law is respected and property rights are secure, is a key condition not only for attracting investment, but also for generating certainty, and nurturing trust and fairness in society. Property is more than simply ownership. Extending property rights can be a tool for empowerment and can facilitate access to credit and capital. They also entail the obligation to comply with the rules and regulations established by society.
- (10) *Fair competition.* It is necessary to establish, for the private sector, competition rules that include universal respect for labour and social standards, and to eliminate anti-competitive practices at national level.
- (11) *Access to financial services.* A well-functioning financial system provides the lubricant for a growing and dynamic private sector. Making it easier for SMEs, including cooperatives and start-ups, to access financing, for example, credit, leasing, venture capital funds or similar or new types of instruments, creates appropriate conditions for a more inclusive process of enterprise development. Financial institutions, particularly multilateral and international ones, should be encouraged to include decent work in their lending practices.
- (12) *Physical infrastructure.* Enterprise sustainability and human development critically depend on the quality and quantity of the physical infrastructure available, such as physical facilities for enterprises, transportation systems, schools and hospitals. Reliable and affordable access to water and energy also remains a major challenge, especially in developing countries. Enterprises are also particularly assisted by local access to supporting industries such as service providers, and machinery suppliers and producers.
- (13) *Information and communication technologies.* Expanding access to information and communication technologies (ICTs) is another crucial challenge in the era of the knowledge economy. The use of ICTs is, therefore, fundamental to the development of sustainable enterprises and must be fully utilized in this regard. Affordable broad-band technology is also of extreme importance to countries and enterprises and should be facilitated.
- (14) *Education, training and lifelong learning.* Human talent is the single most important productive factor in today's economy. Focusing on the development of a skilled workforce and the expansion of human capabilities through high-quality systems of education, training and lifelong learning is important for helping workers to find good jobs and enterprises to find the skilled workers they need. Financial support should also be made available to enhance access of poor workers to training and skills upgrading. In this way, society can achieve the twin goals of economic success and social progress.
- (15) *Social justice and social inclusion.* Inequality and discrimination are incompatible with sustainable enterprise development. Explicit policies for social justice, social inclusion and equality of opportunities for employment are needed. Effective exercise of the right to organize and bargain collectively is also an effective means to ensure fair distribution of productivity gains and adequate remuneration of workers.
- (16) *Adequate social protection.* Sustainable tax-based or other national models of universal social security that provide citizens with access to key services such as quality health care, unemployment benefits, maternity protection and a basic pension, are key to improving productivity and fostering transitions to the formal economy. Protecting workers' health and safety at the workplace is also vital for sustainable enterprise development.

- (17) *Responsible stewardship of the environment.* In the absence of appropriate regulations and incentives, markets can lead to undesirable environmental outcomes. Tax incentives and regulations, including public procurement procedures, should be used to promote consumption and production patterns that are compatible with the requirements of sustainable development. Private market-based solutions, such as the use of environmental criteria in assessing credit risk or investment performance, are also effective means to tackle this challenge.

## **Annex II**

### **Instruments of the International Labour Organization relevant to the promotion of rural employment for poverty reduction**

#### ***I. Core Conventions***

Forced Labour Convention, 1930 (No. 29)

Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87)

Right to Organise and Collective Bargaining Convention, 1949 (No. 98)

Equal Remuneration Convention, 1951 (No. 100)

Abolition of Forced Labour Convention, 1957 (No. 105)

Discrimination (Employment and Occupation) Convention, 1958 (No. 111)

Minimum Age Convention, 1973 (No. 138)

Worst Forms of Child Labour Convention, 1999 (No. 182)

#### ***II. Priority Conventions***

Labour Inspection Convention, 1947 (No. 81)

Employment Policy Convention, 1964 (No. 122)

Labour Inspection (Agriculture) Convention, 1969 (No. 129)

Tripartite Consultation (International Labour Standards) Convention, 1976 (No. 144)

#### ***III. Other relevant instruments***

##### ***A. Conventions***

Protection of Wages Convention, 1949 (No. 95)

Migration for Employment Convention (Revised), 1949 (No. 97)

Social Security (Minimum Standards) Convention, 1952 (No. 102)

Plantations Convention, 1958 (No. 110)

Protocol of 1982 to the Plantations Convention, 1958 (No. 110)

Equality of Treatment (Social Security) Convention, 1962 (No. 118)

Employment Injury Benefits Convention, 1964 [Schedule I amended in 1980] (No. 121)  
Invalidity, Old-Age and Survivors' Benefits Convention, 1967 (No. 128)  
Medical Care and Sickness Benefits Convention, 1969 (No. 130)  
Minimum Wage Fixing Convention, 1970 (No. 131)  
Rural Workers' Organisations Convention, 1975 (No. 141)  
Human Resources Development Convention, 1975 (No. 142)  
Migrant Workers (Supplementary Provisions) Convention, 1975 (No. 143)  
Labour Administration Convention, 1978 (No. 150)  
Workers with Family Responsibilities Convention, 1981 (No. 156)  
Vocational Rehabilitation and Employment (Disabled Persons) Convention, 1983 (No. 159)  
Indigenous and Tribal Peoples Convention, 1989 (No. 169)  
Home Work Convention, 1996 (No. 177)  
Maternity Protection Convention, 2000 (No. 183)  
Safety and Health in Agriculture Convention, 2001 (No. 184)  
Promotional Framework for Occupational Safety and Health Convention, 2006 (No. 187)

*Conventions with interim status*<sup>1</sup>

Right of Association (Agriculture) Convention, 1921 (No. 11)  
Minimum Wage-Fixing Machinery Convention, 1928 (No. 26)  
Forty-Hour Week Convention, 1935 (No. 47)  
Minimum Wage Fixing Machinery (Agriculture) Convention, 1951 (No. 99)  
Holidays with Pay Convention (Revised), 1970 (No. 132)

***B. Recommendations***

Migration for Employment Recommendation (Revised), 1949 (No. 86)  
Equal Remuneration Recommendation, 1951 (No. 90)  
Indigenous and Tribal Populations Recommendation, 1957 (No. 104)  
Plantations Recommendation, 1958 (No. 110)  
Discrimination (Employment and Occupation) Recommendation, 1958 (No. 111)  
Tenants and Share-croppers Recommendation, 1968 (No. 132)  
Rural Workers' Organisations Recommendation, 1975 (No. 149)  
Migrant Workers Recommendation, 1975 (No. 151)

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<sup>1</sup> Interim status refers to a category of instruments which are no longer fully up to date, but remain relevant in certain respects.

Tripartite Consultation (Activities of the International Labour Organisation) Recommendation, 1976 (No. 152)

Workers with Family Responsibilities Recommendation, 1981 (No. 165)

Vocational Rehabilitation and Employment (Disabled Persons) Recommendation, 1983 (No. 168)

Employment Policy (Supplementary Provisions) Recommendation, 1984 (No. 169)

Home Work Recommendation, 1996 (No. 184)

Job Creation in Small and Medium-Sized Enterprises Recommendation, 1998 (No. 189)

Maternity Protection Recommendation, 2000 (No. 191)

Safety and Health in Agriculture Recommendation, 2001 (No. 192)

Promotion of Cooperatives Recommendation, 2002 (No. 193)

Human Resources Development Recommendation, 2004 (No. 195)

Promotional Framework for Occupational Safety and Health Recommendation, 2006 (No. 197)

*Recommendations with interim status*<sup>1</sup>

Social Insurance (Agriculture) Recommendation, 1921 (No. 17)

Minimum Wage-Fixing Machinery (Agriculture) Recommendation, 1951 (No. 89)

### III

#### **Resolution concerning the ILO's and the tripartite constituents' role in tackling the global food crisis \***

The General Conference of the International Labour Organization,

Having adopted the report and conclusions of the Committee on the Promotion of Rural Employment for Poverty Reduction, meeting in Geneva, 2008,

Noting that the Executive Heads of the UN specialized agencies, funds and programmes and the Bretton Woods institutions (CEB), meeting in Berne, 28–29 April 2008, chaired by the United Nations Secretary-General, agreed on a common strategy in support of developing country governance to confront the global food crisis,

Further noting that the UN Secretary-General called on world leaders to make every effort to participate in the High-Level Conference on World Food Security: the Challenges of Climate Change and Bioenergy in Rome on 3–5 June 2008,

Mindful that the dates of the High-Level Conference coincided with those of the International Labour Conference 2008 thereby limiting participation of the ILO's constituents,

Confirming that the poor are the hardest hit by the food crisis,

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<sup>1</sup> Interim status refers to a category of instruments which are no longer fully up to date, but remain relevant in certain respects.

\* Adopted on 11 June 2008.

Noting the vital role of workers and employers in food production and distribution, and that they are affected by this crisis,

Concerned that even before the food crisis there were 800 million people living in hunger,

Calls on the Governing Body of the International Labour Organization to request the Director-General to consider allocating resources to enable the ILO to convene a tripartite technical workshop on the global food crisis and its impact on decent work. Such a meeting should:

- take account of the work by the CEB Task Force on the Global Food Crisis;
- share with other UN agencies the expertise of the ILO tripartite partners on rural employment and poverty reduction;
- contribute to an informed discussion within the UN on the social and employment impact of food prices on decent work.

#### IV

### **Resolution concerning skills for improved productivity, employment growth and development \***

The General Conference of the International Labour Organization, meeting at its 97th Session, 2008,

Having undertaken a general discussion on the basis of Report V, *Skills for improved productivity, employment growth and development*,

1. Adopts the following conclusions; and
2. Invites the Governing Body of the International Labour Office to give due consideration to them in planning future action on skills for improved productivity, employment growth and development within the Decent Work Agenda and to request the Director-General to take them into account both when implementing the Programme and Budget for the 2012–13 biennium and allocating such other resources as may be available during the 2010–11 biennium.

### **Conclusions on skills for improved productivity, employment growth and development**

1. The Governing Body of the International Labour Organization (ILO) at its 295th Session (March 2006) chose the topic of skills for improved productivity, employment growth and development as a discussion topic for the International Labour Conference (ILC) in 2008. This document contains the conclusions reached by the Committee [and adopted by the Conference].

2. The important role of skills development for social and economic development and decent work was highlighted in a series of ILO discussions and conclusions, in particular, the Conclusions concerning human resources development (ILC, 2000), Human Resources Development Recommendation, 2004 (No. 195), the Global Employment Agenda adopted by the Governing Body in March 2003, the conclusions on promoting pathways to decent work for youth (ILC, 2005) and the conclusions on the promotion of sustainable enterprises (ILC, 2007). In addition, the Paid Educational Leave Convention, 1974 (No. 140) and the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (1977, as amended in 2000 and 2006) (MNE Declaration) are also relevant with respect to opportunities for training.

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\* Adopted on 11 June 2008.

3. Education, vocational training and lifelong learning are central pillars of employability, employment of workers and sustainable enterprise development within the Decent Work Agenda, and thus contribute to achieving the Millennium Development Goals to reduce poverty. Skills development is key in stimulating a sustainable development process and can make a contribution to facilitating the transition from the informal to the formal economy. Skills development is also essential to address the opportunities and challenges to meet new demands of changing economies and new technologies in the context of globalization. The principles and values of decent work and principles of sustainable enterprises in line with the conclusions on the promotion of sustainable enterprises (ILC, 2007) provide guidance for the design and delivery of skills development and are an effective way of efficiently managing socially just transitions. Governments and social partners need to work in the framework of social dialogue for shaping national, regional and international skills development programmes that can promote the integration of the economic, social and environmental dimensions of sustainable development.

### **Skills' contribution to decent work, productivity, employment growth and development**

4. A low-skill, low-productivity, low-wage economy is unsustainable in the long term and is incompatible with poverty reduction. This is the vicious circle of inadequate education, poor training, low productivity and poor quality jobs and low wages that traps the working poor and excludes workers without relevant skills from participating in economic growth and social development in the context of globalization. This also negatively affects the competitiveness of enterprises and their capacity to contribute to economic and social development.

5. An international, national and regional development strategy based on improved quality and availability of education and training can engender, by contrast, a virtuous circle in which skills development fuels innovation, productivity increase and enterprise development, technological change, investment, diversification of the economy, and competitiveness that are needed to sustain and accelerate the creation of more and better jobs in the context of the Decent Work Agenda, and improve social cohesion.

6. Within this virtuous circle, skills development is an essential factor for achieving the objective of decent work both by increasing the productivity and sustainability of the enterprise and for improving working conditions and the employability of workers. Effective skills development requires a holistic approach. This approach encompasses the following features:

- (a) *continuous and seamless pathways of learning* that start with pre-school and primary education that adequately prepares young people for secondary and higher education and vocational training; that provide career guidance, labour market information, and counselling as young women and men move into the labour market; and that offer workers and entrepreneurs opportunities for continuous learning to upgrade their competencies and learn new skills throughout their lives;
- (b) development of *core skills* – including literacy, numeracy, communication skills, teamwork and problem-solving and other relevant skills – and learning ability – as well as awareness of workers' rights and an understanding of entrepreneurship as the building blocks for lifelong learning and capability to adapt to change;
- (c) development of *higher level skills* – professional, technical and human resource skills to capitalize on or create opportunities for high-quality or high-wage jobs;
- (d) *portability of skills* is based firstly on core skills to enable workers to apply knowledge and experience to new occupations or industries and secondly on systems that codify, standardize, assess and certify skills so that levels of competence can be easily recognized by social partners in different labour sectors across national, regional or international labour markets; and



- (e) *employability* (for wage work or self employment) results from all these factors – a foundation of core skills, access to education, availability of training opportunities, motivation, ability and support to take advantage of opportunities for continuous learning, and recognition of acquired skills – and is critical for enabling workers to attain decent work and manage change and for enabling enterprises to adopt new technologies and enter new markets.

7. Improving productivity is not an end in itself, but a means to improving workers' lives, enterprises' sustainability, social cohesion and economic development. Continued improvement of productivity is also a condition for competitiveness and economic growth. Productivity gains arising from skills development should be shared between enterprises and workers – including through collective bargaining – and with society in order to sustain the virtuous circle of improved productivity, employment growth and development, and decent work.

- (a) Workers can benefit from skills development and productivity gains if translated into better working conditions, respect for labour rights, further training, adaptability to changes, better employment prospects, higher wages and other factors that contribute to a better quality of life.
- (b) Enterprises will benefit from skills development and productivity gains by reinvesting in product and process innovations, diversifying business activities, maintaining and improving competitiveness and market share.
- (c) Society will benefit from skills development and productivity gains in terms of quality jobs, higher employment, quality and efficiency of services, reduced poverty, respect for labour rights, social equity, and competitiveness in changing global markets and dynamic growth sectors.

8. However, skills development will not automatically lead to improved productivity or more and better jobs unless there is a conducive economic and social environment to translate productivity improvement into employment growth and development. Other critical factors include: respect for workers' rights, gender equality, health and safety standards; good labour relations; effective social protection; good leadership and a high standard of organizational processes; and effective and active labour market policies and employment services.

9. Likewise, improved productivity alone will not boost employment and development in the context of the Decent Work Agenda. Other essential factors are: strong employment growth policies; a sustainable business environment; strong and representative social partners; investments in education and skills development; social support services, including health care and physical infrastructure; development of industrial districts or clusters; local economic and social development policies targeted at the informal economy and small and medium-sized enterprises; business and workers' networks; efficient public services and a well-developed services sector; and trade, investment and macroeconomic policies.

10. Governments have overall responsibility for creating, in consultation with the social partners, the *enabling framework* to meet current and future skills needs. International experience shows that countries that have succeeded in linking skills to productivity, employment, development and decent work, have targeted skills development policy towards three main objectives:

- (a) matching supply to current demand for skills;
- (b) helping workers and enterprises adjust to change; and
- (c) building and sustaining competencies for future labour market needs.

11. The first two objectives of skills matching and easing adjustment take a short- to medium-term labour market perspective in responding to ongoing technological and market changes. The first objective requires policies and institutions to better forecast and match the provision of skills with labour market needs, as well as to make employment services, career services and training services more broadly available.

12. The second objective focuses skills development on making it easier for workers and enterprises to move from declining or low-productivity activities and sectors into growing and higher-productivity activities and sectors, and to capitalize on new technologies. Reskilling, skills upgrading and lifelong learning help workers to maintain their employability and help enterprises to adjust and remain competitive. This should be combined with active labour market policies to support the transition to new employment. Workers should not bear the brunt of the adjustment cost, and effective social security provisions or unemployment insurance as well as career guidance, training and effective employment services, are important components of the social contract to mitigate the impact.

13. The third objective takes a long-term perspective, focusing on anticipating and delivering the skills that will be needed in the future through forecasting at the local, national, regional and international levels. This strategic role of skills development aims at fostering a sustainable development process to improve working conditions and enterprise development, and the ability of the economy to remain competitive.

14. In meeting these three objectives, working with the social partners and other key stakeholders is important.

15. Countries have very different existing economic and social conditions, and different levels of education and skills development. However, there is a continuous need to promote creativity, innovation, productivity growth and more and better-designed jobs at all stages of development. The design, sequencing and focus of their policies to initiate and strengthen the virtuous circle of skills, productivity, employment and decent work need to respond to their different levels of development.

16. The relationship between skills development, productivity, employment growth and development is complex. For skills development policies to be effective, governments, in consultation with the social partners, must build policy coherence by linking education, research and skills development to labour markets, social policy, technology, public services delivery, trade, investment and macroeconomic policies.

17. Education and skills development must be integrated into the broad framework of national economic and social development in order to achieve their potential to contribute to the virtuous circle. Achievement of the virtuous circle requires the transition from the informal to the formal economy by creating conditions that are inviting for growing informal businesses to join the formal economy with higher productivity activities, better working conditions, access to social protection and respect of workers' rights. This is true in all countries, and in particular for developing countries.

### **Skills development at the workplace and along value chains for sustainable enterprise and employment growth**

18. As agreed in the ILO approach to the promotion of sustainable enterprises (ILC, 2007) education, training and lifelong learning are fundamental conditions for a *conducive environment for sustainable enterprises*. Sustainable enterprises apply workplace practices that are based on full respect for fundamental principles and rights at work and international labour standards. They also foster good labour–management relations as a means of raising productivity and creating decent work.

19. Training for new skills gives opportunity for better career paths (within the company or in the labour market), higher income and employability. In addition, it is recognized that new skills are required for enterprises to remain competitive and be able to retain their workers.

20. In accordance with paragraph 30 of the MNE Declaration, multinational enterprises “should ensure that relevant training is provided for all levels of the employees in the host country as appropriate, to meet the needs of

the enterprise as well as the development policies of the country". Skills development *along global value chains* provides opportunities for new knowledge and technology transfers as lead firms provide skills to suppliers further down the supply chain.

21. Foreign direct investment in export processing zones (EPZs) can create employment but there is a need to strengthen the nexus to decent work. Targeted policy support to ensure good working conditions, respect for freedom of association and the right to collective bargaining, and investment in training are required to realise the potential of this type of investment to boost worker productivity and decent work.

22. Agreements on innovative organizational and human resources practices, as well as implementation of people motivation policies, are significant for labour productivity. Integrated investment in workers, technology, and research and development (R&D) and progressive human resources and remuneration policies which may include fair gain-sharing, are key to *high-performance workplaces*. Management and workers' representatives should enable and encourage workers to explore their potential in their own interest and in the interest of business performance. Governments, social partners, and society in general should create a culture of learning and meeting the challenges of change.

23. *Small and medium-sized enterprises* (SMEs) face particular challenges in terms of skills development, such as difficulty in making time available for formal training, reluctance to invest in worker training for fear of losing the workers once they acquire new skills, or lack of resources to invest in skills development. Creating networks of SMEs would help to share information, good practices and pool resources to support skills development. Specific and targeted policies are needed to assist SMEs to retrain and upgrade the skills of their workers. Management training programmes for SMEs that help these entrepreneurs understand the business and social advantages of skills development have proven to be particularly effective in many countries.

24. Outsourcing arrangements are often implemented as a way to better integrate value chains by taking advantage of specialization and enhanced productivity. This is an opportunity for SMEs to use new technology and acquire new skills. This can create job opportunities in ancillary industries. The displacement effects in the initiating firms could be addressed through retraining, job placement services or social protection measures. While outsourcing, basic conditions of employment should be preserved. Outsourcing firms can also coach the suppliers in professionalization of the services and reaching high-quality standards.

25. Poor outsourcing practices cause workers to become trapped in low-skilled and low-productivity jobs that contribute to the deterioration of workers' welfare and working conditions, inconsistent with the Decent Work Agenda. Responsible outsourcing practices require enterprises to work with their contractors or service providers to provide decent work and to create opportunities for training and skills upgrading.

26. *Equal opportunities* should be provided for all to access quality education, vocational training and workplace learning, and especially promoting the needs of under-represented groups in the labour market or those with difficulties in accessing the labour market such as young workers, older workers, workers with disabilities and those who are in atypical employment relationships.

27. Equal opportunities are also crucial for women workers – particularly women rural workers, young women, women with disabilities, and women entrepreneurs – especially those with families who may require flexible policies and consideration to ensure sufficient time for skills upgrading.

28. Evidence shows that sharing the gains of improved workplace productivity strengthens motivation for learning, creates trust and willingness to undertake workplace changes, and provides the means for innovation and investment by enterprises, thus further contributing to higher productivity.

Studies have shown that sharing gains that may be realized through social dialogue, including through collective bargaining agreements, have been effective in this regard.

29. The *role of governments* in supporting skills development at the workplace and along value chains for sustainable enterprises and employment growth should focus on providing an enabling environment for skills development, including but not limited to:

- (a) promotion of a positive lifelong learning culture, skills enhancement and productivity through a strong and consistent policy framework;
- (b) quality assurance of training and certification of skills obtained, so that skills are transferable including skills acquired through informal and on-the-job learning;
- (c) a range of mechanisms and incentives, which may, among others, include financial incentives to encourage and enable enterprises to train their workforce as part of business development, and workers to participate in training, specifically targeting SMEs and low-skilled workers;
- (d) implementation and enforcement of international labour policies and standards, especially respect for freedom of association, the right to collective bargaining and gender equality;
- (e) institutional support for effective social dialogue for skills development at the enterprise, sectoral, national and regional levels;
- (f) identifying and utilizing opportunities for public–private partnerships where these add value to meeting skills development needs of enterprises and workers, and as agreed to by the social partners;
- (g) collection, analysis and effective dissemination of labour market information, including in-demand skills, providing timely and accessible information and a practical referral system on the funding schemes that are available;
- (h) governments also taking a lead by developing the skills of their own workforce;
- (i) coherence between government policies as a particularly important basis for the provision of good early and basic education; and
- (j) alongside business, governments also having a role in providing investment for research.

30. *The social partners* can promote skills development for sustainable enterprise and employment growth in many critical ways, including, but not limited to:

- (a) engaging in effective social dialogue which may include collective agreements signed at the national, sectoral and enterprise levels;
- (b) providing incentives for informal economy operators to invest in skills development as an initial step to transit to the formal economy, including through improved linkages between employers' organizations and SMEs; and promoting policies that give rights to informal economy workers;
- (c) providing, supporting and promoting workplace learning – fostering a learning culture at the workplace which may include provision of paid time off for training;
- (d) promoting entrepreneurship, trade unions and workers' rights awareness in schools and vocational training institutions;
- (e) providing apprenticeships and upgrading the quality of learning and the recognition of skills acquired by apprentices;
- (f) making workplace training accessible to when and where workers are available and making workplace learning and apprenticeship opportunities equally accessible to women;
- (g) leveraging community-based training to reach out to disadvantaged and marginalized groups; and

- (h) having a role in sharing information and good practices on corporate social responsibility, with respect to skills development.

31. *Support from the ILO* for these efforts is particularly important in the following areas:

- (a) research, dissemination of effective models, and technical support in applying good practices to specific country circumstances, for example on effective training incentive schemes and extending workplace learning to men and women on how to facilitate the transition from informal to formal economy activities;
- (b) promoting high-performance workplace practices which focus on training and skills, work organization, gain-sharing and worker participation and social dialogue as essential elements;
- (c) assisting governments and social partners to implement the MNE Declaration, and promote it as a useful tool to promote skills development along value chains, and disseminate examples of how social dialogue on skills development have helped to increase productivity and promote decent work;
- (d) including training in skills development in small enterprise development promotion programmes;
- (e) promoting the ILO Human Resources Development Recommendation, 2004 (No. 195); and
- (f) developing model bilateral and multilateral agreements on certification of skills for employment, through systems for recognition of skills among countries.

### **Skills development to help manage global drivers of change**

32. Skills development should form part of an effective response to changing conditions. Technology and trade have significant impacts on countries whatever their level of development. Climate change may have a similar impact in the future. Technological changes offer the potential for higher productivity and new industries, and have created new jobs with new skills, but have also resulted in job losses and changing skills requirements. Trade policy offers new opportunities and the potential for participating in global value chains, but also poses transition challenges for domestic industries. Climate change is likely to alter patterns of energy use, impacting on how industry conducts its operations and raising demand for new skills across a broad range of agricultural, transportation, manufacturing and construction industries.

33. Other drivers of change, such as migration, demographic trends, and the growing corporatization of agricultural activities, and crises, create similar tensions between displacement of existing jobs and new employment opportunities. What is important is that governments, in consultation with the social partners, develop good active labour market policies and systems, including skills policies as well as sustainable social protection policies which effectively address these challenges as part of a broader proactive and responsive strategy.

34. Managing the global drivers of change effectively means on the one hand, having the capacities needed *to take advantage of opportunities*, and on the other, *mitigating the negative impacts* to facilitate adjustment. Forecasting and skills development strategies are central to meeting both of these challenges. Social dialogue, which may include collective bargaining, is an important means of ensuring that strategies to benefit from change and to mitigate the negative impacts are comprehensive and effective.

35. *Taking advantage of opportunities*. Governments and social partners need to gather and access information, and need the analytical capacity to develop strategies to capitalize on opportunities and the leadership and entrepreneurial skills to drive positive change. The lack of skilled workers is a

critical limiting factor on the ability of countries to grow, enterprises to respond to opportunities and workers to move to better jobs and higher wages. Whereas forward-looking skills policies can help enterprises, society and workers respond positively and benefit from change, for example through:

- (a) early identification of *sectoral trends and skills needs*, including of sectors most likely to be affected by change and sectors most likely to offer substantial growth potential;
- (b) development of occupational and skills profiles as a base for meeting future skills needs in emerging sectors and industries;
- (c) balancing vocational and higher general skills to improve the investment climate, productivity and decent jobs; and
- (d) guiding young people to take up technology-related subjects, including science and mathematics to drive innovation and technological development, whilst also helping workers to develop other creative capabilities.

36. *Mitigating the negative impacts* of change has two aspects: ensuring that workers have a positive transition to new employment, and reducing the social and economic costs imposed by change on workers, enterprises and countries. For workers, a seamless transition to new employment requires that the following mechanisms be in place:

- (a) *skills recognition systems* to recognize and certify prior learning and experiences gained at work so that with transferable skills workers can more easily shift to new jobs, both inside the enterprise and to other occupations and industries;
- (b) *availability of retraining* and skills upgrading by governments or employers and through commitment by workers to lifelong learning by using these opportunities;
- (c) *employment services*, including access to timely labour market information, career guidance and job placement services; and
- (d) *social protection measures*, in combination with active labour market policies, to provide temporary support to workers affected by dislocation and restructuring.

37. *The role of governments* should focus on:

- (a) investing in sound and dynamic education, research and skills training systems that provide core skills and facilitate lifelong learning;
- (b) establishing mechanisms for skills recognition and certification nationally, regionally and internationally, to facilitate mobility of workers;
- (c) investing in worker retraining programmes to ensure that workers are able to upgrade existing competencies and acquire new skills;
- (d) as part of the lifelong learning agenda, providing employment placement services, guidance and appropriate active labour market measures such as training programmes targeting older workers and, where possible, supported by legislation to counter age discrimination and facilitate workforce participation;
- (e) stimulating tripartite social dialogue on the impact of global drivers of change on skills development and employment; and
- (f) providing social protection measures in combination with active labour market policies.

38. *The social partners* should contribute through:

- (a) active participation in developing and implementing training systems to ensure that skills are relevant, flexible and that training is accessible to all;
- (b) mechanisms to motivate and support workers in investing – in terms of effort and commitment – and developing skills, including providing a supportive environment and building the confidence of learners;

- (c) ensuring that the working conditions observe core labour standards and occupational safety and health standards and facilitate productivity and sustainable development;
- (d) launching initiatives to advise the social partners and society on the value of the work and life experience of older workers while providing coordinated packages of age-friendly employment measures, including continuous updating of skills, in particular in new technologies; and
- (e) developing innovative new business ideas which also cater to the use of alternative energies or recycling and meet local or global problems, such as rising water levels, drought and hurricanes.

39. *Support from the ILO* for these efforts is particularly important in the following areas:

- (a) research and facilitation of dialogue at the national, regional and global levels on the employment impact of the main drivers of change and the consequent implications for skills development and employment growth;
- (b) capacity building to help constituents use skills development to take advantage of national, regional and international opportunities; the ILO Training Centre in Turin and the ILO/Inter-American Centre for Knowledge Development and Vocational Training (CINTERFOR) can play an important role in delivering such training;
- (c) analysis and dissemination of findings on effective and equitable cost-sharing arrangements for retraining displaced workers; and
- (d) work with other international agencies and organizations, including UN bodies, to ensure a better alignment with ILO's objectives in dealing with the impact of change on employment.

#### **Early identification of current and future skills needs to feed into national and sectoral development strategies**

40. A mismatch between skills demand and supply has high economic and social costs and results from and contributes to structural unemployment. Early identification of current and future skills needs is part of a forward-looking strategy that reduces skills gaps by:

- (a) adjusting the curriculum of initial education to current and future skills needs;
- (b) enabling training providers to anticipate and forecast what skills are in demand currently and in the medium- to long-term, so as to ensure a better fit between jobs and skills;
- (c) providing pertinent and timely information to all stakeholders in particular to displaced workers as well as those seeking better job opportunities to enable them to shift from declining to emerging sectors;
- (d) helping young persons base their training choices on realistic employment prospects;
- (e) facilitating better-informed investment decisions in training and lifelong learning by employers and workers; and
- (f) assisting enterprises to innovate and adopt new technologies through the timely availability of appropriately skilled workers, upskilling existing workers, and helping workers to remain employable.

41. Effective skills identification and forecasting systems have the following tasks: data collection, skills needs analysis and definition of skills profiles, timely and broad dissemination of this analysis, and informing the formulation of training policies and their translation into training programmes. Relevant information and data analysis should be distributed widely, including to jobseekers, employers' and workers' organizations, public and private trainers, and career counsellors and employment service providers in both the formal and informal economies.

42. Quantitative and qualitative forecasting should be linked to broadly defined national strategies. It is important to track sectors and regions with high growth potential to identify new employment prospects and their skills requirements, as well as to track traditional sectors in decline and the skills profiles of those losing jobs. It is also important to track the quality of skills supply. Further, skills needs analysis should track core skills as well as vocational skills because both change as economies grow.

43. *Government* responsibilities for skills identification includes coordination, resourcing, developing policies, processes and institutions that:

- (a) sustain labour market information systems in dialogue with the social partners;
- (b) conduct regular labour market research and establish mechanisms for skills forecasting;
- (c) undertake quantitative forecasting of skills through labour force and establishment surveys, and administrative data, in particular from training institutions and employment services;
- (d) collect qualitative data from both the formal and informal economies through, for example, local business councils, trade unions, employer organizations, stakeholder panels and feedback mechanisms between employers and local trainers;
- (e) stimulate cooperation and networking between educational institutions and companies;
- (f) take into account macroeconomic, technological and demographic trends;
- (g) check and ensure in consultation with social partners that training curricula are up to date in meeting both quantitatively and qualitatively, the current and future skills needs and use the information to monitor the performance and set outcomes for training institutions;
- (h) develop job profiles that can be used as the basis for curriculum and quickly adapted to meet changing industry requirements; and
- (i) arrange collaborative data collection and analysis as part of regional integration alliances.

44. *Social partners'* contributions to skills forecasting includes, but is not limited to:

- (a) using sectoral bodies, bipartite and tripartite institutions and local networks of enterprises and workers' organizations as well as training institutions to facilitate a continuous process of updating information on skills requirements;
- (b) analyse the impact on future skills of emerging technologies;
- (c) signal skills needs and job profiles through interchanges between enterprises and learning institutions;
- (d) help in assessing new opportunities for workers whose skills sets may be affected by change; and
- (e) engage in social dialogue at the enterprise and sectoral level to exchange information about business forecasts and to voice employers' and workers' training needs and aspirations.

45. *The ILO can assist* the member States by:

- (a) sharing models of effective and cost-efficient approaches to forecasting skills needs from different countries;
- (b) assisting countries, particularly developing countries, in establishing and improving labour market information systems and employment services; and
- (c) building national capacity for research on skills supply and demand dynamics, and stimulating international cooperation in this respect.



## **Linking education, skills development, labour market entry and lifelong learning**

46. Countries have different levels of education and skills development, and face different sets of challenges in building coherent pathways of learning that link basic, secondary and higher education, vocational training, labour market entry and lifelong learning. Ensuring quality basic education and core skills (refer to discussion in 6(b)) for all should be an overriding priority for governments. Governments and social partners should aim at developing an integrated national qualifications framework to facilitate the pathways of learning for all workers throughout their working lives which should include both horizontal and vertical progressions.

47. Transition between stages of learning and entry into the labour market is facilitated by career counselling and guidance, the recognition of prior learning, incorporating entrepreneurship with training and effective skills forecasting and wide dissemination of labour market data analysis. These measures are particularly important to improve the employability of youth and other target groups. In many countries higher secondary and tertiary education rates have not resulted in higher employment in work of higher productivity for a substantial portion of young people, because they may lack competencies relevant to labour market needs. These measures should not be pursued in isolation but should be part of the national development agenda, focusing on skills development and employment growth.

48. Special support mechanisms are often needed to facilitate the participation of *women* in all stages of skills development – from primary and secondary school attendance, to opportunities for formal vocational training and competency-based apprenticeships, to taking part in workplace training opportunities and in opportunities for retraining when re-entering work. From a life cycle perspective, gender equality and improving productive and decent work for women, each step along the learning pathway has obstacles. Attention to gender issues, such as balancing work and family responsibilities, avoiding discrimination, and recognizing the value of skills acquired through care-giving responsibilities, is required in both mainstream training promotion and in programmes that specifically target women.

49. *Improved coordination* needs to be promoted at multiple levels in order to make a seamless pathway between education, training, lifelong learning and employment. Such coordination measures should also include consultation with the social partners:

- (a) At the *national level*, inter-ministerial coordination platforms are critical for concerted actions and coordinating education and skills development programmes offered by various ministries within the country. Coordination between ministries of education and labour as well as ministries of science and of technology and other relevant ministries are particularly essential to facilitate smooth transition from initial education and training to lifelong learning and also with the economic agencies to help with skills identification and forecasting.
- (b) The coordination between the different levels of government as relevant is equally essential. Here the challenges are to maintain a balance between decentralized authority in order to be responsive to local labour market needs and quality assurance and standards so that qualifications receive national recognition, as well as to structure effective incentive schemes for training.
- (c) At the *local level*, the coordination and cooperation among municipalities, enterprises, employers' and workers' organizations and training providers can significantly contribute to aligning training to the needs of the local labour market. This coordination is also essential for incorporating skills development in broader and long-term local development strategies.
- (d) At the *regional level* there should be coordination between countries and between professional organizations and other relevant related bodies for

recognition of skills so as to promote mobility within the region. Regional compatibility of the national frameworks is a possible point of attention.

- (e) At the *international level*, collaboration among international agencies is required for coherent aid delivery and effectiveness for developing countries to meet the Millennium Development Goals (MDGs) especially MDG (2) on education.

50. *Coordination mechanisms* that have been found effective in a number of countries include:

- (a) national inter-ministerial coordination bodies;
- (b) sector-based bodies comprising employers' and workers' representatives, business associations, and specialized learning and research institutions for sharing information about skills demands and training quality to improve planning and the delivery of training;
- (c) collaboration between enterprises and learning and research institutions, in particular for meeting skills demands and encouraging innovation for emerging high value added sectors;
- (d) a national qualifications framework as a platform for dialogue between education and training practitioners, government, employers and workers to make skills development more responsive to changing needs, to link initial, continuing education and lifelong learning, and to ensure the wide recognition and transferability of qualifications; and
- (e) as part of regional integration, inter-country ministerial coordination mechanisms to promote skills recognition and labour mobility.

51. While mechanisms and processes are important, the effectiveness of such mechanisms should be *assessed in terms of outcomes*. Setting qualitative and quantitative indicators of success in achieving the educational and training targets in line with the Decent Work Agenda are useful in building common understanding of success, shortcomings, and lessons learnt.

52. *Governments* have prime responsibility for:

- (a) ensuring quality basic education and core skills for all;
- (b) establishing national and interregional qualifications frameworks in consultation with social partners;
- (c) building a common understanding with the social partners on the means to boost investment in portable and transferable skills that smooth transitions from school to work, and from declining to dynamic occupations and sectors;
- (d) enabling vocational training and higher education institutions to recognize prior learning and experience as a factor to assist entry into vocational and higher education and employment; and
- (e) setting up national, regional and sectoral tripartite committees to monitor the coordinated implementation of training systems to ensure higher quality outcomes.

53. The *social partners* have a particularly important responsibility:

- (a) in coordinating mechanisms that aim to ensure smooth passages from education, to training, to the world of work;
- (b) in providing and taking advantage of workplace learning opportunities for facilitating a smooth transition from school to work as well as from declining to emerging sectors;
- (c) in supporting and facilitating lifelong learning including through collective bargaining agreements;
- (d) in encouraging public-private partnerships to share investment in research and development; and
- (e) in identifying, in cooperation with governments, sources for long-term and sustainable funding for continuous learning.

54. The *ILO* can assist the member States by:

- (a) investigating innovative ways to boost investment in general and transferable skills and consulting with governments and social partners on their adaptability to circumstances in all countries;
- (b) facilitating collaboration with other UN agencies by leveraging its tripartite strength to ensure a coherent delivery of development assistance at the country level, particularly under the “Delivering as One” framework for inter-agency coordination;
- (c) facilitating collaboration with other international agencies dealing with skills development, education and lifelong learning; and
- (d) strengthening inter-agency ties at the headquarters level through joint research, impact assessments, and tool development that builds on individual UN agency strengths.

### **Skills development for social inclusion of target groups**

55. Access to education and training is of paramount importance for those who are disadvantaged in society to support them in moving out of the vicious circle of low-skills, low-productivity and low-wage employment. It is important to recognize that some face multiple sources of disadvantage, which pose particular challenges. Removing barriers for access to training and education, and addressing their specific needs, are thus essential for achieving social inclusion and equality. Policies aimed at addressing discrimination in the labour market should be an integral part of an effective skills development strategy.

56. Education and training infrastructure is particularly scarce in *rural areas* and thus the problem of access to education and training is most acute in rural areas. In rural areas, the three goals are to expand infrastructure and availability of skills development, create more employment, while also improving the quality of education and training. Promoting positive attitudes to skills development in rural areas is also of central importance.

57. Expanding the outreach of national training institutions to rural areas should be combined with innovative approaches, such as:

- (a) community-based training, in which training is provided in line with economic and employment opportunities of local areas;
- (b) distance learning by using information and communication technologies (ICT);
- (c) mobile training, which brings training closer to people;
- (d) emphasis in cooperatives on technical and entrepreneurship skills development; and
- (e) labour-based methods to improve rural infrastructure which provides training in construction, maintenance, and public contracting.

58. A diversified training system is an important mechanism for assisting rural workers to acquire and upgrade technologies; integrate into global value chains and serve local markets; improve entrepreneurship, agricultural productivity and access to markets as well as develop off-farm activities which can supplement incomes.

59. Efforts to boost skills development in rural economies need to be integrated into overall efforts to improve access of rural workers to social security schemes and to ensure the realization of their rights. Boosting skills development contributes to upgrading the local economy and product-specific value chains, which in turn generate demand for skills upgrading.

60. In the *informal economy*, skills development can contribute to improving productivity and working conditions while at the same time might help to address the challenges facing workers in the informal economy, as agreed in the conclusions concerning human resources training and development (ILC, 2000). A number of strategies can be used to develop skills to this effect:

- (a) *diversified training and skills provision*, ranging from literacy, remedial basic education, technical and vocational skills to managerial and entrepreneurship skills;
- (b) *a modular approach* to training, which divides long-term training into a set of short-term courses, improves access to training for those who cannot afford the time and expense of long-term training. The scheme assists people to learn at their own pace and based on their own needs;
- (c) *recognition of skills* acquired at work in the informal economy supports the integration of workers into the formal economy; and
- (d) the cost burden of participating in training cannot be underestimated. Innovative ways of sustaining the cost burden should be explored, given that many informal economy workers would find difficulty in contributing directly to costs.

61. Strengthening the skills base of the informal economy is part of the overall development effort to improve current conditions as well as facilitate the formalization of informal activities. Social protection and health care, respect for workers' rights, an efficient regulatory framework for business, and linkages between enterprises in the formal and informal economies also assist the formalization processes.

62. Skills development is a primary means of enabling *young people* to make a smooth transition from school to work. A large number of youth struggle to find productive employment due to low demand for or lack of recognition of their skills as well as lack of training opportunities.

63. A comprehensive approach is required to integrate young women and young men in the labour market, including the provision of relevant and quality skills training, the availability of labour market information and of career guidance and employment services. Improved basic education and core work skills are particularly important to enable youth to engage in lifelong learning as well as to enter the labour market. It is also important that adults who missed out on basic education and core work skills are given opportunities to redress this.

64. Apprenticeships, cadetships, traineeships and internships are effective means of bridging school and the world of work for young people by making it possible for them to acquire work experience along with technical and professional training. This helps overcome their lack of work experience when trying to get a first job.

65. Special and innovative programmes need to be further explored to meet the specific needs of disadvantaged groups of young people, such as providing school drop-outs with the "second chance" to obtain basic literacy and numeracy skills, special programmes aiming to increase school attendance by girls so that they are qualified for work training, and hiring incentives for labour-market entrants to overcome their potentially lower productivity at the initial stages.

66. Training and skills development assist greater *integration of people with disabilities* in the labour market. While sheltered workshops could build competencies and self-confidence and thus support a transition to the mainstream labour market, integrating people with disabilities into mainstream workplaces is a better approach, whenever possible. Incentives such as tax reduction, reduction of contributory costs of social insurance and assistance in workplace modifications can encourage enterprises to employ people with disabilities.

67. Improved portability of skills, supported by national and/or regional or international qualification frameworks, helps *migrant workers* obtain employment commensurate with their qualifications and expertise. Regional qualifications frameworks and regional cooperation for mutual recognition of qualifications create a favourable condition for facilitating labour mobility and portability of skills.

68. Extra attention should be paid to the situation of workers in atypical employment relationships who are often excluded from vocational training and on-the-job training facilities.

69. *Governments* have the prime responsibility in consultation with social partners for social inclusion and for assuring that groups with special needs have adequate access to appropriate skills development for productive and decent work. Appropriate measures include:

- (a) provision of basic skills, including literacy and numeracy, to all;
- (b) incorporating skills development in rural infrastructure investment and other means of upgrading the agricultural sector;
- (c) establishing inter-ministerial mechanisms to respond to the question of skills development related to migration and workers with atypical employment relationships;
- (d) providing incentives for employers to hire persons with disabilities and from other disadvantaged groups. These could include, for example, tax incentives, reduced social protection contributory costs and subsidies for workplace modifications for people with disabilities;
- (e) identifying and utilizing opportunities for public–private partnerships where these add value to meeting skills development needs of enterprises and workers, and as agreed to by the social partners;
- (f) as an additional incentive to join the formal economy, offering access to subsidized training to SMEs in the formal economy; and
- (g) likewise, directing training at SMEs in the informal economy to provide them an avenue to formal work.

70. *Social partners* should promote skills development of target groups by:

- (a) supporting the integration of people with special needs into the labour market;
- (b) offering a variety of workplace experiences to young people; and
- (c) considering effective funding arrangements to overcome specific disadvantages in accessing initial training and lifelong learning.

71. The *ILO* can assist the member States by:

- (a) undertaking research on effective approaches to skills development in the informal economy, which should include special focus on women;
- (b) within the ILO Multilateral Framework on Labour Migration (2005), developing strategies for providing skills development to migrant workers, for regional skills recognition schemes, and to promote circular migration and other measures to address and reverse the impact of brain drain;
- (c) proposing strategies for skills development for workers in atypical employment relationships and for including persons with disabilities in mainstream training and employment promotion programmes;
- (d) documenting and disseminating good practices in promoting skills and decent work for different target groups by reflecting the rich experiences of the member States;
- (e) assessing the impact of national youth employment promotion strategies and of the contributions of their skills development components; and
- (f) developing strategies for extending the availability and improving the quality of skills development provision in rural areas in line with the strategic orientations of the conclusions to the general discussion on promotion of rural employment for poverty reduction (ILC, 2008).

## V

### **Resolution concerning the Financial Report and Audited Financial Statements for 2006–07 \***

The General Conference of the International Labour Organization

Decides, in accordance with article 29 of the Financial Regulations, to adopt the Financial Report and Audited Financial Statements for the Seventieth Financial Period (2006–07).

## VI

### **Resolution concerning treatment of net premium earned \***

The General Conference of the International Labour Organization,

Noting that the operation of the Swiss franc assessment system has resulted in a net premium earned of 32,270,415 Swiss francs in the 2006–07 biennium,

Decides, in derogation of article 11.5 of the Financial Regulations, to transfer the full amount of the net premium earned amounting to 32,270,415 Swiss francs to the Building and Accommodation Fund, and that the one-half share of the net premium earned during 2006–07, amounting to 16,135,207 Swiss francs, that would have been distributed to member States through the Incentive Fund, be recognized as a payment made in advance by each member State for their respective share of future assessments that may be made upon them for the purposes of renovating the headquarters building.

## VII

### **Resolution concerning the scale of assessments of contributions to the budget for 2007 \***

The General Conference of the International Labour Organization

Decides that, in accordance with the established practice of harmonizing the rates of assessment of ILO Members with their rates of assessment in the United Nations, the contribution of the Marshall Islands to the ILO budget for the period of its membership in the Organization during 2007 and for 2008–09 be based on an annual assessment rate of 0.001 per cent.

## VIII

### **Resolution concerning the arrears of contributions of Comoros \*\***

The General Conference of the International Labour Organization,

Having regard to paragraph 7 of article 10 of the Financial Regulations,

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\* Adopted on 11 June 2008.

\*\* Adopted on 10 June 2008.

1. Accepts the arrangement proposed by the Government of Comoros for the settlement of its arrears of contributions due for the period 1981–2007 to the effect that:

- (a) in 2008, the Government of Comoros will pay in full its contribution for the year 2008;
- (b) in subsequent years, the Government of Comoros will continue to pay its current contribution in full in the year for which it is due;
- (c) the Government of Comoros will settle arrears that have accumulated up to and including 31 December 2007, amounting to CHF518,849, by payment, beginning in 2009, of nine annual instalments of CHF51,885 and a final instalment of CHF51,884;

2. Decides that Comoros shall be permitted to vote, in accordance with paragraph 4 of article 13 of the Constitution of the International Labour Organization, after the conclusion of the present business.

## IX

### **Resolution concerning the arrears of contributions of the Central African Republic \***

The General Conference of the International Labour Organization,  
Having regard to paragraph 7 of article 10 of the Financial Regulations,

1. Accepts the arrangement proposed by the Government of the Central African Republic for the settlement of its arrears of contributions due for the periods 1995–2000 and 2004–07 to the effect that:

- (a) in 2008, the Government of the Central African Republic will pay in full its contribution for the year 2008 and an amount of CHF7,500;
- (b) in subsequent years, the Government of the Central African Republic will continue to pay its current contribution in full in the year for which it is due;
- (c) the Government of the Central African Republic will settle remaining balance of arrears that have accumulated up to and including 31 December 2007, amounting to CHF122,880, by payment, beginning in 2009, of 15 annual instalments of CHF8,192;

2. Decides that the Central African Republic shall be permitted to vote, in accordance with paragraph 4 of article 13 of the Constitution of the International Labour Organization, after the conclusion of the present business.

## X

### **Resolution concerning the arrears of contributions of Iraq \***

The General Conference of the International Labour Organization,  
Having regard to paragraph 7 of article 10 of the Financial Regulations,

1. Accepts the arrangement proposed by the Government of Iraq for the settlement of its arrears of contributions due for the period 1988–2007 to the effect that:

- (a) in 2008, the Government of Iraq will pay in full its contribution for the year 2008;

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\* Adopted on 10 June 2008.

- (b) in subsequent years, the Government of Iraq will continue to pay its current contribution in full in the year for which it is due;
- (c) the Government of Iraq will settle arrears that have accumulated up to and including 31 December 2007, amounting to CHF6,095,399, by payment, beginning in 2008, of 19 annual instalments of CHF304,770 and a final instalment of CHF304,769; and

2. Decides that Iraq shall be permitted to vote, in accordance with paragraph 4 of article 13 of the Constitution of the International Labour Organization, after the conclusion of the present business.

## XI

### **Resolution concerning the arrears of contributions of the Solomon Islands \***

The General Conference of the International Labour Organization,  
Having regard to paragraph 7 of article 10 of the Financial Regulations,

1. Accepts the arrangement proposed by Solomon Islands for the settlement of its arrears of contributions due for the period 1999–2007 to the effect that:

- (a) in 2008, the Government of Solomon Islands will pay in full its contribution for the year 2008;
- (b) in subsequent years, the Government of Solomon Islands will continue to pay its current contribution in full in the year for which it is due;
- (c) the Government of Solomon Islands will settle remaining balance of arrears that have accumulated up to and including 31 December 2007, amounting to CHF32,041, by payment, beginning in 2008, of nine annual instalments of CHF3,205 and a final instalment of CHF3,196;

2. Decides that Solomon Islands shall be permitted to vote, in accordance with paragraph 4 of article 13 of the Constitution of the International Labour Organization, after the conclusion of the present business.

## XII

### **Resolution concerning the Statute of the Administrative Tribunal of the International Labour Organization \*\***

The General Conference of the International Labour Organization,

Aware of the value of clarifying, in article V of the Statute of the Administrative Tribunal of the International Labour Organization (“Statute”), that the Tribunal is competent to decide whether to hold an oral hearing,

Noting that the Governing Body of the International Labour Organization has approved the text of a draft amendment to article V of the Statute,

Adopts the amendment to article V of the Statute of the Administrative Tribunal of the International Labour Organization, as follows:

Insert the following sentence at the beginning of article V: “The Tribunal, at its discretion, may decide or decline to hold oral proceedings, including upon request of a party.”

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\* Adopted on 10 June 2008.

\*\* Adopted on 11 June 2008.



### **XIII**

#### **Resolution concerning the composition of the Administrative Tribunal of the International Labour Organization \***

The International Labour Conference

Decides, in accordance with article III of the Statute of the Administrative Tribunal of the International Labour Organization, to renew the term of office of Ms Mary G. Gaudron for three years.

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\* Adopted on 11 June 2008.

## CONTENTS

	Page
I. Resolution on strengthening the ILO's capacity to assist its Members' efforts to reach its objectives in the context of globalization.....	1
II. Resolution concerning promotion of rural employment for poverty reduction .....	2
III. Resolution concerning the ILO's and the tripartite constituents' role in tackling the global food crisis.....	22
IV. Resolution concerning skills for improved productivity, employment growth and development.....	23
V. Resolution concerning the Financial Report and Audited Financial Statements for 2006–07 .....	38
VI. Resolution concerning treatment of net premium earned .....	38
VII. Resolution concerning the scale of assessments of contributions to the budget for 2007.....	38
VIII. Resolution concerning the arrears of contributions of Comoros.....	38
IX. Resolution concerning the arrears of contributions of the Central African Republic .....	39
X. Resolution concerning the arrears of contributions of Iraq.....	39
XI. Resolution concerning the arrears of contributions of the Solomon Islands.....	40
XII. Resolution concerning the Statute of the Administrative Tribunal of the International Labour Organization .....	40
XIII. Resolution concerning the composition of the Administrative Tribunal of the International Labour Organization .....	41