



## Seventh sitting

Thursday, 11 June 2009, 10 a.m.

*Presidents: Mr Allam, Mr Palma Caicedo*

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

*Original Arabic:* The PRESIDENT (Mr ALLAM)

Today we will continue the general discussion of the Reports of the Chairperson of the Governing Body and of the Director-General.

*Original Chinese:* Mr XU (*Worker, China*)

The global financial crisis, caused by the credit crunch in the United States and rarely seen in history, has continued to impact all countries across the world. This critical situation has triggered employment and social repercussions. The ILO and all its member States have adopted measures to address the global crisis. The Director-General's Report, *Tackling the global jobs crisis: Recovery through decent work policies*, has provided a good foundation for our discussions at this Conference.

To respond to the current financial crisis, the Chinese Government has made timely adjustments in its macroeconomic policies and introduced a stimulus package to boost domestic demand, promote economic growth, create employment opportunities, and improve people's lives. The people's trade unions have always put workers at the centre of all their activities and made relentless endeavours in the following fields.

First, maintaining economic growth and promoting social progress. Chinese workers have always assumed a leading role in boosting national development and Chinese trade unions have launched nation-wide mobilization campaigns to contribute to economic development, as well as energy conservation and emission reduction.

Second, promoting social compacts and enhancing industrial peace. The Chinese trade unions are vigorously promoting social compacts with employers as part of efforts to promote corporate development and to safeguard workers' rights. We urge enterprises to perform their social responsibility by making no cuts in jobs and wages, and no pay arrears. We also encourage workers to work with employers through this hard time, as it is in the interests of both workers and enterprises.

Third, facilitating employment generation and improving people's lives. The Chinese trade unions have adopted a national action plan to offer employment assistance to hundreds of millions of rural migrant workers. We have also launched a "Sunshine Employment Project" for university graduates from poor workers' families, and helped nearly 100,000 such graduates find jobs. In addition, we

have provided entrepreneurship training, micro-credit, employment exchanges, and financial assistance to poor workers.

Fourth, developing training programmes and improving workers' employability. The Chinese trade unions have developed comprehensive programmes to improve workers' overall competencies. The All-China Federation of Trade Unions (ACFTU) has organized training programmes in 2000 training institutions for workers throughout the country, and has established 12 skills training demonstration bases for rural migrant workers and 113 employment training bases to enhance the employability of workers.

This is a global challenge. To tackle this crisis calls for the confidence, cooperation and responsibility, as well as the joint actions, of all countries and the international community. I, hereby, wish to make the following proposals.

First, promote economic growth and achieve common development. This financial crisis has brought great hardship and serious consequences to the working people of all countries, especially the developing countries. To achieve sustainable development, we must boost economic growth. The developed countries should assume their responsibilities, with more active measures to open up their markets and increase their development aid and technology transfer to developing countries, driven by a common goal.

Second, protect workers' rights and realize decent work. The Chinese trade unions believe that, at this time of crisis, it is more than ever imperative to put workers first. We should pay more attention to the livelihood of workers and provide serious protection of their rights. At this juncture, all countries should adopt more active employment policies and take concrete measures to secure workers' right to employment. At the same time, we should step up efforts to protect workers' wages, raise social security levels, improve occupational safety and health conditions, safeguard workers' labour and economic rights, and promote the realization of decent work.

Third, strengthen social dialogue and join together through the crisis. The trade unions of different countries, on workers' behalf, should promote social compacts with employers in the response to this crisis. Trade unions should urge employers to maintain jobs, pay wages and social security contributions on time and in full, and provide skills training to workers during times of underproduction. The social partners should make continuous efforts to promote social dialogue and settle labour disputes

through consultations in order to build up harmonious labour relations and show support in the crisis.

Fourth, deepen exchanges and cooperation to produce win-win results. Efforts must be made to ensure that developing countries have more say and greater participation in tackling the global crisis and share good practices and experience in this regard. All countries should adopt open and cooperative attitudes, pursue a win-win situation, combat all forms of protectionism, convert crisis into opportunity, and create conditions for world economic recovery.

Over the past 90 years since its establishment, the ILO has played an important role in defending world peace, promoting common development and materializing social justice. The Chinese trade unions will, as always, work in a responsible and constructive way with the working people and trade unions of all countries for the lofty causes of peace, development, cooperation and workers' rights and a better future for the world of work.

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*Original Spanish: Mr LACASA ASO (Employer, Spain)*

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It is a great pleasure for me to be able to address the plenary of this Conference on behalf of the Spanish employers.

The ILO is an organization which I know and in which I believe. I firmly believe that the ILO is able to provide forums for dialogue and that it can help us come up with solutions to the current problems affecting the whole world and the world of work.

We are in a crisis at the moment, which is both global and economic. It is having serious repercussions in terms of jobs, and my country is particularly affected by it. The agenda of this Conference has been changed, very sensibly, so as to allow us a very important and necessary debate on the crisis. I will make just make four points about it.

We, the Spanish employers, continue to believe in the benefits of the free market. We are aware of the difficulties involved in combating social inequality, particularly in developing countries and especially in times of crisis. But our experience has shown us that the best way to generate and distribute wealth is to have well-founded economic growth on the basis of sustainability and that this is linked to the free market.

We have to develop social protection mechanisms, which can help us bring about greater social cohesion. However, it is important that we do not forget that the social protection systems which have been most successful are those which have been created on the basis of industrial and economic development.

Secondly, I would also like to bring up a point which is just as important, namely that globalization is not the cause of social inequality, which unfortunately persists in many parts of the world. On the contrary, we continue to believe that well-managed economic integration can generate high levels of affluence and employment, as has been shown by the experience of many countries, my own included.

It is therefore vital for us to be fully aware of the social progress that can come from opening markets. To return to protectionism or interventionism would, we believe, be a step backwards and would delay our emergence from this crisis. Where undue interference threatens, we cannot emphasize enough the importance of individual freedom, free enterprise, and the promotion of the entrepreneurial spirit. Only in this way will we be able to bring

about social progress and eliminate inequalities and poverty.

As I said earlier, we are concerned not only at the immediate effects of this crisis, but we are also concerned about our ability to create jobs after it. Any recovery is going to depend on how we can adapt our labour systems to the new situation. We could have a plan of action for employment, a Global Jobs Pact, which lays down guidelines for global action to tackle the crisis. The added value of working together in a coordinated fashion at international level can be vital. Nevertheless, we have to make sure that the basis of this plan is properly constructed and that it really responds to the real needs of our economies.

We should not forget that sustainability of public financing is the basis for lasting growth. Unfortunately, there are too many examples of losing ground in social terms because of indebtedness, or because people are doing non-productive work.

I would like to finish by stressing the importance of social dialogue as a means for bringing about economic recovery. We in Spain have a long tradition of consultation between the employers' organizations, the trade unions and the Government, and at times of crisis such as this, it is important that we make particular efforts so that we can maintain that social dialogue. We believe that by so doing we can really help to create social peace and stability, and this is vital so that we can attract investment and create more jobs.

We also believe, however, that this can and must be a means for constantly adapting the standards that we are setting. This calls for an open-minded and constructive approach so that we can deal without preconceived notions with the challenges facing us in the current situation. And a degree of maturity is also required, so that we can shoulder the responsibilities that fall to us.

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*Mr STØRE (Minister of Foreign Affairs, Norway)*

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I commend the Report by the Director-General which is before the Conference.

Ninety years after the ILO arose from the ashes of the First World War, it has taken another crisis of historic proportions to bring this Organization to the centre stage of international affairs. That is where it belongs, because international affairs ultimately deal with the interests of people, and decent jobs matter to the lives and self-esteem of all of us.

We are learning day by day that no serious economic, social and labour market challenge can be tackled at the national level alone.

We have learned how greed and mismanagement anywhere can be a threat to working men and women everywhere. In response, collective and more coherent international action is needed across institutional barriers.

Within the limited time available, I would like to make three points.

First, let the market be a good servant, but let it not be a dominant ruler. Nine months after the fall of Lehman Brothers, it is now abundantly clear that the root cause of this crisis is not to be found in the US subprime mortgage markets alone. There were other global imbalances, particularly in trade and finance, which caused the fire to flare up. In short, we also witnessed a change in the balance of power of labour markets.

While supply and demand are important for market outcomes, so is the regulation of rights and obli-

gations. As we know from long-standing experience in my country, the effective promotion and protection of workers' rights are crucial in order to ensure fair and sustainable incomes and outcomes in the labour market, and thus creating an effective economy.

Globalization, driven by the twin revolutions of technology and deregulation, led to a welcome integration that included major emerging economies. True, this process helped to lift millions out of poverty and into work. The result, however, was a rapid increase in the global supply of labour, and in many countries a significant shift in the balance of power between labour and capital – in favour of the latter. This trend was reinforced by insufficient regulation of labour markets, including the failure to promote and protect workers' rights.

As a result, while globalization provided millions with jobs and income, there was a huge gap between their earnings and their social rights, and a great leap in global profits during the same period.

Today it is easy to conclude that such a state of affairs could not last. This form of deregulated globalization was neither morally acceptable nor politically or economically viable. Now is the time to learn to look ahead, seeking an appropriate and necessary consensus on the way forward.

This brings me to my second point. The ILO and the Decent Work Agenda are tailor-made to help protect the livelihoods of ordinary people from casino capital and misguided markets. Although there are still too many people working in the informal sector, formal employment is the most important source of livelihood and dignity for the vast majority of people everywhere.

The ILO Declaration on Social Justice for a Fair Globalization adopted last June sent a strong message: neglecting workers' rights – either as a strategy for implicit protectionism or to improve competitiveness – is neither acceptable nor wise, if the goal is to build a dynamic and modern economy.

History has all the necessary lessons. Those countries that invest in human capital and treat working people – women and men alike – as key resources are the ones that prevail. Workers' rights and labour standards are vital for real democracy and self-determination.

In ILO terms, social dialogue – tripartism of workers, employers and governments – fosters co-operation and the legitimacy of economic policy at the national and international levels. The evidence is compelling: wise and negotiated schemes for social protection lift the burden of adjustment from the individual worker or company to society at large. In other words, the ILO and all of us gathering to support its agenda hold a key to maintaining an open world economy. We look forward to the high-level discussions next week on the ILO Global Jobs Pact, which aims at promoting job creation and social protection as the way forward.

My third point is this: governments, in a broad dialogue with the stakeholders of the international economy – employers and employees alike – must take the lead role in ensuring that the international community does not repeat the mistake of ignoring the ILO and its important messages.

Based on the ILO Declaration on Social Justice for a Fair Globalization and our own experiences in Norway, my Government launched a seven-point strategy to strengthen workers' rights worldwide.

Last September, I hosted an international conference in Oslo, together with the leaders of Norway's social partners, trade unions and business leaders. The ILO Director-General, Mr Juan Somavia, and the World Trade Organization (WTO) Director-General, Pascal Lamy, were among the 250 participants, from more than 30 countries, who came together to discuss the groundbreaking ILO Declaration on Social Justice for a Fair Globalization. At the conference, we pledged an extra effort to promote women's economic empowerment, in the context of the MDG 3 Torch campaign initiated by Denmark.

In short, efforts to improve the situation for women in the labour market must continue to be strengthened, and not undermined, during the ongoing financial crisis.

So let me conclude, as we did in Oslo last fall, that key to our success on this agenda is to secure better coherence across all relevant institutions. There must be better consistency in terms of policy emphasis from governments and institutions. What we preach at the ILO must be consistent with what we preach at WTO, the International Monetary Fund and the World Bank, and vice versa. We need relevant forums to ensure such coherence, both at national and international levels, because coherence cannot be partial – that would be a contradiction in terms.

A coherent approach to the Decent Work Agenda not only concerns matters of labour and trade. It is also relevant for all the pressing global issues, such as human rights and our fight against climate change.

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Ms CHARALAMBOUS (*Minister of Labour and Social Insurance, Cyprus*)

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First of all I would like to congratulate the Director-General of the ILO, Mr Somavia, for the quality of his Report, which is both apt and crucial, given the challenges confronting us.

After several years of favourable growth, during the last six months we have witnessed the economic crisis causing a rapid deterioration of the world economy, which is currently facing the biggest global economic downturn since the Great Depression of 1929.

The effects of the economic crisis are visible at both the national and international levels. Lower growth rates in many countries, a reduction in international and domestic product demand, lack of liquidity and difficulties in financing and a radical increase in unemployment are the elements that characterize the current economic and social environment.

The economic crisis and its consequences need to be addressed in an effective, collective and socially responsible manner by governments and social partners at both the national and international levels. In dealing with the crisis, we must at the same time take decisions and promote actions that will prevent similar future occurrences. It is obvious that we need to restore the balance between the real productive economy and the capital stock.

We also need to strengthen the supervisory framework, recognizing that self-regulation of the economy and the market is not enough. Current conditions demonstrate now, more than ever before, the interaction between economies and dictate the need to work systematically and concretely towards a fair globalization.

The main issue is not only the period that is needed to overcome the crisis. The main issue is also the effect that this crisis will have on ordinary people. We must set a common goal to overcome the crisis with no social impact and without aggravating economic inequalities at the national and global levels. The adherence of all of us to the objectives of decent work is crucial and essential in fulfilling this task.

Even though Cyprus has not been severely hit by the crisis, we remain constantly alert. In February 2009 an Emergency Action Plan was introduced by the Government, which contains targeted measures that aim to maintain the economic growth of the economy and the high employment rate and support those groups of the population who are at risk of being affected by the crisis. In the area of employment, the measures include the establishment of a monitoring mechanism for assessing the developments in the labour market, the intensification of the support provided by the Public Employment Services (PES) for facilitating transitions in the labour market, the promotion of emergency training programmes for people who become unemployed due to the crisis and the setting up of an inspection mechanism for fighting illegal employment.

Sustaining full employment through lifelong learning programmes aimed at underemployed workers in businesses striving to survive, instead of encouraging cut-offs from working hours and substituting them with unemployment benefits, is a more acceptable option for the Cyprus Government. We believe that safeguarding the fundamental rights of workers, combating precarious work with unfavourable terms and conditions of employment and finding ways to avoid wage deflation, while at the same time sustaining enterprises and preventing job losses is a difficult task, but an essential part of a comprehensive strategy. As a Government, we remain committed to the values of tripartite cooperation and social dialogue, which are essential components in the successful management of the impact of the crisis at the national and global levels.

As the Director-General underlines in his Report, our attempts to reverse the crisis and our efforts to speed up recovery require a global approach. A Global Jobs Pact definitely brings together the key policy options for boosting employment, broadening social protection and enhancing social security, when crafting national recovery policies. Of course, it cannot be a "one-size-fits-all" solution but it can provide viable options for national decision-making.

Despite the diversity and differences that occur in each country, the main issue we need to focus on is common. This global economic crisis concerns all of us. The devotion of both governments and social partners to the principles of social solidarity, respect for labour rights and the principle of equality are paramount and are essentially the guidelines that will help us come out of the crisis.

We should not allow the crisis to result in winners and losers. We must concentrate on overcoming the crisis without adding new inequalities to our society.

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Ms SUNDNES (*Worker, Norway*)

Congratulations on the comprehensive and visionary Report presented to this year's Conference: it gives a good overview of the crisis and the situations around the world. My only concern with the Report is the relatively limited focus on women and

gender equality. There is a slowdown in the economy and women are the first to suffer. It is of the greatest importance that trade unionists, employers and governments should bear that in mind when decent work strategies and recovery packages are being worked out.

It is also important to remember that this crisis is not being driven by competition, but by lack of demand. Cutting wages is, therefore, the wrong medicine. Cutting workers' wages could, in fact, worsen the crisis. When people do not have money, consumption falls, which will lead to a decrease in governments' tax income.

Major income and wage differences remain prevalent and there has been a general fall in the wage share of gross domestic product, even though we have seen major growth in productivity.

The answer is certainly not to go into a downward spiral by lowering wages. History shows us that is no solution. I firmly believe that governments must seriously take responsibility for their national economic strategy and policy, including a proper level of income for workers and enforcing the collective bargaining system.

Employers must be aware of their responsibility to create healthy businesses, contribute to robust societies, and realize the strong links between increased productivity and wages, and the importance of strong social dialogue and collective bargaining.

Both employees and trade unions must give the highest priority to the equal pay problem. We cannot afford years of hard work for equal pay being undermined and reversed during the crisis.

I would like to share with you the wage discussion we had in Norway as a result of the crisis, which was provoked by a greedy and irresponsible financial sector. We have decided not to freeze the wages of ordinary workers; however, the Government has demanded that banks receiving public financial aid must freeze the wages and bonuses of their top management. This is important to restore trust in the financial institutions.

Our primary task now is to prevent unemployment from exploding. It is not very high in Norway, but has increased rapidly over the last six months. Focus on cooperation, solidarity and active joint initiatives is important. Our basis is the values of the Nordic model, preferring unity over individualization, safety over citizen marginalization, and protection of wage earners' rights over social dumping.

The Norwegian Government has taken powerful initiatives. Targeted public investments caused unemployment to rise considerably less than if the Government had postponed assuming social responsibility.

Measures for education and training have been taken as the unemployed must be able to develop their skills. In this process it is crucial to focus on just transition, so that the workers affected can have a fair transition into new jobs.

Investment in research, innovation and specific initiatives in the fields of energy efficiency, sustainable energy and sustainable transport are crucial. These initiatives boost employment in the here and now, countering the crisis and enriching us all in the long run.

Earlier this year, the war in the Middle East shook the whole world. The international community witnessed the remorseless bombing of Gaza, during which nearly 1,400 people were killed and more than 5,000 Palestinians were injured. The Israeli

splitting of the West Bank, with over 500 military checkpoints and the wall, is undermining a future peace agreement in Middle East. The checkpoints make it difficult for thousands of workers working in Israel. The workers have to get up in the middle of the night to be able to pass the checkpoints in time to reach their work. Ambulances with sick people are stopped and delayed; pregnant women do not reach hospitals on time to give birth. This violence must stop.

Finally, I would like to thank the ILO for putting gender on the agenda of this year's Conference. It will be most important to focus on gender in relation to the agenda item on decent work for domestic workers at next year's Conference and in 2011. Likewise, all participants of the Conference should follow up on their experiences and the outcome of this year's discussions at the national level. This would be an excellent strategy to combine theory and practice, with the aim of securing women workers decent work and a decent life.

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Mr K.V. SATHASIVAM (*Minister of Human Resources, Malaysia*)

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We are meeting together this year amidst challenging times, when the world is experiencing a global economic crisis.

For years, the capitalistic model of the modern economy has taken refuge under the principle that optimum growth was based on a liberalized market economy, where market forces determine the direction and the nature of the economy. Whilst system regulations and other government policies were established and the liberalization of the market was seen and recognized as the trademark of a progressive and forward-looking economy, the market was given total independence. Unfortunately, the recent global crisis has shown that, at the hands of over-zealous businessmen who were capable of reckless risk taking, this system of unfettered freedom could lead to the collapse of the economic model.

The cumulative effect of such risk taking could one day explode, and we are witnessing the manifestation of yet another such event. While there are nations among us who are careful and proceeding cautiously in the prudent management of our economies, as a result of international linkages, we can become victims of the actions of countries located thousands of miles away. The global economic crisis, which has its origins in some of the developed nations of the world, has now spread far and wide. Nearly all of us are affected, to a greater or lesser extent. Whilst we are trying to pull our institutions together and find innovative and creative means to decrease the impact of the crisis and get our economies back on their correct footing, it is timely for us to reflect on other models of new economic orders, which, while protecting the tenets of a free market system, will also ensure that such freedom shall not be exercised at the risk of damaging a global economic system and endangering our populations with the risk of unemployment and poverty.

The new global economy, driven by the forces of globalization and free trade agreements, was expected to break the borders of protectionism and provide for the realization of new orders based on the equal distribution of wealth. While the intentions of this new global economic order are noble, unfortunately, the reality is that it is not going in the right direction to achieve and realize those laudable

intentions. On the other hand, what we are experiencing is the effects of unequal playing grounds between the strong and the weak, the developed and the underdeveloped, and the rich and the poor. The least we need is a situation where globalization does not lead to a situation where the rich become richer and the poor get poorer.

It is timely for us to take another look at the re-implementation of this agenda, so that the noble intentions with which it was created shall be realized with the implementation of a new global economic model. Let us sincerely hope for a new world, where poverty could be eradicated from the face of the earth. The basic rights of human dignity should be restored to every individual, and all citizens of the world should be given the opportunity to grow and realize their full potential.

I agree with the Director-General of the International Labour Office that this crisis should not hinder or delay our commitment to achieving the Decent Work Agenda. It is imperative that we take this crisis as an opportunity to reaffirm our commitments to the principles of decent work and, through such commitment, the dignity and the rights of workers, as enshrined in the principles of Decent Work, shall continue to form the basis of the national agenda for our respective governments.

In Malaysia, we instituted high-ranking tripartite monitoring mechanisms very early in the crisis to ensure that the economic consequences of the crisis do not step on the rights of our workers, as prescribed in the Constitution and in the laws of the country.

I wish to congratulate the Director-General and the Office for developing the Global Jobs Pact, placing employment and social protection at the centre of the recovery process. The Global Jobs Pact also proposes enhanced credit flows to enterprises, especially for small and medium-sized enterprises, combined with skills development to minimize lay-offs; reinforcing active labour market programmes, such as job seeking assistance and monitoring; providing assistance to young men and women who are entering the labour market; increasing investment in infrastructure and public goods; and introducing social protection for low-income groups and retrenched workers.

In Malaysia, despite this crisis, our commitment to implementing the spirit of the Decent Work Agenda is strong. In this regard, the aims and aspirations of the Global Jobs Pact have been well realized through our first and second economic stimulus packages, implemented to mitigate the impact of the economic crisis.

We have instituted proactive measures to arrest the sliding economic scenario. The stimulus packages introduced by the Government of Malaysia focus on creating new job opportunities for young and unemployed graduates, providing retraining to retrenched workers, introducing measures to shorten working hours while undergoing targeted job training to avoid lay-offs, and assisting jobseekers through providing information about emerging market trends and job vacancies. We are proud to say that these efforts have resulted in minimizing the social impact of global recession. In addition, the stimulus packages are also aimed at easing the burden of the people through providing direct financial assistance, in particular to vulnerable groups, and assisting the private sector in facing the crisis through reducing the cost of doing business.

To ensure continued social protection for workers and their families, the total cost of training is borne by the Government, supplemented by a special allowance provided to the affected workers for the duration of the training.

In conclusion, I wish to thank the ILO for the initiative it has taken to address the synchronized global recession. Appropriate technical and financial assistance are undeniably core to the success of the strategies. However, I wish to caution that the “one-size-fits-all” solution is not the answer; rather a comprehensive and integrated policy option for national decision-making will be able to meet the aims and aspirations of the Global Jobs Pact.

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Original Korean: Mr JANG (Worker, Republic of Korea)

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It is my great honour and pleasure to deliver my speech at this important Conference on behalf of the 15 million workers of the Republic of Korea. I would also like to extend my heartfelt congratulations to the ILO on its 90th anniversary.

I am deeply impressed with the Report of the Director-General, *Tackling the global jobs crisis: Recovery through decent work policies*, in which he urges all nations to make joint efforts to overcome the global economic crisis by strengthening employment and social protection.

I especially extend my full support to the Director-General's proposal that we should try to overcome the current employment crisis by implementing the Global Jobs Pact and fostering the balanced development of social, environmental and economic areas, while placing employment and social protection at the core of recovery policies.

As you are well aware, the global financial crisis has been spreading throughout the world. Workers everywhere have been the hardest hit by this crisis – and they are also the ones to suffer most from ever-worsening unemployment and job insecurity.

In this situation, the FKTU (Federation of Korean Trade Unions) has played a leading role in reaching a social pact among labour, management, Government and NGOs, which was signed on 23 February this year. This pact is aimed at encouraging Korean workers and people who are suffering from the global economic recession. It is intended to overcome the economic crisis through concerted efforts by the social partners. According to the pact, labour and management shall make every effort to ensure work-sharing and retain workers in employment, while the Government shall support this effort and expand social safety nets for the unemployed and the underprivileged.

The Korean labour circle signed the pact because we share a common understanding that overcoming the employment crisis is the top priority in this time of crisis. However, Korean workers have been extremely disappointed and frustrated by the Government's actions; it has downgraded the law on non-regular work and pushed ahead with unilateral restructuring schemes.

In particular, the Government has been trying to cut wages and introduce layoff schemes, to put caps on annual wages and maximum wage amounts under the pretext of a roadmap for public sector reform. It has done this without any consensus being reached between labour and management. At the same time, it has also been trying to strengthen the performance-based management approach which is likely to lead to excessive competition between workers and it has increased oversight of collective

bargaining agreements with the aim of undermining these agreements. The Government is in no way willing to try and deal with the employment aspects of their policies. This is very regrettable and far from the strategies proposed by the ILO.

I sincerely hope that the Korean Government and employers have the wisdom to come up with reasonable and appropriate solutions for the employment crisis through joint efforts and genuine social dialogue.

I would also like to express my special thanks to those in the ILO who have worked hard on this year's Global Report on forced labour, *The cost of coercion*. However, I have to express my deepest regret that the case of the “comfort women”, the women coerced by the Japanese military during World War II, were again excluded from the list of individual cases in the Committee on the Application of Standards. Of course, we do understand that this year's Global Report is mainly focused on modern cases of forced labour. However, it is meaningless only to highlight modern forced labour without paying due attention to the “comfort women” issue, which was clearly the worst form of forced labour in history.

It has been 14 years since Korean trade unions made a representation to the ILO on this subject. It has never been discussed because of the strong objection of the Japanese Government and employers. If the ILO, the only tripartite United Nations agency, bringing together representatives of government, employers and workers to jointly shape policies and programmes on an equal footing, continues to ignore this issue, the tripartite basis and the supervisory mechanism of the ILO could be in serious jeopardy.

Having said that, I strongly appeal to the ILO to make continued efforts for the prompt settlement of this issue so that social justice for all, one of the ILO's underlying principles, can be fully achieved.

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Mr KAEOTHONG (Minister of Labour, Thailand)

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I fully support the introduction of the Global Jobs Pact, as proposed in the Report of the Director-General. It can help us out of the crisis towards sustainable development through decent work policies.

As one of the founding member countries of the ILO, Thailand and the ILO have a long-standing relationship. The ILO opened its Regional Office for Asia and the Pacific in Bangkok some 40 years ago. It marks the role of Thailand as a host and reaffirms our commitment to making social justice really happen in the world of work.

My first missions, 14 years ago, as the Minister of Labour were to develop foundations for the Ministry and for the system of labour protection and welfare. Today, it is my good fortune to be here again, although amidst the economic crisis that has severe impacts on the lives of people worldwide.

As a result of the global economic crisis, Thailand also has difficulties that challenge its leaders' ability to lead the country to recovery and minimize the impact of the crisis on its people. The Government has made every effort to tackle this issue.

Our programmes include allocating a large part of the budget as part of an economic stimulus package. Thailand aims to revive its economy and protect the least fortunate by building a better social safety net. More schemes have been mobilized and tailored to support various sectors of society, including work-

ing people on lower incomes, retired and elderly people, and students.

Under the royal philosophy of Sufficient Economy, the Sufficient Economy Fund is allocated to villages countrywide. An old-age pension is provided for retired people and the elderly. Fifteen years of free education are also provided.

Realizing that the recession affects women and men differently, in order to maintain women's employment and income and to safeguard the mother's role in nursing her child, the Ministry has initiated a project on breast-feeding and childcare in the workplace. Many workplaces nationwide are joining the project.

To maintain the employability of the workforce, skills training courses have been designed for employees in the workplace. To ensure human values, we are now drafting the Thailand Decent Work Country Programme, and this should be operational by the end of this year.

To the ILO member States, I really hope that co-operation among us and, more importantly, active participation by employers and workers, will help every affected country on the path to recovery and pave the way to long-term sustainable growth and prosperity for our world.

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*Original Arabic: Ms ARIF (Minister of Social Affairs and Labour, Syrian Arab Republic)*

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Peace be upon you, and the mercy and blessings of God. This is the traditional Arabic greeting used when beginning or ending a conversation. In fact these words mean one thing: we are a people who believe in peace, for us and for others. We are a people who call for mercy, for us and for others. We are a people who wish for blessings, for us and for others.

We always hold out the olive branch, except when we exchange it for the weapon of legitimacy when the principles that are at the root of our values, our civilization and our history are violated.

This is why Syria – both its people and its Government – has always objected to the deprivations suffered by the Palestinian people in the occupied Arab territories and the Syrian citizens in the occupied Syrian Golan.

This is also why we have consistently refused to give up an inch of our land or to waive our rights and those of the Palestinian people, which are laid down in the norms of international law, covenants and instruments. We have agreed to participate in discussions within this global framework over the years as member States of the United Nations agencies, showing the world that we are a nation that advocates a just peace, and wants to recover what was stolen from us and from our people.

We want to create a secure environment.

Accordingly, all Syrian citizens, wherever they may be, cannot but denounce the practices perpetrated by the Israeli entity in Gaza and all occupied Arab territories, and call on the ILO and other UN agencies to play an effective role on the ground, at the very least to implement the decisions that have been taken. Mere words and descriptions, such as those contained in the Report of the Director-General of the ILO – which, although it is a step forward compared to the past, is far from what is demanded or hoped for – are not sufficient: the situation of our workers, their families and their children in the occupied Arab territories and the occupied Syrian Golan are subjected to the law of

the jungle, with all the adjectives that can be used to describe it: brutal, barbaric and coercive.

If we are talking about peace or security, first there must be security in the home, including shelter, food and drink, without which there can be no economic or social progress or peaceful coexistence.

And so the question arises: can this go on? Is there no alternative to resistance and confrontation?

Our position is clear and firm. We will not depart from it. These are the principles we have always stated and upheld. We request assistance through legitimate means. That is why we have censured the United Nations agencies and the ILO, referring in particular to the successive Reports of the Director-General, which point to the perpetrator without making it bear responsibility for its criminal acts. We constantly ask for detailed descriptions of the arbitrary practices perpetrated by Israel, and that Al-Quds be returned to its Arab inhabitants. The ILO has also disregarded the simplest requests by Syria, such as the provision of technical assistance to Syrian workers and employers in the occupied Syrian Golan, who face arbitrary treatment and humiliation, as the Israeli occupier has always refused to act humanely or abide by the applicable international law.

Despite all our attempts to mitigate the problems suffered by the social partners and their families in this occupied part of our territory, we have achieved little, compared to what the Director-General advocates in his Report this year, which sets out proposals to deal with the global jobs crisis through decent work policies. We cannot help comparing what is advocated in the Report and the situation in our occupied territories, where violations are a daily occurrence.

As part of our reform programme, we have started implementing most of the proposals in the Global Jobs Pact. But part of our territory is unfortunately not covered by this programme.

We are convinced of the justice of our cause.

In conclusion, I would ask the Director-General to excuse me for having been so frank, but the inhabitants of the Golan and Gaza are relying on me to describe exactly what is happening; if I failed to do so, I would not be a Syrian Arab.

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*Original Arabic: Mr CHAOUCH (Minister of Social Affairs, Solidarity and Tunisians Abroad, Tunisia)*

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The fact that the Director-General of the ILO chose the issue of tackling the global jobs crisis as the theme of his Report for this session clearly shows that the Organization is following current events closely since the economic and financial crisis has affected all States around the world and has had nefarious effects on the world of work and employment.

The Report provides an objective analysis of the causes of the crisis and reviews the measures that have been taken by some member States to deal with the crisis. It shows the need for coordinated efforts in order to deal with the consequences of this crisis and establish sound foundations for a long-awaited recovery based on decent work including all its components.

In this context, Tunisia supports the proposal of the Director-General to adopt a Global Jobs Pact and to define the principles, elements and methods of implementation of this Pact so that it constitutes

a practical tool that will allow the ILO to help member States to overcome the crisis.

The adoption of this Pact by the International Labour Conference responds to the common will of states, political groups and regional and local economies. Moreover, it can be regarded as the continuation of the efforts made by the Organization to achieve a just and fair globalization through its adoption in 2008 of the Declaration on Social Justice for a Fair Globalization. This Declaration comes within the context of strengthening the capacities of the Organization and its member States, including their three constituents, in the face of the challenges of globalization, in order to achieve its basic objectives, namely consolidating decent work.

Tunisia has always been aware of the need to protect itself from the consequences of the financial crisis which is affecting the global economy. It remains convinced that, in order to curb the possible effects of the global economic recession, it is necessary to monitor and analyse developments, anticipate events and take the necessary steps at the right time.

So, as soon as it saw the very first signs of difficulties in the global financial markets during the summer of 2008, Tunisia created an evaluation and follow-up committee followed by a special observation unit and adopted measures to act on savings in foreign currencies or to restructure property loans.

Furthermore, a national multipartite committee was set up to monitor the global economic situation and propose appropriate measures where necessary in order to strengthen the development process in the country and anticipate any negative repercussions of international events on the national economy.

To support the enterprises and sectors which have been affected by this global financial crisis, in particular export enterprises, a series of measures and programmes aimed at supporting enterprises have been adopted, with the authorization of the President of Tunisia, in particular to help enterprises which have seen a decrease in their activities. The State has therefore helped them to retain jobs by covering part of the enterprises' social and financial costs.

These programmes have also provided for provisional financial measures in order to guarantee exports and restructure debt, as well as to reduce risks caused by exchange rate instability.

All these measures have helped us to deal with the crisis during a time when the maximum work and vigilance is required together with coordinated efforts in order to mitigate the harmful effects of this crisis as far as possible.

Tunisia is not only supporting enterprises by helping them to retain jobs, it has also undertaken – based on an assessment of the results of the various programmes and employment mechanisms – a restructuring of policies designed to encourage employment in order to enhance their effectiveness.

More than ever, we are convinced of the importance and the need for social dialogue in order to deal with the current and future challenges in the economic and social spheres, and to consolidate decent work. In 2008, despite the global economic situation, Tunisia launched a seventh round of collective bargaining in the public and private sectors. These negotiations were a success and have led to improvements in working conditions and the adoption of a new programme for increasing wages.

Given the importance of productivity for increasing the profitability of enterprises, President Ben Ali authorized the organization this year of a national dialogue in which all interested parties will participate in order to determine all possible means of supporting productivity.

The Director-General's annual Report has focused on the notable deterioration of the situation of the workers in Palestine and in the other occupied Arab territories. This is a constant source of concern and is in contradiction with the most fundamental human rights.

Given the latest developments in the region following the unjust attack in the Gaza strip that led to the creation of hundreds of innocent martyrs and caused enormous damage to vital institutions of the Palestinian people, Tunisia condemns this barbaric attack and renews its solidarity with the Palestinian people in their just fight to recover all their rights and create an independent State.

Tunisia reiterates its attachment to peace, which it regards as a strategic choice, and also reiterates its support for all efforts aimed at finding a fair and long-term global solution to the Palestinian question based on the process of international peace and the Arab peace initiative.

This prestigious Organization has achieved various and numerous results in the context of achieving the noble goals for which it was created, including in particular the achievement of social justice and strengthening fundamental rights and decent work.

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*Original Arabic: Mr HAMADEH (Employer, Lebanon)*

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On behalf of all employers and particularly the Association of Lebanese Industrialists, I would like to begin by thanking the International Labour Office for once again enabling the social partners to discuss the questions of social justice, equality, decent work, growth and productivity, as well as other issues which are of interest to governments, employers and workers, and which are in the interests of humanity as a whole.

We look forward to the Conference every year in order to set ourselves ambitious goals in our economic and social work. These goals keep us busy throughout the year as we strive to achieve as much as possible in terms of policies and recommendations.

We recognize the efforts of the Director-General in preparing his Report, *Tackling the global jobs crisis: Recovery through decent work policies*. Although our national priorities may vary, our economic and social policies in that regard require us to work together to create an appropriate working environment for the social well-being of the women and men who work.

At this point, I would like to declare our commitment to respecting certain principles. Recovery, decent work and social well-being require better jobs and wages. However, in the long term, wages cannot outstrip productivity, even if there are many possibilities for making profits and investments. There is no ready-made solution to this problem. Long-term solutions for specific sectors have to be discussed on a regular basis. In general, a radical solution will have to be found to improve wages, through increasing investment in stable, high value added production sectors, and by establishing a dialogue between workers, employers and govern-



ments to strike a balance between wage increases, increasing production and economic stability.

There are various ways to achieve these goals, including the provision of guarantees, encouraging employment and exports, the adoption of import policies, and the intervention of the public sector as a guarantor for labour-intensive investments.

Public money should be used to help those who have lost their jobs because their employer has gone bankrupt or because of the reduction in the number of low-paid jobs, and to help them find better jobs. In the medium term, these types of policies will help to improve productivity, make the job market more flexible, reduce unemployment and encourage exports and the long-term growth of the economy.

This is why we continue to work in a positive manner with other social partners in Lebanon, with our Arab brothers and with the international community, under the aegis of the ILO, with a view to cementing the fundamental principles and rights at work that we believe in.

Before I conclude, I would like to reaffirm that the goal of the Association of Lebanese Industrialists has always been and continues to be to improve our economic performance and progress with a view to creating a strong, solid economy based on expertise, and to encourage increased productivity in order to protect our country's competitiveness.

In conclusion, I would like to pay tribute to the Palestinian, Lebanese and Syrian employers and the workers who are fighting to liberate their national territories. The human values we are working for within the International Labour Organization and in our countries will one day triumph. The logic of occupation and repression will never win out.

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Mr KIM (*Employer, Republic of Korea*)

I would like to congratulate the ILO on its 90th anniversary and express my appreciation for all those who have made the Organization what it is today. Apart from the happy occasion of the 90th anniversary of the ILO, we are facing a gloomy reality now. The financial instability sweeping the world is affecting the job market, bringing about a large and sudden increase in unemployment.

At this juncture, the Director-General's call for a Global Jobs Pact to urgently tackle the employment and social protection consequences of the economic crisis is very timely and relevant.

The job crisis is a growing presence in the world, and Korea is not an exception. In the first quarter of this year, Korea recorded a negative 4.2 per cent economic growth, which is no better than that of the 1997 financial crisis, ushering in an "era of 1 million unemployed".

During the two financial crises, in 1997 and at present, social accord has been reached twice and has, indeed, made a great contribution to relieving the pain of the workers. Social dialogue, one of the four major strategic objectives for decent work promoted by the ILO, turns out to be very effective in Korea for weathering and overcoming the storm.

This February, the social partners of Korea signed an accord on work-sharing, through burden-sharing between employees and employers. Now, various implementation measures are under way to ensure that the accord is fulfilled.

With regard to the economic crisis of today, we have encountered three notable fallacies which should be redressed.

The first fallacy is the proposition for decent work policies as a way to get through the current crisis. An overemphasis on decent jobs when there is an absolute shortage of jobs would only increase the inequalities of income among workers. Without the job itself, no one can have full access to income-earning opportunities. It is indisputable that decent work is the ultimate goal we should work towards, but the policy priority should be given to more job opportunities at this time of serious job shortages.

The second fallacy is the assertion that various protective measures or stronger regulations in the labour market should be undertaken to reduce the hardship of the workers affected by the economic crisis. True, some protective measures may be necessary but, as is evidenced in many cases, excessive regulation tends to induce labour-aversion investments.

The third fallacy is the argument that free trade and globalization have accelerated the current economic crisis. However, the market economy system and free trade have had a positive effect on employment enlargement which, in turn, has led to improvements in the living standard of workers historically.

The present crisis could be a disguised opportunity depending on how we cope with it. To turn the crisis into a springboard for future development, the ILO needs to redirect its priorities towards employment. In this regard, I wish my suggestions made earlier to be reflected in the Global Jobs Pact of the ILO.

So, at its 100th anniversary, I hope the ILO becomes an organization better addressing the needs of its constituents, by considering not only decent work for workers within the labour market but also more job opportunities for those outside the labour market. The choice is ours, and the time to implement various initiatives by which the unemployed can also attain access to the labour market is now.

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*Original Turkish: Mr DİNÇER (Minister for Labour and Social Security, Turkey)*

To address the global crisis affecting the whole world at such a comprehensive Conference is of great importance. As the crisis is of a global nature, a solution should be sought on a global scale to overcome it. Globalization has so far been discussed only in terms of its opportunities and praised. But now globalization is presenting us with challenges and crisis.

At this point there is certainly a need for a global will to tackle the crisis. Therefore, the ILO's important role will be shown more by bringing together the parties that will contribute to its resolution around the world and to the enhancement of the global cooperation potential. I believe that the ILO will greatly contribute to the solution process in line with the proposals in the Global Jobs Pact agreed upon by its tripartite constituents. I find this prescription of the ILO very important for mitigating the devastation brought by the crisis, addressing the economic contraction and ensuring a sustainable recovery. Promotion of employment and implementation of social protection policies not only provide guarantees for the protection of labour and preventing workers from being made to pay the price of the crisis, but also for strengthening global demand.

The best way to tackle any crisis is to place the human element at the centre of focus, because human dignity and the right to a decent living are

more important than anything else. We should not forget that all demands of humanity boil down to one demand: the demand for justice. Thus, the way to overcome the global economic crisis is to have global peace.

Let's say it clearly. Powerful actors of globalization that are steering the world economy today unfortunately missed peace. When power and authority are not put at the service of justice, injustice makes humanity pay higher prices. Peace is the most costless investment in combating economic crisis, unemployment and poverty.

Turkey has introduced revolutionary changes to its social policies in recent years. Our Government has institutionalized social dialogue mechanisms between the partners of the world of work for a modern industrial relations system. Through tripartite dialogue and agreement, our Government has addressed our social security system with a holistic approach and reconstructed it under a single roof.

In a dynamic communication with all of the partners of the world of work, we keep governance structure and dialogue possibilities wide open. In our view, good governance and dialogue between the partners is also the safest avenue for tackling the global crisis.

With its economy integrated into the world, its young population, its skilled labour force and its development potential, Turkey is a big country endeavouring to overcome the crisis with the least damage by virtue of structural improvements realized within the country by our Government, while trying to contribute to the solution of the crisis on a global scale with its open liberal economy and its active approach prioritizing peace in international relations.

Our Government's employment package and other measures lifted the administrative and financial burdens of the enterprises which were obstructing employment. We have adopted approximately 60 measures to protect both jobs and production, such as lowering the rates of special consumption tax and VAT, support for insurance premiums and energy.

In order to promote the employment of young people aged between 18 and 29 and women, we have started to pay the insurance premiums from the Unemployment Insurance Fund for women and young workers employed on top of the current employment level for a duration of five years on a gradual basis.

We have increased the short-time work allowance by approximately 50 per cent to protect employment and production. We have decided on the payment by the treasury of 25 per cent of the employer's share of long-term insurance premiums. We have increased the amount of unemployment benefit paid to the unemployed beneficiaries from the Unemployment Insurance Fund by 11 per cent.

We have been combating both structural unemployment and the repercussions of the global crisis in our country at the same time. We are endeavouring to increase motivation for local and foreign capital with an incentive system for new and dynamic investments in order also to overcome the structural crisis.

As a result of these measures, available data show that the rapid increase of the unemployment rate in our country has slowed down.

I would like to conclude my remarks by drawing your attention once more to our understanding

based on placing justice and human beings at the centre and expressing that this approach is the key to the way out from the crisis.

*(Mr Palma Caicedo takes the Chair.)*

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*Original Spanish: Mr DORADO CANO-MANUEL  
(Government, Bolivarian Republic of Venezuela)*

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The Bolivarian Republic of Venezuela is attending this 98th Session of the International Labour Conference at a time of crisis of the world capitalist system which, in turn, has repercussions on employment. The Director-General himself has said that by the end of this year, 239 million men and women working in the world will have perhaps lost their jobs. Added to this, of course, are the housing and food crises.

President Chavez has been denouncing the crisis of the global capitalist model since the Summit of the Americas, held in Quebec in 2001, when he refused to sign the agreement ushering in the Free Trade Area of the Americas (FTAA), which the North Americans wanted to impose upon the people of Latin America and the Caribbean. This was finally rejected at the Summit at Mar del Plata in 2005.

Today the limitations of the capitalist market and the globalization of markets, trade and capital are all too clear. The IMF model has come to grief. What was really never a secret is now abundantly clear. These policies were never very serious, and they were never designed to improve the lot of women and men in the world. They were tools to exploit and accumulate wealth at the expense of the work of the majority. They were also used to justify the confiscation of the resources of the people for the benefit of the greedy capitals of the North.

And when these policies fail – as they are at present – the weaknesses of the capitalist system became all too apparent. The inhumane markets are laying off millions of breadwinners, fathers and mothers, and building walls of intolerance and xenophobia between migrant workers. It is enough to see the European Union Return Directive. There are cuts in social security payments, a loosening of the rules covering firings and lay-offs, a reduction of the rights of workers and labour union rights, an increase in flexibility clauses and an undermining of occupational safety and health conditions. The poor are being made to pay for the crisis which is generated by the capitalists themselves. And States are unable to live up to their responsibilities. They try to save private companies with public money, rather than putting them under the control of the workers who produced the wealth in the first place.

Foreseeing this inevitable crisis of the capitalist model as early as 1999, the revolutionary Government introduced structural measures with a strong humanist component, affirming its national sovereignty and recovering its independent management of its natural resources and means and production, which belong to the people and the Nation.

The Government of President Chavez set out to overturn the disastrous privatization policies introduced by previous governments. It advocated the nationalization of enterprises as a means to combat outsourcing, subcontracting and precarious working conditions, thus restoring the dignity of men and women in our country.

The Government has been doing its utmost, in constant dialogue with the workers and small and

medium-sized enterprises, to cut poverty, reduce social inequality and improve the quality of life of our people. We have had to do all this in the face of efforts to overthrow the Government, attempts to sabotage the economy and efforts by the neoliberal opposition to destabilize the situation – often in league with the transnationals.

At the same time, we have initiated exchange and cooperation with other countries in the South, particularly Latin America and the Caribbean, with a view to stimulating growth and a fruitful relationship based upon the real economy and not on pure financial speculation. These relations have been marked by a direct relationship between States and peoples – one that transcends economic aspects and goes beyond mercantile concerns. These joint efforts have given rise to such institutions as UNASUR, PETROCARIBE and ALBA. We have also met with other countries from the Arab world, voicing our support for the Palestinian cause, as well as with countries from Asia and Africa, and with Russia. All this shows that we can work together for a multi-polar world, one which is not under the yoke of imperial powers.

A number of indicators show that these socialistic and humanistic policies have borne fruit during the past ten years. For instance, unemployment went down to 6.8 per cent in 2008, compared to 11 per cent in 1998. Even in this context of crisis we have been able to maintain employment rates in our country.

The incomes and minimum wages of workers have also improved. In 1998, the average national wage was US\$182. By 2008 it had gone up to US\$408, representing an increase of 145 per cent. At the end of this year, it should be around US\$446. So, instead of seeing the incomes of workers go down during this crisis, we have actually seen them increase!

The nationalizations and control over the use of our natural resources have meant that in the last 22 quarters, we have witnessed continuous growth, resulting in a much fairer distribution of GDP. And in ten years, we have increased the number of pensioners to 1million.

We believe that a democratic revolution is one that tries to overcome the social debt created by past governments. At this time of international crisis, we still see some who believe in the fundamental capitalist credo and think that profits should still accrue to the capitalists and the price be paid by the workers. In our Government, our role is to try and make sure that what has been earned is shared. We want to build upon what we have achieved in these last years and we want to make sure we are moving forward, not moving back. We see the capitalist model has failed; it has failed the workers, it has failed the workers of the world. Now is the time to believe that a new world is possible – and not only possible but necessary.

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*Original Arabic: Mr DJILANI (Employer, Tunisia)*

I should like to thank Mr Juan Somavia, Director-General of the ILO, and to commend the ideas and proposals set forth in his Report entitled *Tackling the global jobs crisis: Recovery through decent work policies*.

I would also like to thank the Governing Body for its choice of items on the agenda of this session of the Conference, and for selecting the global crisis as the theme of tripartite discussions to seek solutions

to deal with unemployment and the economic recession and to launch a recovery.

As we gather together at this 98th Session of the Conference, the world is experiencing a severe financial crisis that has shaken financial markets and caused an industrial and trade recession, as well as a decline in growth worldwide. We must therefore give serious consideration to ways of supporting the components of the economy and commercial and service enterprises to enable them to cope with the crisis, ensure their sustainability and, most importantly, preserve jobs. This is the role the tripartite social partners are called upon to play, through strengthened social dialogue to promote synergies, overcome differences and share the burdens, because when enterprises fail, it is a great loss that affects everyone.

Social dialogue in times of crisis acts as a safety valve and builds confidence, consolidating social peace. Tunisia has been working to strengthen such dialogue between the social partners and the Government, convinced of the need for mutual understanding and cooperation in order to have sound, flourishing and sustainable enterprises – which is the only guarantee that can protect the interests of shareholders and employees.

It is at this time, and in these difficult circumstances, that we have undertaken a new round of collective bargaining in the private sector, which concluded just a few weeks ago and led to substantial improvements in workers' wages and benefits in all sectors for a three-year term. This is a good practice that has been in place since President Ben Ali took office 20 years ago, and we hope that these improvements in workers' purchasing power will help raise the productivity, quality and performance of our enterprises.

In Tunisia, we have made every effort to mitigate the effects of the crisis on our enterprises, and have established a high-level commission to monitor the situation, with the participation of the social partners. It has launched a number of important measures to support enterprises and employment and to preserve jobs, in addition to organizing a national dialogue on productivity.

Tunisia has always been at the forefront in calling for a human face to globalization and fairer development, hence the initiative of President Ben Ali and his proposals to the international community with a profound human dimension, aimed at strengthening global solidarity to reduce poverty and narrow the digital divide and knowledge gaps between peoples. The initiative of the Director-General on a Global Jobs Pact will thus be supported by the Tunisian employers in order to mitigate the effects of the crisis and help plan a sustainable recovery.

More than 60 years have passed, and our brothers, the Palestinian people, are still waiting to exercise their right to build an independent State and to live in peace like the other peoples in the region.

We reiterate our support for this just cause, and call upon the international community to support the Palestinian people in recovering their legitimate rights.

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*Original Spanish: Mr MARTÍNEZ (Worker, Argentina)*

A year ago, most of us were calling for a fairer globalization and for an economic model with social content, in order to bring an end to poverty, marginalization and hunger.

Today, we are in a more serious situation. Everything is worse. We are facing the so-called tsunami of the financial crisis, which has affected all our economies.

The workers will not pay for this crisis. We shall not be the adjustment variable of this crisis as we have been in the past.

The Group of 20 (G20) has said that the International Monetary Fund will be the financial body that will bring rescue. But we believe that we first have to overhaul that body because we know that it is maintaining the same conditions as before and we do not want to go backwards.

Many of the measures cited in the Report have been taken in my country since 2003, despite the fact that they were constantly criticized by the supporters of the Washington Consensus.

New political winds are blowing in our region. Some governments have discarded the neoliberal policies of the 1990s and have reinstated the role of the State in guaranteeing a fairer society. The Government and society in Argentina want to be part of a structural change. We have recovered the work culture and social dialogue has been the foundation of the new model for the nation.

A significant number of jobs have been created, which is reflected in the drop in the unemployment rate and an increase in productive development, which emphasizes social integration.

Argentina is mending its social fabric and recovering laws that protect the participation and dignity of workers, engaging actively in collective bargaining with the aim of improving working and wage conditions.

Through tripartite dialogue, we are in the process of creating an Economic and Social Development Council, which will be a tool through which to channel the Government's positive action into state policy.

We would like to point out that the Government has been bold in its decision to recoup pension funds so as to guarantee social security and put it in the hands of the people.

Without doubt, this model that reinvigorates the productive system and employment is not going to be changed. We must emerge from the crisis by going further in the State's policies relating to our model of development, which incorporates social justice and full employment. Much remains to be done, but we must not allow this crisis to condemn us to a cycle of stagnation.

We, the workers, need social protection worldwide in order to protect our social and labour rights. We need a minimum wage that guarantees a universal social floor to cover the basic needs of workers and their families.

We believe it is necessary to establish sustainable development guidelines, which respect the environment and combat climate change.

We believe that the Global Jobs Pact is going to be an effective means to tackle the effects of the international crisis and promote the application of the principles of social justice and decent work.

According to the World Social Forum, another world is possible, and we share that view. We, the workers of Argentina and the region, call for the utopia of a global wage guaranteeing a fair distribution of profits, with decent wages in a fair society with full employment, to be made a reality.

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Ms DENG ACUIL (*Minister of Labour, Public Service and Human Resources Development, Government of Southern Sudan, Sudan*)

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I congratulate the ILO on its 90th anniversary. The Government of Southern Sudan assures you of its commitment to international labour standards.

Southern Sudan, like other regions, has experienced serious impact due the current global financial and economic crisis.

Some 98 per cent of Southern Sudan's revenues comes from oil. Thus the fall in oil prices in the global market has created a greater negative effect on our economy and labour force in particular. Currently Southern Sudan has been affected in the following areas: resettlement of returnees and internally displaced persons has come to a halt; training of the labour force has stalled; commitments on joint-funded projects cannot be fulfilled; new recruitment has been put on hold. Southern Sudan depends mostly on remittances from those in the Diaspora but currently, because of the recession, remittances have dropped and sometimes ceased altogether as a result of workers being laid off.

Support from the donor community has become minimal and investors are no longer willing to invest, as the private sector lays off workers to cope with the situation.

The general climate has changed, with droughts and variable rainfall, as well as repeated flooding, making agricultural labourers redundant and thus affecting food security.

Southern Sudan depends mostly on neighbouring countries, whose nationals are running small and medium-sized enterprises. In the current crisis, such businesses are affected because of high operational costs, which reduces productivity and leads to redundancies.

Priorities for these areas include: dissemination and awareness creation regarding the Southern Sudan Labour and Employment Act and Children's Act; gender and HIV/AIDS policies and vocational training policy; development of a vocational training curriculum; implementation of TACKLE projects for the elimination of child labour; capacity building in the labour administration system; training and reintegration of demobilized disarmed soldiers; development of guidelines and formation of trade unions; construction, training and equipment for seven state labour offices; establishment of youth employment projects; and establishment of labour statistic through labour market surveys.

All these projects would require technical and financial support from the ILO and the donor community. A database for comparative analysis is still being developed.

As regards achievements, in connection with the Decent Work Agenda, the President of the Government of Southern Sudan last year launched public service reform, and the establishment of an ILO liaison office in Juba has also resulted in a lot of achievements. The main ones include three renovated and functioning labour offices; development of vocational policy and implementation strategies; and completion of the third and final readings, with stakeholders, of the Southern Sudan Labour and Employment Act.

The Ministry of Labour has signed a Memorandum of Understanding with the ILO for the implementation of projects (TACKLE, youth employ-

ment, construction and establishment of seven more state labour offices).

The Government of Southern Sudan invites the ILO and the donor community and well-wishers to continue their support, both technical and financial, to our young Government, which is only four years old, in order to enhance peace and sustainable development in Southern Sudan.

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*Original Portuguese: Mr SILVA (Worker, Cape Verde)*

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I would like to thank the Director-General for the very important Report that he has put to this Conference, which covers major issues with a special emphasis on the consequences of the economic and financial crisis for the world of work. We also thank him for the responses that the ILO is advocating in order to address that challenge.

A year ago, we were happy to announce that Cape Verde had left the list of least developed countries and moved into the “medium development” group of countries. That was something that made us very proud as a nation but at the same time called for a degree of caution, because our country continues to depend excessively on the outside world, as its economy is largely based on tourism, with high levels of unemployment and poverty.

Now, indeed, although poverty in Cape Verde has decreased by about 10 per cent over the last seven years, it continues at a high level. And although we have seen a slight improvement with regard to unemployment, general levels remain very high. Our population totals about half a million people and about 130,000 of them are estimated to live in poverty, which is over 26 per cent of the total population. As regards unemployment for 2008, the figure was 17.8 per cent, with women and young persons the most affected social groups in the active population of Cape Verde, which has been calculated to be almost 200,000 people. In other words, some 163,000 persons are unemployed.

Given this situation, we would also want to mention informal employment and child labour. In the last two years, the number of reported cases of child labour has almost doubled, from 8,179 to 16,328, according to figures for 2008 supplied by the National Statistical Institute. All these data give us plenty of reason to be concerned with regard to the future. It is through dialogue and negotiation that we hope to find the best solutions to these and other problems which have been affecting the workers of Cape Verde.

The serious economic and financial crisis which is affecting the whole world is also being felt in Cape Verde, particularly in real estate, in the tourist industry and in civil engineering. Although things are probably not as bad as in other countries, in Cape Verde there are already hotels and civil engineering companies which, owing to the crisis, have decided to close down, leaving many breadwinners without a job. Workers with fixed-term contracts, who constitute a large majority in our country, have been the main victims.

This is why we are very pleased with the recent decision by the Social Consultation Council, which aims at finding a just and balanced solution for those workers who have been on fixed-term contracts over the last five years or so. The same council is also seeking to establish minimum wages for Cape Verde. Progress has been made in both cases, with working groups set up to discuss this matter.

Without a doubt, these are both very important measures and when they are implemented together with others on which a consensus has been reached in the Social Consultation Council, they will contribute greatly to improving the situation of our workers and, indeed, to the social and labour environment in Cape Verde as a whole.

By way of conclusion, we believe that the agreement on strategic consultation, which has been signed by the Government and the workers’ and employers’ associations, can constitute an excellent platform for combating the crisis. The current challenges before us in the areas of employment and poverty, and also vocational training and social security, are clearly evident in this strategic agreement and can be settled through shared and consensual solutions. Our National Union of Workers of Cape Verde reiterates its openness and availability with regard to achieving these goals.

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*Original Spanish: Mr MORA (Worker, Colombia)*

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It has never been more relevant or timely to read the Report of the Director-General, who has given us a comprehensive and unvarnished snapshot of the consequences of the current global crisis and the challenges facing the ILO.

We would like to congratulate the Director-General and the Office for the work accomplished. We would like to support the initiative to hold a substantive discussion on this subject at a forthcoming session of the International Labour Conference. Furthermore, we would like to share with you some of our ideas and make some suggestions.

We are now facing a crisis over the economic model. Therefore, we have to look at the challenges created by this crisis. Whatever measure is taken to kick-start the economy and protect and promote decent work, it must be based on the urgent need to change the current economic model, which was put forward by the Washington Consensus and was imposed on all countries by the International Monetary Fund and the World Bank.

You cannot explain the crisis in Colombia simply as a consequence of the international crisis. The State is responsible for the crisis currently besetting our country.

It relinquished its essential regulatory role and ceded that power to enterprises, particularly multinational enterprises, and the financial sector. It allowed them to introduce a market-driven ideology as the only way in which resources could be allocated, and this was for the sole purpose of generating profits for companies.

Workers were, and continue to be, the victims of this model. First, because they were subjected to wealth-generation policies aimed at reducing or restricting labour costs, and these policies led to increased precariousness in employment and weakened the right to freedom of association. Second, it is the workers who are suffering from job cuts and dismissals at a time when there is a complete lack of protection for the unemployed.

In my country, the employment outlook is dismal. Colombia has a huge decent work deficit that was created by the neo-liberal model. We have 18 million workers, 1.7 million of whom are children. At the moment unemployment is at around 15 per cent, and for women the unemployment rate is 6 percentage points above that for men. Youth unemployment is at 21 per cent, meaning that just over a million young people are out of work.

We have 2.8 million unemployed people, and only 3.5 per cent of them receive unemployment benefits of US\$62 per month for a six-month period.

In Colombia, the phenomenon of poor workers is widespread. The minimum wage in 2008 was US\$235, and the cost of the household shopping basket for low-income families was estimated at around US\$498. Almost 8 million workers earn less than the minimum wage, and 90 per cent have less than twice the minimum wage, meaning that they cannot cover the cost of the household shopping basket. With regard to income, the inequality between men and women is worrying. Women generally earn only about 74 per cent of men's earnings. The situation is even worse for Colombia's "community mothers" who earn only US\$75 per month.

About 30 per cent of those who work are protected by labour legislation. About 58 per cent of workers are in the informal sector, and only 31 per cent have social security coverage. This means that about 12 million workers have no protection whatsoever. Add to that the low levels of unionized workers, with four out of 100 workers being members of a union and only 1.3 being covered by a collective agreement, and the environment of violence and impunity in my country.

We understand that social dialogue and collective bargaining are vital to create an economic democracy and wealth distribution. However, in my country, the social dialogue mechanisms have not borne fruit. A good example of this is the Government's refusal to discuss the minimum wage and its refusal to negotiate with the teachers affiliated to the Colombian Federation of Teachers (FECODE).

We can conclude that the Colombian State is not meeting its main ILO commitment: to generate and protect decent work. This explains the importance we give to promoting the Global Jobs Pact. Such a pact will only be possible in Colombia if employers and the Government undertake to redistribute wealth.

The Workers' delegation from Colombia wishes to inform Mr Somavia that we accept this initiative, and we would like to ask the ILO to give us its support so that we can work with our Government and employers to establish a jobs pact based on respect for ILO Conventions and which considers, among others, the design and implementation of a national plan for decent work.

The three trade union confederations of Colombia are going to put forward a comprehensive set of proposals in the Standing Consultation Committee regarding economic recovery, employment generation and protection for unemployed workers. We therefore hope that at this Conference the Government and Employers will show their willingness, as we have, to undertake serious, profound and significant social dialogue in this area.

We would like to say to all of you that the moment has come for true democracy and social justice for all.

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*Original Arabic: Mr MAJDALANI  
(representative, Palestinian Authority)*

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I should like first of all to greet you on behalf of Mahmoud Abbas, Chairman of the Palestine Liberation Organization and President of the Palestinian Authority. I should also like to greet you on behalf of our Prime Minister, Salam Fayyad, and to convey their best wishes for the success of this Conference.

You are all familiar with the current difficult situation of the Palestinian people, notably in the Gaza Strip where, a few months ago, citizens were victims of the most atrocious attacks, which claimed more than 1,400 victims, more than half of whom were women and children. About 5,000 innocent civilians were wounded and most of them were also women and children. Five thousand homes were completely destroyed, as well as dozens of schools, hospitals and Government and other public buildings. Hundreds of factories and enterprises were destroyed, and the agricultural land of thousands of farms was devastated. One and a half million Palestinians, half of whom were children, lived through the terror of the Israeli war machine for three long weeks.

This war, this attack, has left behind wounds that cannot heal. Furthermore, following the attack, the occupying forces continued their unjust blockade and prevented humanitarian aid from reaching the region. They did not allow building materials and equipment to enter, thus preventing citizens from rebuilding their houses, and preventing government institutions and vital public services from being repaired. As a result, tens of thousands of citizens are living in critical conditions, in temporary shelters or tents that they have set up near their destroyed homes.

We demand that Israel be sanctioned for the crimes it has committed against my people. We call on you not to treat Israel as a State like any other. We call on all States to speak out in condemnation of the perpetrators of these barbaric acts in Palestine and to bring them to justice before international courts. We also call on the international community to take steps with a view to preventing similar crimes being committed in the future.

East Jerusalem is being subjected to a wave of settlement activity, aimed at erasing the Palestinian presence and extending Israeli settlements in the area. Some of the most flagrant aspects of this policy include attacking Muslim places of worship, such as the Al-Aqsa Mosque, violating the freedom of religion, enclosing the area and implementing a policy of ethnic cleansing and discrimination against the Palestinians of Jerusalem. We can also highlight the campaigns of persecution and imprisonment against Palestinians, the destruction of houses or their confiscation, refusal to grant construction permits and the confiscation and destruction of agricultural land, the extension of settlements and the building of the separation barrier.

In the West Bank, the Israeli attack takes a number of different forms. The Israeli authorities are continuing to build a barrier to separate Jerusalem and its surrounding areas from the rest of the West Bank, depriving Palestinians of water resources and preventing tens of thousands of inhabitants from accessing the agricultural land on which they subsist. The occupying authorities, since 2002, have continued to apply a policy of enclosing the region and on the roads of the West Bank there are more than 600 military roadblocks, and a series of measures which impede the free movement of inhabitants and goods are in place.

Unemployment is a natural consequence of the policies applied by the Israeli authorities, which have reduced the possibilities of creating new jobs. As a result, our workers are forced to seek work in the Israeli market. However, following the incidents of September 2000, the occupying authorities have

driven out more than 160,000 workers who were working in that market. This system of closure and collective punishment has been imposed in order to restrict the Palestinian job market, and the proliferation of roadblocks has become an obstacle to trade and the circulation of individuals.

As you know, the key to solving, or at least scaling down, the unemployment crisis cannot be found without pulling the Palestinian economy out of the recession in which it finds itself, which will only happen through investment. Today, there are about 227,000 unemployed, and 40,000 new workers are added to the available workforce every year.

The aim of the Israeli policies against the Palestinian people is to consolidate the occupation, to take what remains of the Palestinian territory and to prevent the creation of an independent State with Al-Qudsas its capital.

With respect to employment, we should like to restate the need to organize an international conference on labour in Palestine in order to generate support for the Palestinian Fund for Employment and Social Protection and to help Palestinians overcome unemployment. We would like to reiterate our call to the ILO to intensify its monitoring of the situation of the social partners in the occupied territories and to continue to seek out the most effective means to help the Palestinians cope with the problems in the business and employment sectors in order to withstand the Israeli marginalization policies and the measures applied by the occupying authorities to take their land and houses from them.

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Ms KELLY (*Worker, New Zealand*)

That speech puts our troubles into some proportion.

I wish to thank and congratulate the Director-General and Chairperson for their Reports and for supporting the initiative at this Conference to amend the programme to enable a discussion about the economic crisis the world is now embroiled in, and to discuss the role of the ILO in mitigating, to the extent that it can, the damage this recession is doing and will inevitably continue to do to working people.

I am also pleased that the discussion on gender equality at the heart of decent work was not delayed despite the shortened time frame allocated. Gender equality continues to be a major issue for working people – women, men and their families. It needed to be discussed and the issues that have been identified by that discussion, particularly those that disadvantage and marginalize women workers, will only be exacerbated by the economic crisis. So both topics were important and holding them at the same time was very worthwhile.

I want to take this opportunity, however, while these two important topics are at the centre of this year's agenda, to express my great sadness that only one month before the New Zealand Government representatives left New Zealand to participate in the gender discussion at this Conference, the newly elected New Zealand Government dismantled the programme the previous Government was undertaking on gender equality issues.

New Zealand was in the middle of the most exciting piece of work of identifying and addressing the gender pay gap between men and women workers in the public sector. This work not only focused on the ongoing issues of equal pay for work of equal value (a very important issue for women workers in

occupations that are dominated by women), but also focused on addressing a wide range of equal employment practice issues, which contribute just as much to either excluding women from accessing decent work, or ensuring that they have less opportunity and less pay when they are working.

The work that was being undertaken was sophisticated and original, and was entered into with a great deal of commitment. Government, public sector workers and unions gave with good faith and great hope. To see it stopped overnight, including the refusal by the new Government to address those issues that have already been identified during the programme as being discriminatory, is heartbreaking for the working women of New Zealand, and particularly so for those who got so close to what could have been real changes that would have made their working lives better and more equitable. We are bemused to see that in its position paper on its approach to this Conference, the New Zealand Government uses the work done in the previous programme to try to highlight its credentials on this topic, without once mentioning that it has now cancelled this work. For me it is important to have this opportunity to put the record of the Conference straight on this matter.

During this recession, all governments need to make clear their priorities in terms of how much they will assist and mitigate the disadvantages of the recession on workers in their countries. Governments will be judged on how they respond and the sense of fairness about the decisions they make during this difficult time. We have already seen the anger amongst working people at the damage done to them and their families by the totally irresponsible actions of the banks, financiers and other investors. Unions at this Conference have shown a willingness to advocate the strengthening of social dialogue to channel their anger into a constructive response. The unions in New Zealand have made it clear to our Government that we also support this type of approach. But this will require governments, including our Government, to act in a way that recognizes the legitimate interest workers have in being treated fairly and with equality, having a voice and having decent work, including decent treatment and opportunity.

We are disappointed that since its election in November, along with the damage the recession has already caused to working people in New Zealand, including a rapid increase in the numbers of unemployed to over 100,000 people, the Government has chosen to further disadvantage working people at this time by removing a number of work rights, including the right to fair dismissal and cancelling the work undertaken on pan-employment equity. We hope that, having fully participated in the work of this Conference, all governments, including the New Zealand Government, will act carefully and positively to protect the interests of all their citizens during these hard times for working people.

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Original Arabic: Mr SHIMI (*Worker, Tunisia*)

I would like to thank Mr Somavia for his excellent Reports, the Global Report on forced labour and his Report *Tackling the global jobs crisis: Recovery through decent work policies*.

We welcome the fact that the search for solutions to the world economic crisis has been placed on the agenda as the main item for discussion at this year's Conference. We share the ILO's view that pro-



grammes must be adapted according to the needs arising out of this crisis. We agree with the Director-General when he says that the risks of resorting to forced labour are increasing with the deterioration of the global economic situation. The role of this Organization is very important when it comes to protecting vulnerable categories from new forms of slavery, in particular women, children and domestic workers, as well as workers in the informal economy. We can do this only through reinforcing awareness-raising campaigns, highlighting processing networks, and by protecting migrant workers. Several voices have been raised over the past 20 years, notably that of the ILO, to warn against the dangers of inequalities created by the distribution of the benefits of growth between and within countries. We should aim at economic growth and social development based on equity, avoiding inequalities between the North and the South, and by eliminating debt.

The world today is undergoing a far-reaching crisis that is affecting employment. The Report of the Director-General predicts that this crisis will affect developing countries, and notably those countries that are short of resources. Tunisia, my country, is one of these countries facing the challenge of losing a large number of jobs in export industries.

The Decent Work Programme is the main tool that can enable the ILO to contribute towards solving the crisis and, in this connection, we would like to welcome the Director-General's initiative for the creation of a Global Jobs Pact to help governments and the social partners to define national responses to the crisis, all within the framework of a global response, which maintains that a broad application of fundamental rights at work can bring about global economic recovery and sustainable development.

We support the ILO's leading role in the implementation of the Global Jobs Pact, but initiatives to deal with the crisis have to be broadened to include the extension of social protection, the provision of vocational training, support for small and medium-size enterprises, as well as domestic demand stimuli to promote growth. The Tunisian General Labour Union is completing an important round of negotiations at present with its social partners to guarantee an overall wage increase over the next three years and to modernize employment legislation. We are also preparing negotiations for the modernization of pension schemes and the setting up of an unemployment benefits scheme. We hope to receive all the necessary technical assistance from the ILO in order to carry through these measures.

For global development we require peace, and this means we must act urgently to eradicate the causes fuelling violence, in particular occupation in the Arab world. We call on the conscience of the international community to condemn Israel and its recent aggression against Gaza affecting numerous civilians. We would call on the ILO to consider these practices as war crimes, which requires the prosecution of the perpetrators. Pressure should be exercised on Israel to bring to an end its occupation of the Palestinian Arab territories and give Palestinians the right to establish an independent State with Al-Quds as its capital. It is equally necessary to respect the sovereignty of the Sudanese and Iraqi peoples so that they can live in dignity.

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*Original Spanish: Mr ECHAVARRIA (Employer, Colombia)*

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The Report of the Director-General focuses upon the impact of the global economic crisis on employment. This is something that was recently discussed by the Governing Body. The Office has produced comprehensive studies on the different measures that have been adopted by the various countries to address this crisis. Now, the ILO, working with other organizations of the United Nations family, has a great opportunity to try and provide solutions to the crisis, in particular when it comes to employment. In that regard, we recognize the importance of the discussion proposed by the Director-General. The Employers have seen that the dynamics of this Conference are different, because of the approval of the Employers group's proposal to incorporate thematic panel discussions into the Committee of the Whole.

This discussion model was proposed to make our debates more interesting and flexible and to organize the participants in a more active manner. Indeed, we have had the chance to listen to different international experts who have produced alternative possibilities that we should consider.

In the Report, there is a reference to the possibility of implementing a Global Jobs Pact, an idea that, up until now, has been a general one and that must be approved by a consensus of the constituents before giving it its comprehensive content of economic and social policies that will offer stability and sustainability to companies and new opportunities to workers.

The fiscal, monetary, exchange and credit policies that each State adopts should take as their basis the global market economy, whose fundamental pillars include free enterprise and respect for private property. The State should probably take back its regulatory function, but it should not take over the entrepreneurial activities of private entities. The world has already tried out models that were a total and complete failure, and going back in time would make no sense. Therefore, governments should reject the temptation to adopt protectionist measures in the current situation.

Democracy should continue to be the political model used to solve the needs of each State, and the ILO can give great help in that regard by facilitating social dialogue in each country as a tool to ensure that employers and workers have an effective presence when it comes to relevant discussions at the national and international level. They must find answers that will include coverage for workers with measures to ensure ongoing training, preserve labour rights and facilitate access to work, in particular, governments must preserve confidence in markets, to encourage demand and provide stimulus to strategic areas and sectors. Governments should not take the easy approach to providing social handouts, because wealth and well-being will not be generated in the medium and long-term in this way. The collective sense of social reconstruction should be based on the collective efforts of national societies.

I would also like to make some references to the specific situation of Colombia and thank the ILO for the help it has provided in helping to address national issues of concern through the technical co-operation that it has given over the last few years. Progress has been made and you can see this reflected in the monitoring bodies' reports. In their annual report, the experts have also expressed their



satisfaction with our compliance with the Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87). This is something new for Colombia and it has also been reflected in the discussion and conclusions of the Committee on the Application of Standards.

On behalf of the Colombian employers, I would like to thank the Director-General and his team for contributing to this progress. It is also part of the Tripartite Agreement on Freedom of Association and Democracy in Colombia that we signed in 2006.

More specifically, I would like to thank Mr Marcelo Castro Fox for the work he has done in our country. We owe a lot to him and we wish him all the best in his new responsibilities in the Director-General's Office.

The Colombian employers would like to reiterate their intention to increase dialogue with the Government and the workers to project a more positive image of our country to the rest of the world. We believe that the global economic crisis presents great opportunities to Colombia in two ways: firstly to move its goods and services into new markets, and secondly, to attract investment in modern sectors of the economy that improve national productivity, generate wealth for the State that can then be redistributed, and offer new possibilities for access to work for our workers.

We have a great responsibility to coming generations. We must make sure that we can find common ground and avoid the differences that separate us. We invite all to overcome the ideological political differences that have divided Colombian society for decades. We must now, at present, really look at what can bring our country into the developed world.

Fortunately, the changes depend upon no one but us; the Colombians. The international community can help us by sharing its resources and experience, but the solutions will be ours. The ILO is one of the tools which will help us to achieve these changes.

As social actors, we have the capacity to change how politics are done and how public institutions are run. We must do this with an eye to greatness, moving away from our individual interests, with a collective vision. We must focus on the greatest national interests. We must act together. We must not lose this chance, and I say this directly to our friends, the workers.

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*Original Russian: Mr KOZIK (Worker, Belarus)*

We note the very important Reports that have been presented to us on overcoming the crisis in employment. This is a great addition to the work being done by governments around the world.

Looking at the Global Report, there is concern at the fact that, although slavery in our world is at an end, there are relationships in labour which can be deemed the equivalent of slavery, child labour and forced labour. Let me say that such phenomena are not present in my country, either overtly or unofficially. We have managed to solve these problems, but we know that these issues do exist in other parts of the world, and we see examples given in the Report of our Director-General. We believe that this Report deserves the attention of all governments and other players concerned.

With respect to the Report, *Tackling the global jobs crisis: Recovery through decent work policies*, this is a very timely document which is vital today

for workers of all countries. The tasks facing the ILO, governments and workers are clearly described in the Reports, and the Director-General refers to three main tasks which need to be accomplished.

The first of these is the provision of assistance to the tripartite members of the ILO, because this kind of assistance is very important in this time of crisis.

Secondly, the learning of lessons with regard to the model of globalization and the ability, or inability, of markets to self-regulate. We note the need for governments to ensure social justice and to lay the foundations of a new globalization and a new economic system based on justice to enable environmentally sensitive development in an open society. It is important that the ILO promotes social justice and a fair globalization.

Thirdly, the Report refers to the formulation of anti-crisis measures in all countries and regions where large numbers of people are suffering and afraid of losing their jobs. This is also very important.

Hence, one of the key areas of this document is its call for a Global Jobs Pact, which we are discussing today. The Belarusian delegation supports the adoption of this Global Jobs Pact because it is one of the main concerns of the workers today. The trade unions are concerned, of course, about how to protect existing jobs and provide the opportunity for workers to continue to work and earn money in order to be able to feed their families.

All the conclusions contained in the Report have our full support. We should like to call upon governments to draw up anti-crisis measures in consultation with the social partners, taking into account the workers' opinions. If a large number of countries cooperates to create international or inter-regional pacts for employment, we would support this as well.

Let me say a few words on the crisis in Belarus. Our viewpoint is slightly different, in that we have an economy which is working very successfully on a sound technological and economic basis to increase production. Now the crisis grew in other countries, which stopped buying our products and, as a result, our workers are finding themselves without jobs. However, we have said that there is not going to be an overall reduction in employment in Belarus and the trade unions are fighting to ensure this.

On behalf of the Belarus trade unions, I would like to express our support for the Pact and for these Reports and voice our hope that together we will be able to find a way out of this crisis.

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*Ms TZOTZE-LANARA (Worker, Greece)*

On behalf of the Greek General Confederation of Labour, I extend our congratulations on the 90th anniversary of the ILO and express our appreciation for the work of this Organization, which provides a unique international forum to the world of work.

We appreciate the quality of the documents presented to this Conference and share their underlying concerns. We welcome the Report of the Director-General, *Tackling the global jobs crisis: Recovery through decent work policies*, which proposes a path to recovery through decent work policies and puts forward a Global Jobs Pact.

The Report is intended as a "wake-up call". We only hope that it succeeds, because the labour movement has been ringing alarm bells for years

while businesses and politicians were ignoring the deep irrationality and destructive dynamics of a finance-driven capitalism that was setting the rules for economic and social development in the world.

This crisis did not come out of the blue. It is the product of a specific system and of specific choices. The causal elements were there, but they were disregarded, while policy choices further destabilized an already crisis-prone system. Short-termism, speculation and corporate greed were allowed to replace long-term strategic planning to the detriment of the real economy. The rejection of macro-economic policies for full employment and the conversion of public goods and social rights into marketable commodities are core parts of the neoliberal economic paradigm. Far-reaching deregulation, targeting primarily the labour market, dismantled rights and collective agreement frameworks leaving workers and their families more vulnerable than ever to face the crisis.

The Report of the Director-General bears witness to widening inequalities, massive, persistent unemployment, and poverty, which is acquiring an endemic character. The ILO's worst case scenario is the most likely to materialize. By the end of 2009, global unemployment may well exceed 50 million with some 200 million workers facing extreme poverty. The global effects on social protection systems, political stability, social cohesion, gender inequality and on the environment are exceptionally negative. Thus, the first decade of the twenty first century enters history as an era of neoliberal financial disaster and failure that is causing suffering for hundreds of millions of people around the world.

In my country, Greece, the crisis landed in a negative context already burdened with high and persistent unemployment, which affects women and young people in particular, insufficient inspection mechanisms and frequent violations of the institutional and legal framework. The informal sector of our economy is growing, it is explosive and fuels precarious and undeclared work. Increasing numbers of migrant workers face adversity and exploitation.

As the Report observes, people are hurting. The crisis, however, hurts some more than others. It hurts, principally, the least responsible and those who are most vulnerable, the working people, who are asked to pay a heavy, totally undeserved price while bankers are being bailed out with taxpayers' money. Since last November more than 20,000 jobs were lost in Greece. Several thousand workers have been placed on suspension, forced to take compulsory leave, sent off to retire early on meagre pensions, or have seen their working week curtailed. We expect more than 100,000 jobs to be lost in industry, commerce and the service sector, while the effects on tourism, which is a vital sector of the Greek economy, have not yet been felt. Moreover, we are monitoring, with the utmost concern, a number of employers who see in the crisis an opportunity to violate collective agreements, to contest rights and get rid of their workforce. Regrettably, no active measures are being taken to discourage such bad practices.

Over recent years, successive legislation has gradually eroded rights and social protection, interfering unilaterally in collective agreements, as illustrated by the case of the bank employees' pension funds that will be examined by the Committee of Experts on the Application of Conventions and

Recommendations in November with regard to the implementation of the Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87), and the Right to Organise and Collective Bargaining Convention, 1949 (No. 98). We attach particular importance to this case because it exemplifies blatant unilateral Government interference in pension funds that were set up and managed within the framework of a collective agreement and with the consensus of both employers and workers.

The Greek General Confederation of Labour has a long history and last year celebrated its 90th anniversary. For nearly a century, our action to defend workers' rights has been guided by our commitment to solidarity, equality, peace and democracy, which are core ILO values. We chose to celebrate our anniversary with a major event on combating forced labour and trafficking as part of the ILO Special Action Programme. We believe that it is vital to protect the safeguards in place to prevent this most abhorrent exploitation from becoming a spill over of the crisis.

Finally, if a "change of era" is at hand, the change should go beyond rescuing a failed financial system. Business cannot go on as usual in a post-crisis world. Change must involve a deep and comprehensive transformation and democratic control. More than ever, the economics of Karl Polanyi are timely. It is time to move from a society embedded in the market to markets which are embedded in society.

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Mr AHMED (*Worker, Pakistan*)

It is my pleasure to congratulate Mr Juan Somavia, our dedicated Director-General of the ILO, on his unanimous re-election for the third consecutive term, and to wish him every success in his noble task. I also convey fraternal greetings of the working class of Pakistan to all the distinguished delegates. I thank my colleagues of the Workers' group for conferring the honour on my nation of electing me as Vice-Chairperson of the Workers' group.

We are meeting at a time when the ILO is celebrating its 90th anniversary. Its fundamental principles are still valid. They declare that international peace can only be established if it is based on social justice and that poverty anywhere constitutes danger to prosperity everywhere.

In our country, various activities have been held, including those held by the workers' and employers' organizations and the Government, to celebrate this anniversary in Pakistan, all of which were given wide coverage in the national media.

We commend the Director-General's Report, *Tackling the global jobs crisis: Recovery through decent work policies*, in a time of financial crisis, which has aggravated poverty, pushing almost 200 million people into poverty, 1 billion people close to hunger, and an additional 53 million people unemployed, while 45 million of the young labour force are likely to enter into the labour market every year. The Report highlights that the total write-downs are estimated at around US\$4 trillion, with an estimated two-thirds of that figure incurred by the banks.

It also highlights the lack of effective national and international regulatory financial machinery to control the rewards structure of the financial institutions' executives and managers, and the need for remedial measures.

In such a situation, we fully support the conclusion of the high-level tripartite meeting on the current financial and economic crisis, as well as the strategic objective of the Global Jobs Pact presented in the Report. We urge extending international assistance to third-world countries hardest hit by this crisis, which, unlike developed countries, have no comprehensive social protection systems in place, as follows: (1) allocating 1 per cent of GNP to official development assistance, thus providing sustainable development; (2) granting debt relief; (3) ensuring fair trade without protectionism; (4) technological transfer to reduce the digital divide and friendly international financial institutions (IFI) policies instead of imposing unjust conditionalities by the IMF and the World Bank; and (5) special care for migrant workers.

We in Pakistan have been bearing the brunt of the international financial crisis, not only in the labour market, but also in the economic, social and political fields as a result of the backlash of the Afghan war and being a front-line member State of the international alliance of the war against terrorism. Millions of people in the beautiful Swat valley have been displaced and our people are being targeted by militants. Our nation has been making great sacrifices affecting employment, basic-needs provisions and adequate infrastructures.

Despite all these odds, the trade union movement has been putting pressure on our newly elected Government to introduce progressive, social and economic reforms by adopting national economic self-reliance policies and developing human resources with the active labour market and to promote national industry and agriculture, in a decent work framework, since 1.5 million young people enter the labour market every year.

There is also a need to bridge the irrational gap between the rich and the poor, to ensure the provision of basic needs to the teeming masses, to enforce austerity in all walks of life, to develop a productivity culture and teamwork between workers, employers and the Government through respect for the fundamental rights of workers, improving the social protection system and a fair wage system.

We have also submitted amendments to the newly elected Government for adoption in the Industrial Relations Act which has recently entered into force in order to bring it into conformity with the ILO core Conventions. These demands have also been raised during the national Tripartite Labour Conference, held this year, which was inaugurated by the Prime Minister of Pakistan.

Recently, we held an important conference, addressed by the ILO and national experts, on the impact of the international financial crisis, growth, jobs and a better coherence of financial, economic and social policies for the promotion of decent work and we forwarded our recommendations to the Government for incorporation in the coming federal budget.

We also express our concern over the conditionalities imposed by the IMF upon the Government of Pakistan in allocating a US\$7.6 billion loan, requiring the reduction of the public deficit to 2.5 per cent, the withdrawal of subsidies on fuel and food, and the requirement to raise the interest rate to 14 per cent, whereas the United States has a fiscal deficit of 7.6 per cent, and developed countries an interest rate almost half of 1 per cent. We demand the withdrawal of these unjust conditionalities since

they would further aggravate poverty and unemployment.

We fully support the legitimate right to independence of the Palestinian people in accordance with the relevant UN General Assembly resolutions and urge the ILO to enhance its technical assistance to the Palestinian people and to the working classes to mitigate their day-to-day economic and social hardships in an occupied land, and to restore and fully support their fundamental rights.

Finally, we convey our appreciation for the work of ACTRAV, as well as the employment, social dialogue, social protection and international labour standards departments in the ILO Regional Office for Asia and the Pacific, as well as the ILO Office in Islamabad, and for their close cooperation with the workers' organizations. We wish the Conference every success in bringing a better tomorrow to the teeming masses.

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*Ms LOCKE (Employer, Jamaica)*

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The Jamaica Employers' Federation has reviewed with much interest the concise, yet incisive, Report of the Director-General. This Report comes at a time when the entire world is experiencing one of the greatest crises since the recession of the 1930s.

In addition, we would like to extend our heartiest congratulations to the organizers of the Conference for their responsiveness in quickly shifting the agenda of the Conference, making the crisis the focal point of the deliberations. This is further demonstrated through the establishment of the Committee of the Whole on Crisis Responses, which addresses a wide range of issues such as social dialogue, job retention, job creation with special emphasis on the young and the vulnerable groups, business development with a focus on small and medium-sized enterprises (SMEs), and education and training. These issues also provide the platform for the work of the other committees, such as the Committee on Gender Equality, the Committee on HIV/AIDS, and the Committee on the Application of Standards.

In this context, the Jamaica Employers' Federation responded to the challenges by partnering with the unions and the Government to set up, and participate in, a multisector committee to develop strategies on job retention and job creation.

In April 2009, the Jamaica Employers' Federation collaborated with the ILO Subregional Office for the Caribbean and the Caribbean Employers' Federation in hosting the ILO Tripartite Caribbean Conference under the theme "Promoting human prosperity beyond the global financial crisis". Consistent with the Report of the Director-General, that conference highlighted the significant impact of the economic crisis on the countries in the Caribbean. The major focus was the use of social dialogue, mutual respect and partnership in governance to ensure decent work, social justice and prosperity. The action plan resulting from these deliberations called for social dialogue, social protection, with emphasis on the vulnerable groups, employment promotion policies, data collection to enhance analysis and measures to protect wages and pensions.

In respect of business development, we continue to facilitate the growth and institutional strengthening of the Young Entrepreneurs Association. We also continue to emphasize education and training as a means to provide employers with tools to respond to challenges. Our recent annual convention under the theme "Succeeding in turbulent times:

Partnership, performance, productivity”, a signature workplace and business event in the Caribbean, underscored our commitment to being responsive to the needs of employers.

We noted the emphasis on gender equality and will incorporate this into our annual surveys of salaries and terms and conditions of employment.

We continue to champion the issue of HIV/AIDS and the world of work through our Jamaica Business Council on HIV/AIDS initiative across the business sector. We would like to express our gratitude to the ILO Subregional Office for the Caribbean for their continued support as we strive to succeed in these turbulent times.

Finally, we would like to acknowledge the foresight articulated in the Report of the Director-General and fully endorse his classic statement that “we have abruptly moved from an era of changes to a change of era”. The Jamaica Employers’ Federation remains committed to embracing that change.

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Mr FOLO (*Worker, Ethiopia*)

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First of all, I would like to congratulate the ILO on its 90th anniversary on behalf of the Confederation of Ethiopian Trade Unions (CETU) and on my own behalf. The ILO has been successful for the last 90 years in promoting standards and fundamental principles and rights at work, creating employment and strengthening social dialogue and social protection for all. I hope it will continue strengthening those activities. It is also a great honour and pleasure for me to have this opportunity to deliver a speech at this Conference.

As you all know, Ethiopia is among the leading countries of the world, being a member of the ILO since 1923. Ever since then, it has been actively participating in the realization of ILO labour standards and ratified about 21 ILO Conventions. The CETU is one of the tripartite partners of the ILO in Ethiopia, as it is the only vanguard and the sole national trade union that has been formed to carry out its obligation for the well-being of the Ethiopian workers. It strives for the ratification and implemen-

tation of the ILO Conventions and standards in Ethiopia. Besides, I acknowledge the relentless help that the ILO regional office is giving to our Confederation on a number of issues.

Currently, the global economic crisis affects banks, insurance companies and manufacturing companies in the world. The global crisis is affecting Africa in different ways, which include the reduction of investment, decline in commodity prices and job losses, among others. However, in Ethiopia, no workers have lost their jobs, there have been no layoffs and no factories closed owing to the financial and economic crisis. Our only problem is the shortage of foreign currency and inflation. If the crisis continues like this, it will affect us.

The ILO estimates that millions of workers will lose their jobs. This implies that most workers will be affected, and that African workers particularly may feel the burden of this economic crisis the most. If the problem continues like this, let alone protecting ILO standards and principles, it will be difficult for workers to survive.

On this occasion, the CETU would like to strongly call on the ILO, African governments and other stakeholders to seriously consider this problem and to take action to mitigate the burden on African workers and the people. I also want to urge the developed countries, the International Monetary Fund and the World Bank to revise their preconditions which affect the developing countries’ policies. This crisis teaches us that the intervention of the government is important to some extent in the economy. Therefore, this is the time for the international community to put the African problem on their agenda and to give their support.

Finally, I would like to stress that the ILO should further strengthen its support to African countries. In particular, the effort aimed at alleviating unemployment should be followed up seriously. Strengthening labour unions to secure the lives of the workers should be given the necessary support.

*(The Conference adjourned at 1 p.m.)*

## **Eighth sitting**

Thursday, 11 June 2009, 2.30 p.m.

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

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

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The PRESIDENT (Mr ZELHOFER)

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We shall continue with the general discussion of the Reports of the Chairperson of the Governing Body and of the Director-General.

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Mr RADIBE (*Worker, Botswana*)

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First of all I would like to say that the Botswana Federation of Trade Unions wishes to strengthen its partnership with the ILO in Geneva.

The Botswana Federation of Trade Unions is an organization which represents all workers in Botswana, both organized and unorganized, and is an organization which was formed under a culture of a multi-party system which, among other things, encourages the values of democracy. Moreover, as you know, Botswana is among the democracies in Africa and its people enjoy freedom of assembly and freedom of expression.

However, I would like to point out that we, the Botswana Federation of Trade Unions, want to promote fundamental human and trade union rights in our country, not only for workers, but also for the citizens of Botswana, because we believe that we play a very critical role in shaping the destiny of our country.

Our work includes protecting workers, encouraging dialogue and defending and protecting workers' rights. However, against such a background, we believe, as the Botswana Federation of Trade Unions, that we are going through a very, very trying time, which of course is due to the global recession. We have observed that globalization has also had an impact in Botswana. Of course we recognize the fact that this global recession has not come about because of the workers, but rather because of the systems that are not working completely. This speculative model of the economy is doing more damage to the world than any other thing.

We believe that education and training should provide the relevant skills that can take our country forward and we believe strongly that a regulatory mechanism should be put in place to restrict some of these gamblers who are encouraged by the World Bank, the World Trade Organization and the International Monetary Fund, in order to move forward in line with what we really want as an organization.

In our country we strongly encourage the strengthening of the labour administration so that we can address labour standards. However, in our

country we are still encountering critical problems with regard to the implementation of labour standards. For instance, there is still work to do with regard to issues such as freedom of association and collective bargaining, particularly in the public sector. We would like to call upon the ILO to support Botswana by providing technical assistance so that Botswana can make improvements to its public service.

We also believe that women play a critical role. However, it is very unfortunate that the Convention on maternity protection has not been ratified and the Southern African Development Community (SADC) Protocol on Gender and Development has not been signed. And we are calling upon the ILO and the world at large to help and assist Botswana in this regard because, if you marginalize women, you are marginalizing the world. We believe women play a very, very critical role and the ILO is very concerned about issues of gender equality.

Lastly, I would like to indicate that it is very critical that Botswana should be assisted in the area of social dialogue against the background that I have already indicated. Botswana is a multi-party democratic State, but its institutions are very weak. We need social dialogue, which will of course strengthen our democracy, and the introduction of social dialogue in the workplace at the national and regional levels plays a critical role. And everyone knows the main goal of social dialogue is to promote consensus building and a democratic environment among the social partners in the world of work. Successful social dialogue structures and processes have the potential to resolve the important economic and social issues, encourage good governance, advance social and industrial peace and stability and boost the economic growth of our country.

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Mr NGADEESANGUANNAM (*Employer, Thailand*)

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Thailand is still being affected by the global economic and financial crisis that started in late 2007. Thailand's income from exports has decreased by more than 30 per cent and its GDP for 2009 is estimated to decrease by more than 6 per cent.

At the end of May 2009, the number of unemployed workers amounted to more than 800,000, and the unemployment rate is still increasing. It is estimated that there will be more than 1 million unemployed workers at the end of this year.

However, three parties of the Tripartite Constituency of Thailand, consisting of the Thai Government, employers' federations and workers' unions, have held frequent meetings, consultations and con-

ferences to identify problems, find solutions and take action to prevent and minimize the destructive impact of the crisis.

Through the guiding principles of the ILO, the sincere, intimate and honest relationship among the Tripartite Constituency of Thailand has shown satisfactory results. There was very little hostility between employers and workers, because of their mutual understanding and sympathy. We recognize that, though some destructive forces of the crisis are unavoidable, through the joint support effort of the three parties, the damage from the crisis can be dramatically reduced.

However, Thailand has more serious problems than some countries during the crisis due to the more than 2 million illegal migrants from Burma, Laos and Cambodia who are now living in Thailand. They have been displaced from their homelands for various reasons and have come to seek opportunities in Thailand.

Thailand could have forcefully expelled them, but the consequences of that could be more terrible than those that a good member State of the United Nations and the ILO is willing to accept.

Currently, we are asking them to register as legal migrants so that we can give them adequate protection and social care, though Thailand will have to bear the huge expense and loss of over a million jobs to these migrants. If Thailand does not help these migrants, it will influence the stability of South-East Asia and our world.

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*Original Spanish: Mr BLASCO GAVILÁN (Minister of Justice and Labour, Paraguay)*

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It is, indeed, a great honour for me to represent the Ministry of Justice and Labour of the Republic of Paraguay at such a major conference of the ILO, especially because I have the singular honour of being a member of the first alternative government presided by Fernando Lugo after 68 years of hegemonistic government of just one party.

This fact, remarkable on its own, means that we must establish clear distinctions when dealing with problems that affect labour and employment at this historic moment, so that we might, at any time, evaluate the progress made – or steps back – in this area.

Indeed, in 1999, the Director-General's Report for the 87th Session of the Conference of the ILO put forward decent work as a concept of universal importance, which political leaders and enterprises throughout the world were called upon to implement. My Government, upon coming to power on 15 August last year, decided to adopt, with resolute political will, the Strategic Objectives advocated by Mr Somavia in that outstanding report, i.e. to defend fundamental principles and rights at work, and promote employment, social protection and social dialogue.

In this context, our country embarked upon five campaigns, conducted on a tripartite basis. The first, decent work in the rural areas, is intended to ensure that labour regulations apply to all rural workers, especially those in the Paraguayan Chaco, so that an end is put to forced labour. It is interesting to note that this campaign is going to protect one of the most vulnerable sectors of our society, the indigenous population. Just a month after starting its new mandate, we opened a regional labour office in the central Chaco, putting an end to decades of absence in the labour area. We also held awareness seminars

for the citizens on labour rights and international Conventions, and these were attended by the leaders of various ethnic groups, employers in the district, national authorities, departments and municipal authorities, with technical support from experts of the ILO.

The second campaign is centred on decent work in the building sector, carried out under our ministry and headed by the unit for occupational safety and health. The aim is to conduct a meaningful analysis of the situation in this area, bearing in the mind the high rate of occupational accidents, and to establish a joint strategy, together with a tripartite state body (IPS), in order to spread awareness of national and international occupational safety and health standards, control the application of these standards and punish possible violations.

A third campaign is focused on decent work for domestic workers, carried out with the support of the Spanish Cooperation Fund for Technical Assistance, the UNDP, the Women's Secretariat of Paraguay, and various NGOs. The aim is to come to grips with a problem that affects 25 per cent of economically active Paraguayan women, most of whom are exposed to very unfavourable labour conditions. At times, they are even subjected to human trafficking.

The fourth campaign is centred on creating decent working conditions for persons with HIV/AIDS. We have been developing a public policy, designed to protect this segment of the population against unjust and inadmissible discrimination. The Vice-Ministry has adopted a resolution stating that it is prohibited to demand that workers have HIV/AIDS tests upon recruitment or as a condition for staying at work or being promoted, subject to financial penalties. Various training institutes under the Ministry of Justice and Labour are obliged to include, in their syllabuses, a study of standards, recommendations and documents pertaining to HIV/AIDS at the workplace in Paraguay. We also want to make business associations and trade unions aware of the need to respect the confidentiality of HIV/AIDS tests, if workers undertake to undergo them voluntarily.

There is also a campaign for decent work for young people, conducted by the Ministry of Justice, which affects the biggest segment of our working population. Given the importance of this campaign, a tripartite social dialogue body has been set up by Presidential Decree, which deals not only with the Ministry of Labour but with all other competent ministries and public institutions involved in the productive sector. We are working together with the ILO in this and other areas and we would like to express our thanks for this cooperation.

With regard to the world situation, we are of the opinion that the financial imbalance has been created by the big powers because they failed to monitor the activities of, and apply standards to, major enterprises. Henceforth, the State must put workers at the centre of their efforts to attain a sound economic and financial balance in order to defend labour and protect the most vulnerable. Above all, we must avoid any crisis becoming an excuse to undermine employment and working conditions.

Like a patient who has been suffering for a long time because his illness has not been diagnosed or treated in time, it will take time for the economy to recover. And it will take time for our country to be nursed back to health after 68 years of a single party. But we are on the right path with our public

policies. Despite the pessimists who see no change, the sceptics who believe we are like the others and those who try to put obstacles in our way because they want to hold onto their privileges, Paraguay will recover the respect and authority among civilized nations that is its due, and this is the message I wish to convey from Paraguay.

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Mr YUSOF (*Minister of Home Affairs, Brunei Darussalam*)

Observing the amended agenda of the Conference, namely with the special ILO Summit on the Global Jobs Crisis, shows how perceptively and quickly the ILO has responded to the current volatile situations. The ILO is currently meeting at a crucial moment, when the need has made itself felt and known to give a social dimension or a human face to the major occurrences in the global financial and economic crisis.

The ILO's work on the human dimension is expressed and reflected through its attention to the individual's phases throughout the life cycle – from infancy to old age, from child labour to the protection of the social benefits of the elderly, as well as labour standards practices. The ILO had mobilized its resources and expertise to support the member countries' call for assistance.

The current global financial and economic crisis impacted many countries in the world. Such a severe economic downturn caused companies to face bankruptcy and put millions of workers out of jobs. Pertinently, it does not only implicate the very person himself or herself, but also their family. Such aggravations lead to deprivation and this caused great concern in Brunei Darussalam. As an oil-based economy with a meagre population size, Brunei Darussalam spared no effort in dealing with this issue. We make sure our subsidies on some basic or staple necessities are provided; and our Government spending is catered for in such important matters. It has been a long-established policy in Brunei Darussalam that the elderly, the poor and vulnerable groups are supported financially, and skills-based training programmes are provided through various agencies and mechanisms. We also seek to ensure that employers cannot dismiss workers easily, and the best solutions shall be put in place to ease the burden of this difficult time. The discussion of the Committee of the Whole on Crisis Responses is beneficial, and we salute the ILO for bringing in such exemplary and experienced panelists. Such a response by the ILO is timely in commemorating the ILO's 90th anniversary. So we hope that the Summit on the Global Jobs Crisis will deepen our understanding and share our views on the matter, while simultaneously leading to alternative measures to mitigate problems effectively and efficiently as well as learning to manage the crisis.

This year's Global Report, *The cost of coercion*, which deals with the elimination of forced and compulsory labour, is critical to all of us here, especially to our workers. Brunei Darussalam supports all efforts to alleviate forced labour, and we are at the moment pertinaciously considering the possibility of ratifying Conventions on forced labour and other fundamental Conventions. In that, our commitment will continue.

We also noted in the ILC's agenda an item on gender equality at the heart of decent work. The Government of Brunei Darussalam sees this issue as a substantial one which covers various entities; starting at the onset of individuals in early education

to higher level tertiary education. All individuals, without referring to gender, have equal rights to and opportunities for jobs, pay, remuneration, education and social protection. The discussion will no doubt assist us to refine our gender equality issues for further betterment.

Young people are the future of humankind, yet we can easily overlook the fact that they are also the present. Realizing their potential contributions to sustain economic development, we are thus establishing a variety of training, upskilling and lifelong learning programmes so that they are marketable and employable in the job sectors they choose. Finding equitable work for everybody of working age is not a utopian concept. The problem with our young people has nothing to do with gender affiliations, but they are choosy, not wanting to realize that they are mismatched to and under qualified for the jobs they are interested in.

The Government of Brunei Darussalam has set up a national committee on unemployment which is responsible for discussing the causes and implications of unemployment, as well as for proposing best practices to reduce unemployment effectively and to prevent negative social consequences from occurring in the country. We are very fortunate that our private sectors blend together with us as partners in focusing their corporate social responsibilities towards achieving our national capacity-building and sustainable employment endeavours.

With regard to the agenda item on HIV/AIDS in the world of work, it is an appropriate time to discuss this matter, and will lead to the adoption of an autonomous Recommendation. Hence, the proposed Recommendation will provide a valuable opportunity to determine the direction of future activities in this area.

I recognize that this congregation will also discuss and exchange views and opinions on the various set agendas, especially the Summit on the Global Jobs Crisis. Hitherto, the cooperation among us and the social partners is very necessary and crucial in order to develop international communities and to move forward together. I strongly believe that the 98<sup>th</sup> Session of the ILC will bring new, positive, useful developments to increase our capacity to construct and develop our very own countries.

In conclusion, I would like to express our gratitude and recognition to the ILO for the efforts, initiatives, achievements and for its continuous support to our side of the world, and Brunei Darussalam looks forward to a fruitful Conference.

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Mr VILLAVIZA (*Worker, Philippines*)

We are living in difficult times. The global economic crunch spares no one and there is an urgent need for accelerated action.

As noted in the ILO report entitled *Tackling the global jobs crisis: Recovery through decent work*, millions of women and men have lost their jobs, unemployment is expected to continue rising, and poverty and informal employment will continue to rise as well, reversing recent gains.

We note that, amidst all this, workers and their families, particularly those in developing countries like the Philippines, are the most vulnerable and the most adversely affected.

Indeed, what we need, and what all social partners should aim to do, is to "place employment and labour market issues, together with social protection and respect for workers' rights, at the heart of

stimulus packages and other relevant national policies to confront the crisis”.

We reiterate workers’ calls for stronger, wider and sustained promotion of gender equality and mainstreaming it in the Decent Work Agenda.

We agree that the crisis will impact heavily on women’s efforts to find and keep decent work.

As recovery packages may have been designed without due regard to issues of sex discrimination in the labour market, there is a greater need for focused and directed efforts to at least preserve the gains already made in the area.

We report that social dialogue in the Philippines is being exercised and strengthened. Recently, several tripartite consultations were held to address the impact of the current global financial crisis on Filipino workers both nationally and overseas, to ensure employment, respect of workers’ rights and social protection.

Social dialogue is constrained by continuing low union density, as anti-union activities continue.

We support the proposed Global Jobs Pact as the ILO’s contribution to recovery for national and multilateral decision-making and to accelerate recovery through productive employment and decent work.

It is our hope that the Global Jobs Pact, as it promises, will address “the immediate needs of formal and informal economy workers, families and enterprises, while at the same time laying the foundations for a fair globalization sustained by a socially, environmentally and economically balanced pattern of growth”.

We propose that a local, strong tripartite monitoring of developments in the implementation of this Pact be established.

As Asia accounts for the biggest share of the world’s forced labour, we support the call of the International Trade Union Confederation for a Global Trade Union Alliance to Combat Forced Labour and Trafficking.

The current financial crisis will compel more workers to seek employment overseas, where many will fall victim to unscrupulous recruiters and end up in forced labour and sexual exploitation.

The current and future social cost will be great for trafficked victims and their families.

It is timely for the ILO, working with unions, to effectively contribute to the elimination of forced labour, especially trafficking in persons.

On HIV/AIDS and the world of work, the Trade Union Congress of the Philippines has an active programme that addresses prevention and control of HIV and AIDS in the workplace.

Negotiated collective bargaining agreements are potent instruments to increase awareness of both workers and employers of HIV and AIDS, prevent discrimination and offer support for services.

The ILO should raise support for trade unions and tripartite capacities. The corollary areas of reproductive health and work–life balance, as important occupational safety and health components should, likewise, be supported.

The Philippine workers support the adoption of an autonomous recommendation on HIV/AIDS in the world of work.

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Mr KAPUYA (*Minister of Labour, Employment and Youth Development, United Republic of Tanzania*)

The global financial crisis has had far-reaching effects in almost all member States of the ILO, to the

extent that we almost felt that the Decent Work Agenda was at risk. In the United Republic of Tanzania, the situation has not been very different either. In the agricultural sector, we have suffered a lot due to the fall in demand and a drop in the prices of our commodities, such as cotton, coffee and tea.

The same applies to agro-processing industries, including garment factories, which rely on orders from developed countries such as the United States, whose economies have been hard hit by the crisis.

Because of the linkage between the banking sector and the industrial sector, especially agro-processing, the Bank of Tanzania has been directed by the Government to come up with a stimulus package so as to cushion the effects. The package includes, but is not limited to, the establishment of an agricultural development bank.

Furthermore, the Government is accelerating the extension of the health and education systems reform as an aspect of direct social security intervention: these are massive investment programmes.

Social security is considered to be an integral part of the poverty alleviation programmes in most developing countries, including the United Republic of Tanzania. But these need to be properly coordinated and well spread. It is in this regard that we in the United Republic of Tanzania are moving to reform our social protection and pension schemes.

The Social Security Regulatory Authority Act 2008 is now in place, providing for the establishment of a regulatory body. The body will help pension funds operate more efficiently and ensure that their members are the main beneficiaries of their respective schemes. The informal sector is also targeted.

However, in order to address the issue comprehensively, the Government has appointed a special task force to lay down proposals on how best the country could mitigate the effects of the global economic crisis.

In this regard, a high-level consultative meeting took place recently under the chairmanship of His Excellency the President to discuss how the agricultural sector could be salvaged.

This shall be taken together with the review of the current national strategy for economic growth and poverty reduction aiming at producing a successful strategy, outlining measures to be undertaken, as well as defining the roles of different partners.

It is a fact that agriculture and agro-processing are the major employers in the United Republic of Tanzania. Thus, because the crisis has affected these sectors, it will naturally impact on workers. We are beginning to witness massive lay-offs in some industries and a reluctance to observe some elements of the Decent Work Agenda in some sectors. We are responding through increased and quality social dialogue. This is helping a lot.

However, this is an area where technical assistance from the ILO is still required, especially in terms of capacity building and education for both employers’ and workers’ organizations. Both camps need to understand that, during such trying times, some compromises may be necessary in order to save jobs.

The slowdown of flow of foreign capital into the United Republic of Tanzania, particularly from the West, is affecting our mining sector. However, the response from the mining companies has been a very cautious one, with a reluctance to invest in new areas.



With regard to HIV/AIDS, especially in the workplace, we in the United Republic of Tanzania have, since February 2009, launched a national code of conduct on HIV/AIDS in the workplace as one of our strategies to combat the pandemic.

On the gender front, the Government has taken a number of policy, legislative and administrative measures to promote the Decent Work Agenda and job fulfilment for all. In order to enhance the accessibility of finance by women, the Government has launched a Women's Bank.

I would like to commend the Director-General and the Conference as a whole for coming up with a very special committee for this year's Conference – the Committee of the Whole. This is very timely and relevant.

I understand that, at the end of this Conference, the Committee of the Whole will come up with a Global Jobs Pact, which takes into consideration all the recommendations of the various meetings.

It is my hope that the Committee will guide the Conference in determining what form the Pact should be: a Recommendation or a resolution. I believe what is covered here will include all the main areas of employment rights, obligations, opportunities, programmes, social security and protection, as well as skills development. We all have to work together as social partners in order to make the Global Jobs Pact effective.

I would also like to reiterate that, firstly, cooperation among the donor agencies should be enhanced in order to tackle the immediate issues that need to be resolved first and, where possible, financial assistance should be provided.

Secondly, in a nutshell, the outcome should be a policy framework for the future and should serve as a resource of practical policies for governments, workers and employers.

Thirdly, tripartite social dialogue should be encouraged and strengthened in the course of dealing with the crisis and other issues of common interest.

Fourthly, the elements of the Global Jobs Pact should be undertaken at the national level, where country-specific solutions can be proposed and implemented. Employment and social protection should be at the centre of the recovery policy.

Last but not least, the United Republic of Tanzania supports recent initiatives by President Obama of the United States to bring lasting peace to the Middle East. We therefore urge both parties to the conflict to engage in constructive dialogue in order to achieve a permanent and lasting peace in the region.

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*Original Portuguese: Ms BRITO NEVES (Minister of Labour, Vocational Training and Social Solidarity, Cape Verde)*

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In the year of the ILO's 90th anniversary, the world is still experiencing great uncertainty as a result of the international financial crisis. It is predicted that the impact will be felt most seriously in low-income countries, particularly those of sub-Saharan Africa, my own country's region.

Responsibility for the crisis stems from different areas and the action taken to remedy it should also be varied in nature, because small economies simply do not have the means or the technical and financial wherewithal to take the action that the very serious situation demands. Consequently, expectations are focused on decisions being taken in international organizations, particularly the ILO as the forum for tripartite discussion. I would therefore

like to congratulate the ILO and its Director-General, Mr Somavia, for making this the central theme of the Report before us, and for organizing within this Conference a high-level discussion on the crisis.

Despite my own country's vulnerability, the economy in Cape Verde has grown in recent years at an annual rate of over 6 per cent and we have managed to reduce poverty by around ten percentage points.

I would like to emphasize the effect of the crisis on our economy, more particularly in high-employment sectors such as civil construction, tourism and related real estate, as a result of the reduction in foreign investment and slowdown in exports, more particularly in the areas of tourism and services. We have taken steps to mitigate the immediate effects of the crisis, for example by strengthening public investment.

We have also taken long-term measures that are intended to prepare the country for the post-crisis era and to enhance the country's competitiveness and that of its enterprises, by reducing personal and corporate taxes, and improving the business environment and the regulatory framework. But the major challenge lies in mobilizing additional resources in order to tackle financial requirements arising from the slowdown in the economy and reduction in revenues, so as not to jeopardize our achievements in terms of growth, poverty reduction and improving the lives of our people.

Cape Verde has included in its agenda the challenge of transforming and modernizing its economy and society in a way that includes all the elements of decent work. Unemployment in Cape Verde is a structural problem and consequently we have paid particular attention to job creation. This is the primary focus of government activity within which there are two essential strands. Firstly, decisive action to promote economic growth. Secondly, promotion of an integrated system of education, training and employment to match the training response to the new requirements of globalization and the labour market, by promoting employment and self-employment. Particular attention has to be paid to active employment measures and measures to promote enterprise and innovation.

As an essential component of decent work, Cape Verde is implementing a programme of reform and modernizing its social protection system. We are working towards ensuring universal coverage in a contributory social security system for businesses, the public service and local government workers. We have recently been trying to extend this to domestic workers, and to extend a scheme for self-employed people to other groups including those in the informal sector and micro-enterprises. A non-contributory system covers those over 60 years of age, or those over 18 years of age with disabilities but not integrated into any social security system.

We have a modern Labour Code that includes essential standards and respects international provisions. We are developing a forum for consultation to tackle those issues that are still under discussion.

We are developing and implementing a new model for the promotion of social dialogue, and we have a strategic consultation agreement for the period 2007–11 between the tripartite partners, the unions, the employers and the Government. An increased number of meetings of the Social Consultation Council is provided for.

The promotion of gender equality is an essential tenet for us in Cape Verde. We have a National Gender Equality Plan and I am pleased to note that, in our own Government, we have a majority of women.

Before I conclude, I would like to reaffirm our Government's commitment to doing everything possible to meeting our commitments to implement Conventions and Recommendations. This year we hope to have in place a national programme to promote decent work and to have the ILO's support for this. We also advocate the promotion of development with a human face and I would, in this context, particularly like to support the proposal to adopt a Global Jobs Pact as a strategy to promote social cohesion at the global level.

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Mr VARELA (*Employer, Philippines*)

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For the first time in our generation, we are witnessing a worldwide social recession brought about by the global economic downturn. Indeed, in a highly globalized economy with fast-disappearing borders, an economic crisis that begins somewhere spreads like a virus everywhere.

Hence, there is a compelling need to act swiftly with a sense of unity and purpose for the good of all.

It is in this context that the Report of the Director-General for the 98th Session of the International Labour Conference deserves our utmost appreciation because it serves as a timely and necessary road map.

The world needs to recover from the aftershocks of a devastating economic tremor. Since the complexity of the severe problem confronting the international community is far greater than its economic aspect, the social dimension and ramifications merit due consideration.

From our respective national situations, we know too well that the sweeping social recession of global magnitude translates to a jobs crisis. With the exponential growth of business bankruptcies, millions of jobs have disappeared. Those who are still employed are praying that they will be spared.

The ILO estimated that, by the end of 2009, there could be an increase in global unemployment of more than 50 million and that some 200 million workers could be pushed back into extreme poverty.

What is further distressing is that, even after economic growth returns, employment only recovers to pre-crisis levels after a lag of four to five years on average.

In the context of this gloomy scenario, I am glad to say that our country, the Philippines, has so far evaded recession that has already afflicted export-dependent economies in East Asia, although our economy is experiencing the lowest growth rate in years.

Nevertheless, our economic managers are confident that the economy will not slide into recession as it weathers the economic storm.

That our economy is still managing to remain buoyant may be attributed to the continued massive inflows of remittances of Filipino overseas workers, which account for 10–13 per cent of our GDP, and whose volume still remains positive. Nevertheless, we have not been spared mounting job losses, particularly in the export sector, which serves to aggravate the problems of jobless growth and the high incidence of poverty that the country has been addressing through the years.

Inasmuch as our country is inextricably linked to the volatile dynamics of globalization, our own survival and recovery depends on a synchronized global recovery.

We take note that, in assessing the crisis, the Report of the Director-General clearly points out that the world may be looking at a jobs and social protection crisis of six to eight years' duration.

It puts, therefore, the tripartite constituency on notice that the time for action is now and to respond with the urgency and commitment required by the depth and duration of the global jobs crisis. Given the state of apprehension about the direction of the global economy and the emerging social landscape, the ILO, however, being faithful to its institutional mission, provides a strategic vision in the Director-General's Report: *Tackling the global jobs crisis: Recovery through decent work policies*.

This strategic vision is an expansion of the guiding principle behind the ILO Decent Work Agenda and the ILO Declaration on Social Justice for a Fair Globalization. The central theme needs to be stressed and sustained – that the globalization process should be redirected towards sustainable, fair and environmentally sound economic growth and social development.

We fully subscribe to the proposition that social justice and fair globalization are the key drivers of the future.

The Global Jobs Pact is part of this proposition, and it is discussed in detail in the Director-General's Report. As far as my delegation is concerned, we support in principal and substance the elements of this Global Jobs Pact, as we are convinced that it would provide the needed synergy to accelerate recovery, especially in terms of its special and social dimensions. But its success would depend on the unqualified and collective commitment of the world tripartite constituency to sustain it to the extent that national situations and funding allow.

For all its global magnitude, the Global Jobs Pact is national in its implementation.

Any map is only as good as the willingness and ability of a traveller to use it to reach a destination.

The Global Jobs Pact is only a beginning. The rest is up to us. So let us move on.

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*Original Arabic: Mr MEGAWER (Worker, Egypt)*

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I have the honour to convey greetings from the Egyptian Trade Union Federation, in the hope that this international assembly will yield new achievements to improve conditions of work and deliver decent work.

Our Conference is being held at a time of global economic crisis, with the spectre of its repercussions looming over the entire world. While economists are concerned with the financial aspects of the crisis, what matters to us workers is the social dimension, that is, the impact of the crisis on employment, unemployment and wages, as well as the possibilities of support to the social sectors and financing small and medium-sized enterprises.

We call on the international community and financial institutions to review their policies in order to mitigate the effects of the financial crisis and maintain employment.

New standards need to be devised that are binding on the social partners, through a global programme linking financial and economic policies and projects with the adoption of measures implementing the

Global Jobs Pact, while respecting standards and conditions in each country, as well as each country's socio-economic situation and income and education levels.

We are extremely concerned about the impact of the economic crisis, which requires employers and transnational corporations to abide by the principles of social protection and fundamental labour rights and refrain from violating standards, including those on the right of workers to form trade unions to defend their rights. Employers use methods that flout international law and Conventions, on the pretext that workers need decent work, so that workers are under threat by the employer, to the detriment of many of their fundamental rights.

The Egyptian Trade Union Federation is facing major problems in this regard, but we cannot shirk our responsibilities when faced with this intransigence against the workers. We all need to cope with this economic crisis in such a way as to avoid jeopardizing workers' rights. Employers for their part must fulfil their social role by preserving jobs and contributing to workers' training to upgrade skills and provide new job opportunities. States must play a greater role in protecting workers' rights and establishing a fair minimum wage, as well as promoting inspection committees in enterprises to provide a healthy work environment.

I am happy to be able to convey my thanks to the ILO for starting a project in 2008 on tripartite social dialogue in Egypt. We are committed to the success of effective dialogue as we believe that social dialogue is the best means of settling disputes and achieving social peace, thus improving the situation of the workers and ensuring a balance between the social partners.

Social dialogue has proved to be effective in dealing with the strikes and sit-ins held by workers in support of their labour and economic demands. The strikes took place without violence or confrontation, thanks to a general climate allowing freedom of expression, legislation that recognizes the legitimacy of strike action, and a shared concern to preserve social stability and balanced labour relations.

Our Conference is discussing a very important issue, gender equality at the heart of decent work. In this context, we would like to affirm that the Constitution of the Arab Republic of Egypt expressly states the principle of citizenship, which rules out discrimination between citizens on the basis of sex, religion or convictions; all persons have equal rights and equal duties.

As regards the Report of the Director-General concerning the implementation of the resolutions adopted by the Conference in 1974 and 1980, we commend his efforts, but hope that future Reports will truly reflect what is happening on the ground: the continued Israeli violations, the latest of which was the savage aggression perpetrated on Gaza. We also hope that the facts will be reported to the international community in a neutral and objective way so that it will face up to its responsibilities in regard to the sufferings of the Palestinian people. The Report must yield specific results and recommendations that will be put into practice for the benefit of the social partners in Palestine and the other occupied Arab territories. We also ask your Conference to condemn the attempts to Judaize the city of Al-Quds and establish the idea of the Jewish identity of Israel, which means that Palestinians living in Israel will then be compelled to leave the country, as if the

Palestinian people were condemned to live as displaced persons in their own land.

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Mr THAILUAN (*Worker, Thailand*)

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The economic crisis, which originated in the United States, has certainly caused an economic recession on a global scale. Developing countries like Thailand, for instance, that rely heavily on overseas investment and the majority of whose national income comes from exports, have been particularly severely affected. As in 2008–09, more than 800,000 employees, mainly in the automotive, auto parts, electronics and components, garments, furniture and tourism industries had their employment terminated. Most of them were over 30 years of age.

Out of these terminations, a number of foreign and Thai employers failed to comply with Thai labour law. Some of them just went away and refused to pay wages and severances, which frequently led to rallies and protests by those who had lost their jobs, and the problem remains unsolved and still exists today.

On the other hand, the problem concerning subcontracted employees is different from permanent employees in that permanent employees will receive salary increases and welfare, benefits and work security, while subcontracted employees earn solely the wage for their work. This is a practice of double employment standards, as I have been reporting at this annual Conference for five consecutive years. This problem has mostly been solved now, but I, together with many employees, have gathered and demanded changes to the Constitution of Thailand by having subcontracted employees entitled to receive welfare and benefits on a non-discriminatory basis. I am pleased to inform you that this provision has now been prescribed in article 84 of the Constitution of Thailand. This subsequently caused an amendment to the Labour Protection Act, B.E.2541, granting subcontracted employees the right to receive welfare and benefits on an equal basis to permanent employees.

In addition to the tripartite system, I have already solved the problems by placing this matter in the Constitution of Thailand. It is stated in the Constitution that the employers' and employees' representatives have to be elected. Currently, the Ministry of Labour has already launched the election for employers' and employees' representatives, in accordance with the Constitution.

However, there is one tripartite committee that has not yet followed this regulation. That is the Associate Judge of the Central Labour Court. At the moment, the Government still applies the allocation system instead of election and I am in the process of contesting this and will inform the Conference on my progress at its next session.

Unfortunately, even with the law revision, a number of foreign employers in Thailand are still reluctant to comply with the law. Many of them try to avoid legal practices and the Government also fails to seriously enforce such practices. Hence, the problem concerning subcontracted employees still exists. I will make a further progress report on the Government's efforts concerning this issue to this Conference again in 2010.

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Original Chinese: Mr CHEN (*Employer, China*)

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This Conference is being held at a special point in time when all countries are significantly affected by

the international financial crisis. The Director-General's Report has shed light on the impact of this crisis on global employment, highlighting the need to take effective measures for employment promotion and for the realization of economic recovery through decent work policies.

Currently, the international financial crisis is still spreading and is hitting the real economy especially hard. It has triggered an economic, employment and social crisis. At this crucial moment the most urgent task facing the international community is to spare no efforts to restore world economic growth. We should act in accordance with the consensus reached at the G20 Summit in London in early April to build confidence and strengthen cooperation, particularly in trade and investment in the real economy as a way to minimize the impact of the financial crisis on the real economy.

In the context of deepening globalization and interdependence among countries, the right option is to address the crisis and hold tight over the difficult times through mutual communication, mutual support and stronger cooperation. We should jointly oppose all forms of trade protectionism and take credible steps to assist the developing countries in maintaining financial stability, improving the external environment and boosting economic growth.

Affected by the global economic downturn, the Chinese economy has encountered unprecedented difficulties. The Chinese Government has responded promptly by adjusting the macroeconomic policies and adopting a stimulus package for boosting domestic demand and economic growth to ensure steady and fast economic development. As a result, some positive changes have taken place in our economy and stimulus measures are taking effect. The tripartite constituents in China pay close attention and attach great importance to the current economic situation, in line with the policy of ensuring economic growth, the well-being of our people and social stability put forward by the Chinese Government.

The Government, employers and trade unions have reached consensus through dialogue and consultations and have jointly issued guidance for preserving companies, employment and stability. To this end, the China Enterprise Confederation has made active efforts to encourage, guide and help enterprises and entrepreneurs to face up to the crisis in a pioneering spirit with a sense of responsibility, of pulling together in times of trouble to overcome difficulties. We encourage them to meet the challenges by following a scientific outlook on development, undertake social responsibilities, cope with the impacts of the financial crisis by strengthening management and technological innovation, and maximize efforts to make no lay-offs or fewer lay-offs by implementing on-the-job training, work-sharing arrangements and consulted wages based on their own conditions, for the purpose of stabilizing employment and promoting steady and rapid economic growth.

Since the crisis has not reached its worst point yet, we would like to call upon the international community to care about, support and help entrepreneurs, so as to create more favourable conditions and a better environment for enterprises to weather the tough times. The China Enterprise Confederation will work closely, as always, with the ILO and employers' organizations in various countries to jointly tackle this financial crisis.

We sincerely hope the ILO will bring into full play its advantage of tripartism and make good use of collective wisdom, strengthen policy coordination with other international agencies, take effective measures to help its constituents to ride out the tough times together and create a brighter future.

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Mr SUPARNO (*Minister of Manpower and Transmigration, Indonesia*)

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We are now six months into the global financial crisis and, unfortunately, the world employment situation does not allow for a lot of optimism. Unemployment and poverty remain the outstanding issues of economic and social development in every part of the world.

Like every other country, Indonesia is also implementing strategic steps in order to try to anticipate the unpredictable movements affecting growth and employment patterns influenced by the global economic downturn. The pillars of the ILO decent work programme are taken as references in preparing regulations and practices to support enterprises, employers and employees in facing the crisis.

We recognize that the promotion of full and productive employment and decent work for all is crucial to safeguard and improve people's livelihoods and to realize effective social cohesion. Employment services and social protection systems to support labour-market participation and a fair distribution of income are a must.

A package designed to provide fiscal stimulus, tax cuts and employment generation through infrastructure development has been released in this fiscal year, to revitalize enterprises, sustain businesses and support the domestic market.

Social dialogue, either through bipartite forums at company level or through the national tripartite forum is being conducted intensively in order to seek win-win solutions.

To keep men and women in jobs and to provide better access for jobseekers, we are also using stimulus package funds to provide training in various skills. We are focusing on the management of small and medium-sized enterprises, entrepreneurship and self-employment, as well as on the upgrading of various skills in agriculture and forestry management, for those who have lost their income.

The promotion of green jobs is being pursued, since all stakeholders have to contribute to tackling the impact of climate change and the scarcity of energy fuels. The need to address eco-friendly jobs has also popularized the debate on the subject of corporate social responsibility in some regions of Indonesia.

The current crisis must prompt us to build a new, sounder foundation for our economic system, combining freedom with regulation and a balance between collective and individual responsibility by raising moral standards and enhancing gender equality, and to strengthen the social dimension of globalization. In this matter, Indonesia always proactively pursues pro-poor, pro-job and pro-growth policies in setting up our national regulations.

It is also necessary to further strengthen the exchanges and cooperation between countries and regions, and to constitute a coordinated and coherent international employment strategy through a Global Jobs Pact, in order to learn about and make use of each other's successful experiences and to stimulate the economy through employment-oriented measures.

At the Asia–Europe Ministerial Meeting on Labour and Employment, held in Bali last year, we stressed the relevance of the ILO Declaration on Fundamental Principles and Rights at Work and the ILO Declaration on Social Justice for a Fair Globalization in contributing positively to economically inclusive and more cohesive societies.

The crisis is also impacting on our temporary migrant workers. In this regard, the dialogue between origin and destination countries should be promoted to deal with the impact of the crisis on migrant workers, such as the Abu Dhabi Dialogue.

We agreed that the rights of migrant workers as human beings have to be protected and promoted to avoid modern forms of forced labour, as well as to prevent organized human trafficking.

The Association of Southeast Asian Nations (ASEAN) leaders are also committed to protecting and promoting the rights of migrant workers, as reflected by a declaration. Furthermore, we have several action lines, including the setting up of an instrument for further implementation of the declaration.

In conclusion, it is my fervent hope that, in the spirit of ILO membership, we shall be able to have a constructive dialogue and cooperation, to work out concrete solutions to promote better and fairer employment conditions.

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Mr SUNMONU (*Representative, Organization of African Trade Union Unity*)

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The current global financial and economic crisis is so serious that, if immediate remedial measures are not taken, it could lead to social crisis and cause social and political instability throughout the world. The effect of the crisis is such that one does not have to be an economist to know its main cause: the neo-liberal economic policies conceptualized by the so-called “Washington Consensus” and promoted by the Reagan Administration of the United States of America and Prime Minister Margaret Thatcher of the United Kingdom in the 1980s. This policy glorified the free market and diminished the participation of governments in business as well as their supervisory role in the financial markets. It put profits before people, greed before accountability and speculation above production. That is why we are all where we are today. Have we learned any lessons? Any financial, economic, social or environmental policy that is not people centred will not be sustainable and is doomed to fail. Therefore, no amount of nostalgia by the apostles of neo-liberalism will convince the peoples of the world that we have to do business as usual.

I would like to place on record our profound appreciation to the ILO and its tripartite constituents on the actions suggested and being undertaken to resolve the global financial and economic crisis. For example, in Africa, we took part in the Preparatory Meeting of Experts on the First African Decent Work Symposium on the topic “Together addressing the implications of the financial and economic crisis on Africa’s peoples”, which the ILO Regional Office for Africa convened in Addis Ababa, Ethiopia, from 27 to 28 February 2009. The conclusions and recommendations included linking the Decent Work Agenda to basic needs development programmes to ensure the creation of millions of decent jobs, wealth for the people, entrepreneurs and governments, as well as peace and social and political stability at the national, continental and interna-

tional levels. After all, no political and economic policy can work in an atmosphere devoid of peace and social stability.

Last month, the Organization of African Trade Union Unity (OATUU), in collaboration with the ILO, organized a three-day workshop on the global financial crisis, decent work and the challenges to social partners in Cairo, Egypt for 72 African trade union leaders. Among their conclusions and recommendations were the following: the change in economic paradigm from neo-liberalism to a people-centred economic paradigm; the need to increase the purchasing power of the people; the need to preserve existing jobs and increase decent jobs through the linkage of the Decent Work Agenda to the basic needs development programmes; the need to improve the social protection of the people; the need to give financial and technical assistance for the establishment and expansion of small and medium-sized enterprises; the call on governments to strengthen public services financially and technically in order to improve their delivery services; and that governments should ensure that the financial markets serve the real economy and not the speculative casino economy.

It is the hope of our organization and African workers that this 98th Session of the International Labour Conference will, among other things: adopt the Global Jobs Pact to give the ILO the opportunity to lead the way in finding humane solutions to the present global financial and economic crisis; approve an increased budget for the International Labour Office in the new biennium to enable the ILO to implement the tasks assigned to it, and in particular its technical and financial assistance to its tripartite constituents; adopt a Recommendation, but preferably a new Convention, on gender equality; and adopt a Recommendation, but preferably a Convention, on HIV/AIDS in the world of work.

On the situation of workers in Palestine and the occupied Arab territories, African workers and trade unions are dissatisfied with the continuous violations of the fundamental rights of the workers and peoples of Palestine and the occupied Arab territories by the Israeli occupation forces. The illegal seizure of Palestinian lands, the strangulation of the Palestinian economy and the recent war on the people of Gaza, with the killing of over 1,300 people and the wounding of over 20,000 others, as well as the destruction of over 4,000 buildings including houses, schools, hospitals, UN installations and industries, amount to genocide, which we join the whole world in condemning. It is our hope that the international community will support the inalienable rights of Palestinians to statehood, living in freedom and peace with their Israeli cousins with their capital in East Jerusalem, and the return of exiled Palestinians to their homeland.

The ILO should increase its technical and financial assistance to the Palestinian workers and people. If the situation of Palestinian workers and peoples does not change for the better, African workers and the OATUU will support a Conference committee on the situation of Palestinian workers and peoples at the 99th Session of the International Labour Conference next year, as it has done in the case of ILO action against apartheid.

It is a personal pleasure for me to be able to participate in this 98th Session of the International Labour Conference, given that this Conference is characterized by the difficult time that we are all living through since this global financial crisis was unleashed.

I would like to thank the ILO officials for their wonderful organization and particularly the Director-General for the warmth with which he received us.

A lot has been written and talked about the beginnings, the causes and the effects of the crisis, in which the countries most affected are those which have the smallest economies. But this is the time for responses and for implementing concrete and appropriate policies which will allow us to overcome the crisis and meet the needs of our population.

I am sure that our citizens expect from their governments and from the international community some clear signals in the conclusion of this meeting, in order to guide us to carry out practical activities which will allow us not only to generate more jobs, but also to avoid more dismissals of workers.

For Bolivia, it is important to analyse the past, present and future in relation to all the technical assistance given by the ILO in the labour field, fundamentally for workers and the employers and the state, to be able to live together.

Since Brother Evo Morales Ayma became President in 2006, Bolivia has been in the midst of a process of structural change from the equity, cultural and democratic points of view, overcoming illiteracy and developing health programmes for the most underprivileged in order to prevent school drop-out, giving economic support to eradicate child malnutrition, implementing "Mi Primer Empleo Digno" (My First Decent Job) policies and training young people in different areas of work and then integrating them into the labour market.

Enterprises that were going bankrupt have been put into community hands or those of the workers, which has not only prevented their dismissal, but has also generated more decent work, with the support of the Bolivian State. The Bolivian Government is trying to avoid the effects of the crisis by strengthening community undertakings by granting revolving credits, building infrastructure and finding ways to support the production of communities, cooperatives and collective associations which consist in motivating them in the application and development of new technologies which will allow for the creation of greater added value.

With nationalization, we recovered our natural resources in the Bolivian State, which, after two decades, has allowed us to have positive rates of growth of the GDP, a commercial and fiscal surplus and significant growth in international reserves, which has meant that for the present period we were able to have a significant public investment programme.

The immediate effects of the crisis in Bolivia are expressed in the reduction of access to international markets for traditional and non-traditional products and the reduction in tax revenue, which means considerable budgetary shortfalls, which means that we shall not have a sustainable GDP.

This is not a situation that is exclusive to Bolivia. It also concerns all small-economy countries. Once

again, those who will suffer the consequences of the crisis are those populations who are most vulnerable to poverty and inequality. However, we are not responsible for the crisis. The crisis is the result of excessive speculation by developed countries, which are now nationalizing their losses, without having shared their profits with all.

The challenge is therefore to deal with the emergency appropriately while getting back on the path to sustainable development, in order to achieve the transformation goals.

We take this opportunity to ask the international community to share responsibility for the crisis and to apply policies and actions which regulate speculation and markets which are the cause of the current crisis, as well as to provide bilateral and multi-lateral cooperation in a similar way as they provide their bail outs. These resources have to be channelled in order to tackle new productive undertakings and support the diversification of our economies.

During this time of crisis, when unemployment is rising, the labour situation is more and more precarious, productivity is low and purchasing power of workers is going down, we have to support innovative initiatives, such as the organization of community and business cooperatives.

At this time, we should strengthen communities producing goods, services, technology and assets, as this means converting the crisis into opportunities for employment.

The ILO should support our governments in their efforts to achieve fair development and justice and responsibility so that, in the shortest possible time, we can appreciate our identity with dignity, in harmony with human beings and nature, including what we call "Suma Qamaña", which means "living well".

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*Original Arabic: Mr GHOSN (Worker, Lebanon)*

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On behalf of the workers of Lebanon, first of all I would like to thank the ILO Director-General and the President of the Conference for having ensured the follow-up and implementation of the decisions taken by previous sessions of the Conference and for the efforts made to publish and disseminate the ILO Declaration on Social Justice for a Fair Globalization.

This Declaration came just before the global financial crisis and was the fruition of efforts made by the Organization since 1995 at the request of the social partners. The Declaration was an advance response to the global financial crisis and its consequences, which are affecting not just a single country or continent. Yet the crisis began in capitalist neo-liberal countries, in the United States and some other western countries. It then spread rapidly throughout the world, with all the negative consequences that we are acquainted with.

It has quickly resulted in recession, a reduction in growth in developing countries and has left many workers unemployed.

All this has been the result of unfair globalization, which began two decades ago, with its devastating effects, flying in the face of all human principles, all moral criteria and all international Conventions.

We should leave it to the experts, researchers and economists to describe and analyse the causes of this crisis and its links with the voracious characteristics of the neo-liberal capitalist system, which adheres to no moral or social criteria.

The tripartite nature of the International Labour Organization is unique among the specialized agencies within the United Nations system. For this reason, we have always tried to steer its discussions away from regional and international political issues. However, while we are trying to establish social justice in response to current globalization, we see that justice can only be achieved in an environment of equitable peace, based on the legitimate rights of people, far from racist practices, wars and occupation.

With this in mind, we must always remember that, while we are celebrating the 90th anniversary of the founding of the ILO, which coincided with the end of the First World War and the signing of the Treaty of Versailles, its creation represented a considerable effort towards peace. As for the Declaration of Philadelphia, it was adopted in 1944 at the end of the Second World War.

We consider that the ILO has always held fast to the principles of a fair and equitable peace and has always rejected any form of hegemony and occupation. When we look at our Arab region, we see that the principles of justice are not applied.

You know that Lebanon has been occupied by Israel and is seeking to liberate part of its territory to which it is very much attached, while our arrogant enemy on an everyday basis violates our airspace and territorial waters and deploys its network of spies and agents, some of whom were recently detained. It has been proven that they were seeking to undermine national stability and security and that they had even carried out bombings and assassinations. This network is even more dangerous than the “network” of fragmentation bombs that were buried on our land, in our fields and gardens, and where our children play. Many people, men, women and children have fallen victim to these bombs. We therefore ask this Conference to condemn Israel for its ongoing aggression against Lebanon.

As regards occupied Palestine, the Director-General indicated in his Report that the situation was very serious indeed from a human, social and economic standpoint and that it “has all the ingredients of a humanitarian catastrophe”. However, he did not mention the war that has been conducted against the inhabitants of Gaza. You are all aware of the genocide that has taken place and of the wall that was erected. I think that the Director-General’s Report should have mentioned everything that has happened in Gaza and the fact that Israel does not, in any way, respect international resolutions requiring Israel to withdraw from the Golan, including Security Council resolution 242.

We would also like to refer to the American occupation in Iraq, with all the resulting social repercussions.

We should also think of Sudan, which is threatened by the greed of colonial forces.

By way of conclusion, I would like to say that the decisions made by this session of the Conference should take account of the situations in our countries. Our Organization must show solidarity towards our countries and help them to free themselves of the invaders. Only then will we achieve true social peace.

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Mr MARTINEZ (*Government, Belize*)

The Report of the Director-General to this august body heralds the call to us, as member States, to do our part, collectively and individually, to tackle the

global jobs crisis, with decent work policies as the primary vehicle. The signing of Belize’s Decent Work Country Programme by our tripartite constituents and the Subregional Office for the Caribbean, less than two weeks ago, is therefore a timely response to the “alarm bell” sounded by the Director-General’s Report.

Belize has moved, with urgency, to obtain the expertise of qualified individuals to commence work on the modernization of the country’s labour laws – one of the three priorities of the Decent Work Country Programme.

We shall also be moving quickly to implement the other two priorities, which are: the improvement of skills and employability, particularly of women and youth; and the institutional strengthening of the social partners. Women and young people have been recognized as a disadvantaged group, with an unemployment rate consistently higher than the national average, and more susceptible to the alarming impacts of the global crisis. The newly elected Government of Belize has endorsed the imperatives of strong social partnership and social dialogue as indispensable to the achievement of decent work policies and of national development goals.

With the continued technical assistance and training provided by the ILO Subregional Office for the Caribbean, ILO headquarters and the ILO’s International Training Centre in Turin, Italy, Belize will accomplish the stated outcomes of our Decent Work Country Programme.

Other initiatives being undertaken by my country, through tripartism and social dialogue although they are outside the Decent Work Country Programme framework, fall squarely within the broader framework of the Decent Work Agenda, and actualizing its core precepts. In this respect, these initiatives serve to enhance Belize’s industrial relations climate and improve the lives and working conditions of its workforce.

One such initiative is a National Child Labour Policy, developed by our social partners, which will be presented to the Government in the coming week, to be followed by the appointment of a National Child Labour Committee to implement the policy and monitor progress towards the elimination of child labour in Belize.

Another initiative, namely, the drafting of an occupational health and safety bill, again accomplished by a wide cross-section of social partners, will transform the world of work as we know it in Belize, on its passage into law.

The fight against HIV and AIDS in the workplace is an ongoing priority of the Ministry of Labour, in collaboration with our tripartite constituents. To date, 19 prominent employers have developed, signed and implemented an HIV/AIDS workplace policy and four are scheduled to sign in the weeks ahead. Other employers are queuing up to get on board, having been influenced by the positive and convincing work of the tripartite constituents.

The approval, by the Government of Belize, one month ago, of a 100 per cent increase in severance pay for workers who have worked continuously for ten years or more, and urgent amendments to existing labour legislation to enhance the conditions of service of workers, in conformity with Conventions Nos 158 and 183, are other tripartite actions taken to advance decent work in my country.

These amendments are specifically targeted at wrongful termination, hours of work, overtime and



holidays, safety, health and housing, unemployment protection, and non-discrimination of pregnant women during pregnancy or absence on leave. It goes without saying that the education of the workforce and employers is critical to meaningful industrial relations. It was with this view that earlier this year our tripartite constituents, under the auspices of the Ministry of Labour, conducted countrywide training of private sector and industry managers and workers on the rights and obligations under our labour legislation. This initiative proved to be highly successful and as such will be repeated biannually.

The Ministry of Labour's medium-term endeavour is the formulation of a national labour policy for Belize and the institution of a labour market information system (LMIS), for which plans are already underway. We note with interest the proposal of the Global Jobs Pact that is advanced in the Director-General's Report as a national, regional and global initiative towards recovery and sustainable growth. We stand poised to champion this significant initiative in the interests of all concerned.

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Ms SEBUDANDI (*Government, Rwanda*)

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Rwanda appreciates the ILO's decision to focus this 98th Session of the International Labour Conference on the global jobs crisis resulting from the current financial and economic crisis. Rwanda has not been spared by this crisis; this is reflected in the jobs cuts in many sectors. Our country has taken measures to prevent and address this crisis in line with the Global Jobs Pact, which include labour and employment programmes, social security programmes, physical and monetary policies. It has also been reviewing and forming legislation and policies to provide a conducive environment to investors, thus paving the way for increased job creation. All these programmes have been elaborated in tripartite consultations.

Despite these obvious challenges, Rwanda has continued to make important progress in its efforts towards employment promotion and social protection enhancement, and I wish to share some of these recent achievements.

Rwanda adopted a new labour law on 27 May 2009, aimed at strengthening social dialogue and providing a conducive environment for business. This new law provides for a National Labour Council composed of representatives of government, workers, employers and civil society representatives.

A National Social Security Policy (NSSP) was elaborated and approved by the Government last March (2009); it aims at extending social security coverage to ease accessibility for non-structured economy workers and to introduce new products. Among these new products, the NSSP provides for a Provident Fund Pillar as a solution to workers' housing and education, and a Maternity Insurance Scheme to cut costs for employers during maternity leave.

A National Health Insurance Scheme for all (*Mutuelles de Santé*) was established in 2002 with the aim of covering 100 per cent of the population. By the end of 2008 it stood at 85 per cent coverage of the total population.

In 2008, Rwanda established a Work Development Authority, whose mission is to promote, facilitate, and guide the development and upgrading of the skills and competencies of the national workforce in order to enhance competitiveness and em-

ployability, through the Technical and Vocational Education and Training (TVET) System.

With regard to youth employment, the Government of Rwanda has committed itself to becoming one of the lead countries of the Youth Employment Promotion in Africa, within the framework of the Youth Employment Network (YEN). In this regard, Rwanda has initiated entrepreneurship programmes to raise youth employability and has undertaken programmes to promote youth entrepreneurship through entrepreneurship training programmes and the Youth Savings and Credit Cooperative Bank (COOJAD).

Allow me to use this opportunity to congratulate the ILO on its 90th Anniversary. In Rwanda this important event was celebrated with a number of activities from 25 April to 1 May 2009 to coincide with Labour Day celebrations. These activities included a live TV and radio broadcast conference on the ILO, a large screen message spray, some sports activities, T-shirts with an ILO 90th Anniversary message, as well as banners in major public roundabouts. In addition, Labour Day celebration activities were presided over by our President, His Excellency Paul Kagame. In his speech he recalled the ILO's 90th anniversary and the important role of ILO.

Rwanda appreciates the collaboration and continued support of the ILO and is committed to continue working with it in its efforts to achieve social justice. We are currently preparing to conduct the manpower survey for the whole country and we are finalizing the country's Decent Work Country Programme – two areas in which ILO's effective support would be greatly appreciated.

Last but not least, I would like to convey the request of the Ministers of Labour of the five East African Community (EAC) countries, namely Kenya, Uganda, United Republic of Tanzania, Burundi and Rwanda, during their meeting in Kampala on 28 November 2008. It was agreed that Rwanda and Burundi, which are now members of the EAC and currently under the Yaoundé subregion through the Kinshasa ILO Field Office, should be moved to the East Africa Zone served by the United Republic of Tanzania Office, in order to align and harmonize them with other regional development programmes.

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Mr KYI (*Minister of Labour, Myanmar*)

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I would like to comment on Report I(A), *Tackling the global jobs crisis: Recovery through decent work policies*. It proposes the initial elements of a Global Jobs Pact with the key objective of ensuring the better employment and social protection outcomes in dealing with the crisis.

Among the components of the Global Jobs Pact, I would like to state that we have the same views on paragraphs 88, 103 and 108. It is an opportunity for me to make a brief review of our efforts regarding the mentioned paragraphs.

In Myanmar, the Government has undertaken the development of infrastructure with might and main. The measures for basic necessities in both public and private sectors, especially in the agriculture sphere, are extended and more investments are made. Under these circumstances, job opportunities are being generated in the rural areas, and I would like to reveal that Myanmar can manage to handle the job crisis quite well to be harmonious.

We have observed the roles of governments in leading and coordinating national action against



forced labour as indicated in the ILO Director-General's Report I(B), *The cost of coercion*. In this context, I would like to comment on the fact under consideration: the approaches to law and policy-making on forced labour. In Myanmar, the eradication of forced labour has been carried out with political will. The Supplementary Understanding between Myanmar and the ILO, a complaint mechanism for the eradication of forced labour, has been extended for one more year. In addition, the provision on the prohibition of forced labour is clearly mentioned in section 359, Chapter 8, of the Constitution of the Republic of the Union of Myanmar, which was ratified by the referendum held in May 2008 with 92.48 per cent of affirmative votes.

As it is done in all constitutions of the world, laws are promulgated to enforce and spell out the detailed provisions of constitutions that are in legal effect. The duty and right to promulgate such laws are mentioned in section 96. The laws prohibiting forced labour and allowing freedom of association will be drafted and enacted with bona fide good faith to be in conformity with the spirit of the Forced Labour Convention, 1930 (No. 29), and the Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87). The Constitution, on careful study, already reflects this spirit. One should have a positive attitude towards, and respect for, what a nation and its people are trying to achieve with genuine political will and good faith. Regarding the spirit of Conventions Nos 29 and 87, it is reflected in the Constitution.

Turning a blind eye to these efforts and taking negative approaches, such as the Constitution is not in line with Conventions Nos 29 and 87, will only be counterproductive. We, the people of the Union of Myanmar and the Government, are determined to continue to defend the Constitution of the Republic of the Union of Myanmar that we have drafted and ratified.

Finally, I would like to refer to the current situation in Myanmar concerning Daw Aung San Suu Kyi's trial, which is merely an internal affair of Myanmar, taking action through its legal system in accordance with domestic law. It is the universal legal principle that no one is above the law. Only when this legal principle is upheld, put into practice and encouraged will there be rule of law in a country. With regard to the trial, it is nothing but a process for the rule of law, which is the prime characteristic for democratization. The Government of Myanmar is strongly dedicated to continued implementation of the remaining three steps of the seven-step road map for democratization, and the international community could best assist in this process.

In conclusion, I would like to take the opportunity to assure this esteemed Conference that Myanmar remains committed to cooperate with the ILO to achieve the mutually desired goal.

*(Mr Allam takes the Chair.)*

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*Original Arabic: Mr ABDESALEM JERAD (Representative, Union of Workers of the Arab Maghreb)*

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On behalf of the trade unions belonging to the Union of Workers of the Arab Maghreb, I should like to congratulate and thank Mr Somavia for the quality of the reports submitted this year – especially his Report: *Tackling the global jobs crisis: Recovery through decent work policies*. He has demonstrated his determination to adapt ILO pro-

grammes to the needs of the social partners in the present crisis.

We are confronted with a structural crisis, even within the context of globalization, which is threatening workers' rights; we are witnessing the closing down of institutions, mass layoffs and decreasing job offers. Our responsibility today is to make social justice and the creation of decent work the main drivers of development.

In this respect, we approve the Director-General's proposal to establish a Global Jobs Pact, which would constitute the Organization's contribution to a coherent global response to the crisis. We also approve his concern to promote social policies as a prerequisite for economic recovery, rather than merely advocating that they should accompany this recovery.

Despite the significance of the aspects touched upon by the Director-General concerning vocational training or unemployment benefits, we should like to insist on the importance of increasing investment in industries requiring large numbers of workers in order to speed up the development process and usher in decent work. We also stress the need for the involvement of the social partners, through effective social dialogue, in the framing of policies to come to grips with the crisis and achieve sustainable development.

The world crisis has strengthened awareness of the need for international cooperation to establish a balanced system of globalization. This requires a reform of the international financial institutions and more effective decision-making forums. The role of our Organization could therefore be to incorporate the Global Jobs Pact into cooperation programmes at the regional and national levels. And in this context we approve the idea of a global fund to finance these programmes and develop the world economy.

The Organization should, as the Director-General has stated, encourage the social partners in developing countries, including in the Maghreb and Arab countries, to develop regional social dialogue and establish national groupings which would guarantee them greater investment and job opportunities. It should also step up its activities in cooperation with the Arab Labour Organization in order to support trade union rights and create an Arab labour market information network – even more so since this region has been suffering from a drop in productivity levels and an increase in unemployment.

However, social well-being can only be achieved in a context of peace. This implies that there must be a settlement of conflicts, and first and foremost the settlement of the Arab-Israeli conflict in accordance with international legitimacy.

We undeniably appreciate the follow-up on the situation of workers in the occupied Arab territories in the Director-General's Report, and his concern to take stock of the situation of the social partners in Palestine. However, we believe that in order to put an end to the Palestinian people's suffering, pressure must be put on Israel to open the border crossings, put an end to its settlements policy, pull down the separation wall and restore to the Palestinian people their legitimate right to establish their independent State with Al Quds as its capital.

Similarly, we feel that the Organization's efforts to boost stability and growth in the region should include removing any sources of tension. This would imply putting an end to the occupation of Syrian Golan and the Shebaa farms in Lebanon and

respecting the sovereignty of Iraq and Sudan – thereby creating a climate in the region that is propitious for development and democracy.

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*Original Russian: Mr SAIDOV (Government, Uzbekistan)*

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The Reports submitted to the 98th Session of the International Labour Conference by the Director-General devote special attention to national activities as regards the creation and preservation of jobs within the framework of the present global financial crisis, and also the prohibition of forced labour and child labour.

In this context, the measures taken in Uzbekistan are both serious and consistent. We are implementing these measures in our own national interest and in accordance with fundamental international labour standards.

We now have an anti-crisis programme for the period 2009–12 in order to overcome the negative consequences of the global financial crisis. The main contents of this programme, its tasks and objectives, are laid out in detail in a book by our President Islam Karimov on ways of surmounting the global economic crisis, published in 2009.

It notes serious qualitative changes as regards employment in Uzbekistan, and recalls that in 2008, we created more than 661,000 new jobs, including over 374,000 jobs in small and medium-sized enterprises, about 220,000 in services, and 97,800 for homeworkers.

In the anti-crisis programme, we have provided for specific measures to ensure the banking system's stability. First, assets held by commercial banks are about 2.4 times greater than customer deposits, and all deposits are covered by a 100 per cent state guarantee. Second, there are measures for accelerated modernization and re-equipment of enterprises. Third, there are measures to support export companies, and ensure their competitiveness on foreign markets. Fourth, there are tough measures to reduce waste and production costs and cut energy consumption. Fifth, there are measures to stimulate domestic demand and boost production of consumer and non-consumer goods.

All these measures are helping to create employment through the accelerated development of small businesses, improved production, social and market infrastructure, and various forms of home work, are in line with the anti-crisis measures outlined by the ILO and the Global Employment Pact.

Ensuring decent working conditions, creating and protecting jobs and the creation of effective forms of employment, are preconditions for eliminating forced labour. Our parliament has ratified the fundamental Conventions, including Conventions Nos 29 and 105 regarding forced labour, No. 111 concerning discrimination in employment and occupation, No. 138 concerning the minimum age for employment, and No. 182 concerning the worst forms of child labour.

Our Parliament last year approved a national action plan concerning the implementation of the ILO Conventions on the minimum age and the worst forms of child labour.

The Director-General's Report refers to media reports of the use of forced child labour in Uzbekistan's cotton industry. A number of major retail and wholesale enterprises have indicated they will no longer buy cotton exported by Uzbekistan. A number of NGOs have been associated with this campaign, and they are trying to politicize this issue. In

this connection, on behalf of my Government, I would like to submit a clarification concerning the alleged use of child labour in the cotton industry.

We are deeply convinced that these statements are wholly unjustified. They have been made by western companies and mass media, in particular as regards claims regarding forced labour by children, and have just one purpose – to undermine the high rating of our cotton exports on the world market. Indeed, recently there has been an increase in such statements, and this is related to a decision by our Government to process most of our cotton within our own country, and to export it directly, without intermediaries, through “cotton fairs”. As a result of this reform, a number of major companies have been deprived of the opportunity to acquire high-quality cotton from Uzbekistan on the cheap.

This politicization of the child labour issue has been coordinated, and is a tried and tested means of carrying on unfair competition. As production of cotton in recent years had become a business for small family farms in which work is done mainly by family members, employing large numbers of children for harvesting is not cost effective.

At the same time, while we are against all forms of forced labour, including child labour, many young people below the age of 18 work legally, helping out in family undertakings, in accordance with their age and their psychological maturity, and this should not be regarded as a violation of international labour standards such as ILO Conventions Nos 10 and 60.

In conclusion, I would like to congratulate all participants in this Conference on the 90th anniversary of the ILO, this unique international institution for social partnership based on tripartism.

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*Mr EVANS (Representative, Trade Union Advisory Committee to the Organisation for Economic Co-operation and Development)*

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I am glad to have this opportunity to address the Conference on behalf of the Trade Union Advisory Committee (TUAC) that brings together the 55 union centres in Organisation for Economic Co-operation and Development (OECD) countries and is a partner of the International Trade Union Confederation (ITUC) and the Global Union Federations in the Council of Global Unions.

This Conference is taking place at a critical time for workers throughout the world. The financial crisis has plunged the world into a deep recession. In the last quarter of 2008, the OECD economies shrank at an annual rate of 8 per cent, and in the first quarter of this year by 8.4 per cent. Such figures have not been recorded since the 1930s. The talk of the green shoots of recovery is more a dream than a reality. Workers in Europe and industrialized countries are losing their jobs, their homes and their pensions.

But for those in developing countries, the consequences are even more acute: it is literally a matter of life and death. As the ILO warns, more than 200 million additional workers risk being pushed into extreme poverty. In the short term, the proposed Global Jobs Pact in the Report of the Director-General shows what needs to be done.

As trade unions, our duty is to seek to protect our members and their families from the worst effects of the crisis. The public sector has to take a lead in the recovery measures.

The Global Union statements to the Group of 20 (G20) meetings, and to the OECD and Group of 8 (G8) meetings, which are coming up, set out the criteria that have to be applied to stimulus and recovery plans and public investment.

Any action needs to be fast acting. It must make a maximum impact in creating jobs. It must be socially just and protect the worst off. Any action must be transformational in terms of helping resolve climate change, raising productivity, promoting skills for future generations and getting our economies back on to a higher growth path.

Too many countries are still failing to act in a co-ordinated way. Global Unions are calling for a real recovery plan in the industrialized countries as part of a Global Jobs Pact that commits a further 1 per cent of gross domestic product (GDP) to public investment in each of the next three years. Our estimate suggests that this could slow and then stabilize the otherwise catastrophic rise in unemployment.

Many more stimulus programmes have to be devoted to keeping workers in activity until the investment measures have their impact. We need schemes such as intelligent work sharing, where workers are kept employed until demand picks up, if necessary, with short-time working being compensated by state support for training and retraining.

Measures also have to be targeted at young people, otherwise we risk losing a cohort, if not a generation, of young people, who, on leaving education, move into unemployment and who will be passed over by employers in some years time when the recovery comes.

We hope that the discussion on these ideas, which are also being debated in relation to the Global Jobs Pact, will lead to an agreement. More importantly, it must lead to action by governments at the Meeting of the OECD Council at Ministerial Level in two weeks' time and at the G20 leaders' summit in September.

There is also deep cause for concern regarding the model of growth that emerges from this crisis. Governments are already talking of a need for an exit strategy from the crisis, putting into reverse what they see as the exceptional policies of the past nine months. The International Monetary Fund and OECD economists have prepared a paper for the G8 on the medium-term policies and effects of the crisis. I read this a few days ago with some apprehension, thinking it was going to be a call for a return to business as usual once the crisis is over. But no, it was not a vision of business as usual. It was much worse. To paraphrase, the exit involves drastic cuts in public expenditure to curb the accumulation of public debt, which, in part, has been accumulated to bail out the bankers. It involves cutting back pension entitlements, notably those of the public sector workers, in view of demographic changes. It involves more wage flexibility, which means wage reductions, and more labour deregulation in OECD countries in order to compete with the Chinese economy, which is becoming more integrated into the global economy.

That is a profoundly unacceptable vision of the future. Instead, as the Report of the Director-General shows, we have to use this crisis to move for a very different exit from the crisis: one that not only gets us out of the mess but where governments act together to create a better future; where growth is more balanced between north and south; where it does not destroy the environment; where the finan-

cial sector is restored to its legitimate role of financing real investments; where the public sector plays a key role and we have a broad, fair and sustainable tax base to finance it; and, above all, where the fruits of growth are distributed far more fairly within and between countries.

That vision will require a very different model of global growth, one much closer to that already set out in many of the visions published by the ILO.

No one can doubt that there will be difficulties, but the global trade union movement has never been more united. Together we will succeed; together we must succeed.

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Ms BRIGHI (*Worker, Italy*)

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In his keynote address to the 97th Session of the International Labour Conference, the Director-General declared: "We have heard much about the sub-prime financial crisis, but let me say that there is also what I would call sub prime work, substandard and vulnerable jobs without fundamental rights, without basic security, without the prospects for mobility and dignity."

That was one year ago.

Today, the rapid succession of the three global crises: the environmental and climate change, the food crisis and the financial, economic and consequent employment crisis make it vital to all to find adequate solutions.

These crises have definitely called into question the economic and financial model at the basis of the strategies of the international institutions of governments and business.

The Bretton Woods institutions, the Financial Stability Board and the macroeconomic models should be carefully reformed. Lending and financial assistance should be oriented to support counter-cyclical measures to stimulate growth, while respecting and promoting decent work and labour standards. That would ensure the full participation of the social actors, and through the setting up of new regulatory regimes, make sure that financial markets work for all.

Today, the challenge for the ILO is to raise its capacity to provide to its constituents, and to the international institutions, adequate and coherent responses and to offer the best means to resolve, in a positive and long-lasting way, this complex crisis, thus promoting sustainability, decent jobs, social justice, democracy and stability.

Therefore, the ILO should not confine its action to research but should move toward active strategies to respond to the crisis, taking advantage of its tripartite structure.

In this regard, the Italian workers fully support the ILO proposal for a Global Jobs Pact, as a key instrument for the recovery of the real economy and for the reform of the structure of macro-economic policies.

This ILO Conference must approve an ambitious ILO set of proposals, able to guide governments and the next G8 and G20 Summits, which should implement the conclusions of the Rome Employment G8.

We need not only urgent and concerted actions, but also long-term initiatives through the social dialogue centred on decent work, decent wages and the respect of labour standards for all.

A functioning Global Jobs Pact needs a strong political consensus but also robust financial resources. Resources that have been oriented to the financial

markets' recovery now need to be addressed to ensure support and credit for productive investments, a boost for employment, expanded employment benefits schemes and economic recovery, particularly for poor countries.

A similar convergence should be defined to overcome tax and labour cost competition, international tax evasion and avoidance, and to put an end to the tax and regulatory havens – a means for capital flow from poor countries. The hidden financial resources thus released could be used for the promotion of strong employment plans.

The proposal of creating a Global Jobs Fund, using a percentage of the fiscal stimulus packages of the G20 countries to provide sustainable sources for development, could be an important means to be decided in consultation with the social partners.

The fight against poverty, with decent work at its core, needs a boost. Debt is still a problem for many countries. An international fair and transparent debt work-out mechanism should be defined, based upon the principles of shared responsibility among creditors and debtors, with a structural change of the IMF strategies, which should not undermine internal economies, social protection and jobs policies. We urge the G8 Governments to respect their aid commitments and accountability. This includes an increase of their contribution to multilateral cooperation, including the ILO and its important Turin Training Centre.

The ILO should take the lead to promote internationally and regionally a strong, coordinated action, and governments should give the ILO a central role to: guide, ensure and monitor the adoption of shared social protection and emergency packages to save employment and to protect wages; avoid the undermining of international standards, starting from core labour standards; and define coordinated fiscal policies and incentives for the promotion of sustainable and green productive investments, jobs and social protection funds.

The ILO can help the constituents define robust social protection measures, with the extension to precarious workers of the social shock absorbers, the development of workers' skills and active labour market policies, particularly for young, women and migrant workers.

Still today more than half of the workers of the world cannot exercise the right to freedom of organization and the right to collective bargaining, both key instruments in promoting decent salaries and working conditions. Also in countries that have ratified such fundamental human rights Conventions, workers are seeing more and more of such rights violated. There is a danger that precarious working conditions, the informal economy, seasonal and temporary work, undocumented migrant work and child labour might become the rule.

The challenges for the full respect of ILO Conventions are being discussed in the Committee on the Application of Standards. The ILO supervisory mechanism and its technical cooperation are the best means for governments, together with their political will, to overcome the violation of Conventions. A great challenge is posed by the situation of specific countries such as Colombia, Guatemala, Peru and Burma. Particularly, Burma represents a great test for the coherence and credibility of governments.

We fully support the conclusions of the Special Sitting on Convention No. 29 and the relevant con-

clusions adopted on Convention No. 87. We reiterate the request to the Burmese government, made also by our Government, to liberate the Nobel Prize winner Aung San Suu Kyi and all the political prisoners, to revise its Constitution and to open a tripartite dialogue toward democracy. The behaviour of governments on Burma is a mirror of their real commitment towards democracy, dignity, human rights and decent work.

The ILO can contribute to build a world where these words have full citizenship and where workers can feel free from fear and hunger.

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*Original French: Mr COSTACHE (Employer, Romania)*

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Unfortunately, these are difficult times from an economic point of view. This applies to the entire world and the impact of this situation is being felt by both employers and workers.

The financial and economic crisis is affecting the markets, the economies and the regions, triggering effects which go all the way to the world of business, to companies and to our workers. The end of this situation cannot yet be foreseen. Economic growth last year transformed into a recession in many countries of the world. In this context there are, of course, serious effects for business and employment relations. Indeed, the economic crisis is about to become an employment crisis. The Romanian employers would like to see the recovery of the jobs lost during the crisis as quickly as possible, and in this regard, they ask the Government in Bucharest to accept certain measures which have already been proposed with a view to creating new financial and banking mechanisms.

We believe that the effects of the present economic crisis, which has manifested itself on a global scale, can be attenuated and even removed by coordinated action by international bodies, with the involvement of national institutions. The employers, in agreement with trade unions, call upon the Government to use its authority in the areas of structural investments, as in public-private partnerships. From this point of view, the current role of the International Labour Conference is, of course, extremely important. In Romania, employers have realized that they have a responsibility in terms of in-depth consultations with the Government and trade unions on economic and social areas of interest, in particular in terms of measures to counteract the crisis. At present in Romania we have just one voice – that of the employers. This single voice has shown that they have the power to impose on governments real measures to counteract the crisis, which have also been accepted by trade union federations. For the fiscal year 2009, 27 measures to counteract the crisis, that were proposed by the employers, have been provided for in the budget. The employers of Romania believe that the main measure to counteract the crisis is permanent, participatory social dialogue, because the harmful effects of the crisis cannot always be quantified. The consequences of the economic crisis in Romania affect the interests of both employers and workers. In this context, employers and the trade unions are fully aware of the fact that their common goal is to reduce the effects of the crisis, recover the impetus of economic growth, establish priorities at the national level and share the costs of this period in an equal manner.

This is why the joint drafting of a plan of measures for counteracting the crisis and helping the recovery of the economy by Romanian employers and

trade unions, which has already been presented to the Government, would represent the premise of the conclusion of a suitable economic and social agreement.

Government social and economic policies should assure the necessary conditions for the use of human resources in sustainable economic activities, budget management in the context of severe constraints, the setting up of new mechanisms to increase confidence in the economy and limiting the effects of the crisis on the most vulnerable groups.

We believe that the discussions, decisions and recommendations of this session of our Conference will benefit all the delegations by contributing substantially to overcoming the jobs crisis.

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*Original Arabic: The PRESIDENT (Mr ALLAM)*

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Mr Bustillos Aramayo, representative of the employers of Bolivia, has asked to exercise the right of reply concerning the statement made by Mr Chipana Callizaya. I, as Chairperson, will allow him to exercise this right to reply at the end of this meeting, after the last speaker. The reply should not exceed two minutes. In accordance with the usual custom of the ILO, there will be no right of reply to the first reply.

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*Original Arabic: Mr AHMMED (Employer, Iraq)*

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First of all, we would like to express our great appreciation for the Report of the Director-General, which concerns the follow-up to the Declaration on Fundamental Rights and Principles at Work and which this year is devoted to the elimination of forced labour. This Report encourages the efforts deployed by the member States of this Organization to promote the rights and principles contained in the Report and in the Philadelphia Declaration. The follow-up enables us to be informed of the successes of the Organization in the assistance it provides to various countries to implement the various principles.

The inclusion of the issue of the impact of the economic and financial crisis on labour and social policies is designed to counter the harmful impact of this crisis and to allow us to learn from ideas and experiences that have been successful in other countries, in particular for combating high unemployment and social constraints, which are of deep concern among all stakeholders and are a threat to international peace and security.

With regard to the measures taken in Iraq in order to counter the crisis, many laws and regulations have been promulgated, such as the regulations concerning imports and exports and the recovery of taxes from customs tariffs, as well as laws to protect national industry and consumers, and the law on labour and social protection. In addition, studies are under way to draw up employment policies that promote social protection.

The Iraqi Government has also organized credit facilities for small and medium-sized enterprises that have amounted to more than US\$1 billion. We hope that this will stimulate markets and create employment opportunities.

With regard to the environment, Iraq has signed the Vienna Convention and the Montreal Protocol on Substances that Deplete the Ozone Layer and we have taken steps to improve the environment, not only in Iraq but also in surrounding countries.

We have also adopted the Global Compact for entrepreneurs who wish to work with the international

community and make partnerships. This initiative has received a great deal of interest, which shows that the world is aware of the importance of Iraq, its potential in all areas, that Iraq has the means necessary for consolidating peace and progress and that it can overcome its regional difficulties.

Iraq has been successful in establishing security and stability and diminishing cases of violence, thanks to its campaign to combat terrorism, armed conflict and communitarianism. We have also organized free elections, implemented Law No. 13 of 2006 and constituted the National Investment Authority.

These successes have meant that several international companies are interested in investing in Iraq.

We hope that there will be more Arabic used in the work of the International Labour Organization. We think this is essential, given the importance of the Arab group.

We note with satisfaction the attention given by the Director-General to the question of Palestine and the sending of an annual high-level mission to Palestine and the occupied Arab territories. We support the remarks that have been made by the Drafting Group and the Palestinians' right to self-determination.

To conclude, I would like to recall that Iraq is a founding member of this Organization and has contributed to all its activities. Today, we need programmes and projects to develop the technical capacities of our social partners.

We ask that the promises that have been made are implemented in order to support the most representative organization of Iraqi employers and we hope that we will receive the necessary funding in order to implement the programme that was established two years ago.

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*Mr SHAH (Worker, Sri Lanka)*

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In the midst of the deliberations taking place with regard to the global financial crisis, the resultant economic crisis and its recovery strategies, on behalf of the working people of Sri Lanka, I am indeed privileged to make my observations at this plenary sitting. While focusing on the challenges facing our country in the context of the global financial crisis, it is also relevant to analyse the political, economic and worker-related issues as well, at this complex moment in time.

There was a serious run on the banking and financial sector in developed countries, but there has been no impact on the Sri Lankan banking industry so far, except for the fall of a few finance companies, which have been taken over by the Government. Our banking industry is quite comfortable, for the very reason that we have a mixed economy and a strong state banking system in place, in which the two largest fully state-owned commercial banks dominate more than 50 per cent of the market share. By virtue of state sponsorship, the state-owned banks have been successful in securing the most vital depositor confidence and trust, to significant levels. However, the crisis has caused job losses to a lesser degree in other sectors, such as the apparel and tourism industries.

During the past two decades, the successive governments of our country, at the insistence of the international financial institutions (IFIs), have made many attempts to privatize state enterprises, together with the two largest fully state-owned commercial banks. However, because of the continued

struggles of the trade unions, we have been successful in defeating privatization of economically vital state enterprises, including all state banks.

These struggles did, however, compel the present Government, led by President Mahinda Rajapaksa, who is popularly known to be worker friendly, to pledge before the people, in the run up to the presidential election in 2005, that no state institution would be privatized. To date he has kept his pledge and the state sector has remained relatively stable, though with some shortcomings. Thus, our country has not been directly or seriously affected so far, certainly not to the same degree as the crisis facing the countries with fully private sector-driven market economies. I take this opportunity to thank the trade unions in Sri Lanka for their dedicated service in protecting state enterprises, thereby mitigating the adverse effects of an unregulated private sector-driven economy.

Thus, it is now evident that the global crisis has erupted due to the private sector-driven unregulated market economic system. During the past two decades, in granting financial assistance to developing countries, the capitalist-sponsored IFIs imposed conditions, such as privatization and labour law reforms, which in fact aggravated the poor living conditions of the larger sections of peoples in such countries. The irony is that countries with market-driven economies have, contrary to their own creed, not only released tax payers' money, but also resorted to nationalization of failing financial institutions, in an effort to bail them out and sustain depositor confidence.

The recent crisis-driven experiences demonstrate that the workers were the first to be affected by the crisis. Millions of workers have been thrown out of jobs, while employers continue to pool their maximum share of perks and remunerations and retain their share of profit. The governments of many developing countries, over a period of two decades, have denied the right of security of workers as a result of dictates of the capitalist-sponsored IFIs. Since the trade unions in Sri Lanka heavily resisted such dictates, the impact on the workers has been minimal so far.

However, in the light of the fact that the Sri Lankan economy is also globally linked, we too have to face the imminent negative impact of the crisis sooner or later. Therefore, arresting the crisis is crucial and the resultant challenges have to be addressed, with new progressive economic perspectives, instead of market-driven policies. We believe that with the present Government, of course with certain reservations on some policy matters, under the leadership of President Mahinda Rajapaksa, with its empirical disposition, I repeat, its empirical disposition, these challenges could be addressed with new progressive economic policies, hopefully at least to some tolerable extent.

The capitalist system, which advocated unregulated free enterprise, leads to periodic economic convulsions rather than much-hyped development and prosperity. This system has failed miserably and should therefore be replaced with a new progressive system of economic policy, thereby eliminating the widely unequal distribution of wealth, while simultaneously remedying the resultant adverse effects.

May I take this opportunity to speak about the war and the hostilities between the Government of Sri Lanka and the LTTE, which prevailed during 27

long years. Trade unions in Sri Lanka were opposed to the war waged by both parties and continued to pressurize for a political solution, which was in fact ignored. However, due to the uncompromising attitude, the LTTE has now been militarily defeated, of course at the expense of heavy casualties among armed forces, LTTE cadres and innocent civilians too. The military conflict has resulted in enormous loss of life and property and also hindered development island-wide. However, serious note has to be taken of the question whether the military defeat of the LTTE could in fact uncover the solution to the concerns of the minority Tamil community.

Finally, the firm belief of the majority trade unions in my country is that, with due recognition to the fundamental right of self-determination of minority communities, of course within the framework of a united Sri Lanka, the root cause of the conflict has to be politically addressed without delay and a speedy solution found, in order to prevent any further bloodshed and disaster experienced to date.

I trust that the contents of my presentation will inspire momentum and that all concerned will take note of such contents to address the issues in question.

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Mr THET (*Employer, Myanmar*)

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The Union of Myanmar Federation of Chambers of Commerce and Industry stands ready to represent and protect the interests of private economic sectors as a non-governmental organization at the state level. In 2009, it represents a total of 18,415 members, including individuals, and local and foreign companies. Moreover, the Union of Myanmar Federation of Chambers of Commerce and Industry is cooperating with other international organizations as an affiliated association.

We know that the principles for business leaders to follow in order to combat forced labour and trafficking are outlined in the Director-General's Report. Our country, Myanmar, cannot yet undertake these measures involving the training of auditors, the necessary human resource structures and compliance officers to identify forced labour practices and to seek appropriate remedies. Those issues are certainly worthy enough to be put into practice, but they will have to be undertaken in the future. With regard to employment contracts, I would like to inform you that workers in Myanmar are covered under the employment framework agreement between employers and employees. The prescribed points are detailed in the contract, in line with specific principles. The Union of Myanmar Federation of Chambers of Commerce and Industry plays a vital role in defending workers' interests in the state and private sectors.

As our Minister for Labour has said, it is the universal principle of law that laws are drafted to be in line with the Constitution.

To spell out the details of the Constitution in Myanmar, it has been ratified by 92.48 per cent of the people of Myanmar, thereby reflecting the will of the people. The Constitution is in line with the Forced Labour Convention, 1930 (No. 29), and the Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87). It should be perceived positively as it was drafted irreproachably, from a legal standpoint. Regarding the leadership role for employers' organizations in the fight against forced labour, the Union of Myanmar Federation of Chambers of Commerce and Industry is

undertaking practical activities in order to eliminate forced labour in factories and industry. We are in close touch with the ILO Liaison Officer. But activities are limited to those within our scope and the proposals in the Director-General's Report will need to be postponed to a future date.

Our Federation is collaborating with the Government by supporting studies, research, and the collection of statistical data to define the scope of the difficulties at national and industry levels.

Very many international employers' organizations have addressed forced labour and trafficking at the national level, and since our Federation was formed to represent employers at the national level, it has paid particular attention to combating trafficking and forced labour. At present, we are cooperating with the Ministry of Labour in addressing the issues in the fight against forced labour and we are receiving assistance from the ministry. However hard the challenge may be, our employers' organizations are trying their best to resolve the issues, but difficulties still remain, due to the sanctions imposed on Myanmar.

Our natural resources were exploited and processed in local industries to produce finished and semi-finished products for export, which resulted in benefits from the export sector for Myanmar. But since the United States and the EU imposed economic sanctions against Myanmar, our export volume has declined greatly, impacting whole industries negatively. As a result, this has led to factory closures, retrenchment and lay-offs. Thousands of labourers lost their jobs and their families sank into poverty. It will not be possible to create more employment opportunities for local communities unless sanctions are lifted. The current economic crisis is also impacting on our economy.

I would like to conclude by stating that it is necessary to reconsider the sanctions imposed on Myanmar because it leads to economic downturn for private enterprises and has a negative effect on the general population.

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Mr MANUFOLAU (*Worker, Fiji*)

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Since 5 December 2006, Fiji has been in troubled waters and we are faced with uncertainties in many aspects of our lives. The impact of the four coups still lingers and the recent events of December 2006 have increased the burden on workers, who are the most vulnerable group in these trying times. In addition, these issues are compounded by the ripple effects of the global financial crisis, as industries such as construction and tourism are succumbing to the crisis.

Let me assure you that the Fiji Trades Union Congress (FTUC) remains adamant that it does not support the manner in which events unfolded on 5 December 2006, and the abrogation of the Fiji Constitution in April 2009. We do not condone any illegal acts to attain political power by illegal means and deny basic human rights.

However, we have maintained dialogue and continue to work with the current Government, which has introduced a new legal order. May I stress that our priority is to remain committed to our responsibility towards the needs and interests of the workers that we represent: the very workers who have struggled for decades to earn a decent wage, and now have to combat rising global food prices, a new legal order and the recent devaluation of the Fijian dollar.

Let me, at this point, bring your attention to the plight of the public sector employees. State decrees have eroded the rights of these workers and the public sector unions have had to contend with the unilateral and forced lowering of the retirement age from 60 to 55, which was implemented as part of public sector reform. The suspension of the 2008 merit performance pay and the implementation of the job evaluation report have further added to the misery of these workers. All such decrees have been protected by another decree that prohibits the challenge of the validity or legality of these decrees.

Furthermore, the information is that a four-year strategic plan has been drawn up by the regime, which, under the heading of economic revival, recommends the termination of all collective agreements with the public sector unions. This will spell disaster for the trade union movement in Fiji and it will go against the very fundamental principles that the ILO holds so dear, and of course for its very existence under the tripartite structure. The autocratic regimes around the world are known to legislate against the freedom of association, curtail human rights and oppose media freedom. We plead with the regime in Fiji to desist from treading this path. It is with the utmost concern that we call upon the Government to engage with the public sector unions in good faith, a concept embodied in the very laws that it has enacted. You may be aware of the public emergency regulations, which have restricted the freedom of assembly and have further contributed to the reversal of economic growth, which has been in a downward spiral since December 2006.

However, we welcome the enactment of new labour legislation: the Employment Relations Promulgation 2007. This has seen industrial relations in Fiji undergo a significant change.

However, if I may say so, this legislation package is not a whole basket of goodies for workers. We welcome it as a step towards achieving at least a minimum decent standard of working conditions for all workers, whether unionized or not. Inherent in the new laws are good and new concepts; principles of non-discrimination; the promotion of gender equality through equal employment opportunities, amongst many other; and, most importantly, the integration of good faith in collective bargaining.

Another notable change is that it has a good degree of conformity with core ILO Conventions. However, the Congress still holds some reservations on the compliance with and enforcement of the new legislation. While the tripartite partners worked with the ministry to legislate the revised minimum wages for the unorganized sector, we were taken aback by the decision to defer the implementation of the new wages regulation orders to July this year. We hope that workers will not have to wait beyond July.

At this juncture, I hope it would not be too much to ask our Government to take another look at the introduction of a national minimum wage for Fiji. It remains our priority at the Congress, and we will continue to pursue it with the relevant stakeholders. We believe that this would resolve the highly critical issue of achieving decent wages for workers.

I raise another important issue, which was promised in this very forum two years ago by the then Minister of Labour, but no serious follow-up was done to fulfil this promise: the formation of the tripartite forum in Fiji.



The FTUC calls upon the Government to expedite the formation of this body so as to put more meaning to the fundamental principle of consultation prior to making any decision that impacts workers in Fiji.

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Ms CARACCILO (*Representative, SOLIDAR*)

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SOLIDAR, together with our colleagues from World Solidarity, Help Age international, Light for the World and the Stop AIDS Alliance are working together as the European Working Group on Social Protection and Decent Work in Development Cooperation in an effort to give social protection a central place in development policy-making.

Working women and men and their families are heavily hit by the current crisis. The ILO predicts that some 200 million workers could be pushed back into extreme poverty by the end of 2009; millions of these people will lose their jobs and join those already excluded from decent employment. Many of them are not covered by a social protection scheme, and will be forced to find work wherever they can, probably in the informal economy, in precarious jobs.

For this reason, the European Working Group on Social Protection and Decent Work in Development Cooperation warmly supports the Director-General's Report to the 98th Session of the International Labour Conference, which calls for a Global Jobs Pact aimed at placing employment and social protection at the centre of recovery policies.

At the same time, the Working Group strongly recommends to the ILO tripartite constituency to: first, integrate the Decent Work Agenda into the relevant national policies responding to the crisis. Policies that focus solely on the economic and financial consequences of the crisis overlook the human dimension of it. Working people are the engine of the economy. If we want to keep the economy going, we need to ensure that they can access freely chosen jobs, where their labour rights are respected and they enjoy social protection coverage and their voices are heard through social dialogue. This is especially applicable to marginalized and vulnerable groups. Second, ensuring increased policy coherence between governments and international organizations on a decent work approach to the crisis. The Decent Work Agenda and the ILO Declaration on Social Justice for a Fair Globalization have to be the frame of the Global Jobs Pact and must be key operational instruments to build policy coherence at all levels and across policy areas such as trade, finance and development cooperation. Third, commit to developing universal social protection schemes with the meaningful participation of all relevant stakeholders. ILO constituents need to move forward with standard setting regarding the "Global Social Floor", which contains the key components of a minimum social protection package which includes the following benefits: measures to provide access to essential healthcare services, including measures to ensure access to HIV prevention, treatment, care and support; child benefits; income support for the poor and the unemployed of working age; disability grants and old-age pensions.

On that point, the Working Group on Social Protection and Decent Work in Development Cooperation strongly believes that the ILO "Global Social Floor" proposal is an initiative whose time has come and that it should have a central place in the Global Jobs Pact. The "Global Social Floor" is an

affordable and rights-based mechanism for ensuring not only poverty alleviation, but also social inclusion and wealth redistribution.

Strongly supportive of the Director-General's Report, we would therefore call upon ILO constituents: first, to build the necessary consensus on the Global Jobs Pact, a decent work response to the crisis that should include the "Global Social Floor"; second, to provide the ILO with the necessary funding to assist countries with the development of national social protection policies and their implementation; third, to provide the ILO with the necessary mandate to be the implementing agency of choice when it comes to social protection funding flowing through other organizations, such as the World Bank.

Finally, we would like to remind donor governments that solidarity is not charity. We have watched with alarm as various governments slash their aid budgets and backtrack on their commitments. We would like to see the Government representatives present, go back to their capitals and engage with their finance and development ministries in making the case for why now, more than ever, those responsible for the creation of this crisis need to rise to the occasion and live up to their commitments. We believe that, as a global community, the question is not whether we can afford to do it, but whether we can afford not to.

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*Original Spanish: Mr BONMATÍ PORTILLO (Worker, Spain)*

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The Director-General correctly reminds us that before this crisis we saw a process of globalization that was extremely unfair and that increased social inequalities; a process that our international trade union movement has been denouncing for nearly 20 years.

He is also right to point out that we saw unprecedented support for theories of unbridled capitalism, a reduction in the role of the State in terms of offering public services and social security, and the devaluing of work.

Faced with this crisis, which can only be described as systemic, we have two options. The first is to ignore it or to wait for it to pass over the ruins of our society and then go back to the same policies and values that created it, which would have tremendously damaging effects in all areas. The second option is to revitalize the role of the public regulatory and supervisory bodies of the markets, and to rethink our priorities in order to make decent, protected and safe work our priority.

In my country, as well as the financial crisis, we have seen the bursting of the property bubble, which has led to a sharp rise in unemployment. In a labour market, such as the Spanish labour market, which is very segmented, where wages are very low and where one in every three workers has a temporary contract, the ease with which workers can be dismissed has meant that in just one year we have seen about 1.3 million jobs lost. In this context where dismissal has become the main adjustment tool, the proposals coming from certain business sectors to reduce the costs of dismissal are of great concern to the Spanish trade union movement.

Similarly, there have been proposals to move towards a single contract that would eliminate the judicial review of new employment contracts, reduce compensation for dismissal, and remove the need to obtain authorization for collective dismissals. These proposals ignore one very important fact:



that our country has ratified the Termination of Employment Convention, 1982 (No. 158), which guarantees effective legal protection against unfair dismissal. I appreciate the Spanish Government's decision not to carry out any reform on our labour legislation without social agreement.

After too many years of deregulation and a reduction in the role of the State in many areas of the world, we see the State getting back involved in order to save banks rather than to protect the workers affected by the crisis. If the regulation of financial markets is considered important in order to avoid a similar crisis, the regulation of labour markets is absolutely vital in order to avoid a return to barbarism. It is now time to focus on more productive rather than cheaper labour, to overcome the abuses of external flexibility and replace them with internal flexibility in businesses negotiated with trade unions, to replace dismissals with policies on labour organization, innovation and training, and to extend social security, as a human right, to all workers.

The two major trade unions in Spain have recently submitted a proposal for an agreement on employment and social protection, the content of which is, to a certain extent, consistent with the Report of the Director-General. In the proposal we have recommended strong public intervention in order to reinvigorate the economy, revise the financial system, maintain and generate employment, strengthen collective bargaining, and improve social protection, in particular for the unemployed.

We also propose transforming the current productive model, which the Spanish economy has been following and which is largely responsible for the current unemployment situation, and replacing it with a more productive model based on industrial, energy and environmental policies that are solid and innovative, and in which training and knowledge are the very driving force of our economy.

In conclusion, I would like to express our support for the Global Jobs Pact put forward by the ILO. In the context of this global crisis, the solution can only be global, both to reactivate the economy and, above all, to ensure that decent work with rights returns to the very heart of our governments' social and economic policies.

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*Original Spanish: Mr RODRÍGUEZ SOLÍS (Worker, Panama)*

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We workers from Panama have come to this great Conference with the fundamental aim of informing the world first-hand of the problems that we are facing, which are caused to some extent by the very poor distribution of wealth in our country and also by the global economic crisis which is already manifesting itself.

From the first day of this century, the Republic of Panama received from the United States authority administering the Panama Canal approximately US\$30 billion as fixed assets which have been administered by two different governments in a not very transparent fashion.

Some of this sum, turned into liquid assets, has not benefited directly the more than 3.3 million inhabitants of Panama. Extreme poverty stands at 11.7 per cent and true poverty actually goes as high as 28.6 per cent according to 2007 figures from the Economic Commission for Latin America and the Caribbean (ECLAC). Unemployment, although down considerably under the Torrijos Espino administration, stands at 8 per cent, but with a signifi-

cant increase in informal labour or self-employed work, and all these indicators are expected to rise as a result of the economic crisis which is caused not by workers themselves, but by business and banks. Food prices are rising constantly and this is a major factor underlying the deterioration in the living conditions of the poorest, which has negated the achievements made in terms of growth. According to the Food and Agriculture Organization of the United Nations (FAO), annual inflation for the last 12 months up to September 2008 was generally 10 per cent and food inflation was 15.4 per cent whereas in the past it had not exceeded 1 per cent per annum.

This situation is becoming much worse because of the constant violations of ILO Conventions which have been ratified by my country but which, in reality, are a dead letter because of rulings of Panama's Supreme Court, according to which these cannot be transposed into laws of the Republic until they have been properly regulated. Moreover, the ILO standards and recommendations are not complied with faithfully.

In this regard, the Panama trade union movement united in the umbrella organization, the Panamanian Council of Organized Workers, has called upon the current Government to finish its work on 31 June of this year and it calls on the incoming government under Mr Ricardo Martinelli to improve substantially the relations between workers and employers so that the socio-economic situation of workers, the unemployed, those in rural areas and indigenous Panamanians improves as a result of the enormous profits and gains we have achieved, as shown in the household survey conducted by the General Auditor of the Republic, which indicates that the average real wage went down by 13 per cent between 2001 and 2007 despite the fact that productivity went up by more than 2 per cent per year during that same period. Workers in both the public and private sectors are demanding a wage increase and we are opposed to reforms to the Labour Code.

Currently, the State of Panama and the various governments which have come to power following the bloody invasion from North America in 1989, have submitted a number of complaints which have been ruled on in favour of workers in Panama.

The National Federation of Public Servants of Panama (FENASEP) has presented three complaints to the ILO's Committee on Freedom of Association under Cases Nos 2134, 2342 and 2510, in which the successive Panamanian governments have dismissed, with no just cause and for political reasons, about 100 public officials who were leaders of 15 different public servant organizations.

The ILO's Committee on Freedom of Association recommended to the Panamanian governments led by Mireya Moscoso and Martín Torrijos Espino that these workers be reinstated to their respective posts. The Act on administrative careers stipulates that they should be put back in their same jobs on the same salary and without any loss of pay but this has not happened and the ILO recommendations have therefore been ignored.

It is normal in the Republic of Panama to award short-term contracts for several or many years in the public sector and this appears not to be covered by any regulations. These types of contracts are far from decent work and hence the ILO's Committee on the Application of Standards has also recommended to successive Panama governments that

they change their attitude because, as we have reported, several Panamanians are in this situation and it is precisely because they have no labour guarantees that they have perhaps been pregnant or on maternity leave and have not had their contracts renewed. This has been recognized and it means that Panama has infringed Conventions Nos 3 and 156 regarding maternity leave and workers with family responsibilities.

Recently, Decree No. 524 of 20 October 2005 concerning the statutes of associations was requested by the Committee on Freedom of Association for the purpose of its reform but this has been ignored by the authorities.

Finally, in the public sector, the public servants of the University of Panama have been denied the right to form a trade union, thus violating Convention No. 87 on freedom of association.

There are pressing issues in the private sector, such as the construction workers killed in recent years, including ten deaths in 2009 alone, the tacit approval of collective agreements by non-unionized groups in companies that have unions, compulsory arbitration in collective disputes and strikes (such as the recent strike by the Estrella Azul union), and blank, undated contracts that workers are forced to sign by companies, in particular in the commercial sector.

The Supreme Court recently ruled that the ban on strikes in the Panama Canal was constitutional, arguing that the area of the Panama Canal is neutral and is important for world trade and hence an essential service. We ask that the ILO give an opinion on this issue.

With regard to the requests from the International Organisation of Employers and the National Council of Private Enterprise (Case No. 1931), requesting reforms to the Labour Code, on which the Committee on Freedom of Association ruled favourably for the maintenance of buildings, accident prevention and the right of employers to enter premises during a strike, we believe that the company culture of many employers in Panama has not been taken into account. They have tried to break strikes using various means, including illegal ones, and these clearly violate the right in question.

Lastly, if we are being truthful, we must recognize that, under the Government of Mr Martín Torrijos Espino, civil servants enjoyed more and better trade union freedoms, such as the strict implementation of an administrative career in 95 per cent of public bodies. For the first time, we had a legal minimum wage that was the same in both the public and private sectors, trade union immunity at least for the four leaders of the various civil servant organizations, and recognition of the right to collective bargaining for civil servants, which must be duly regulated.

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Mr MASTER (*Worker, Bangladesh*)

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I would like to thank the Director-General for his Report, *Tackling the global jobs crisis: Recovery through decent work policies*. The ILO is uniquely placed to guide the way to recovery from the global financial and economic crisis by promoting jobs and decent work.

We have noted with interest the idea of the Global Jobs Pact. We support its emphasis on ensuring social justice and protection for the poor and underprivileged. We would like to see the Global Jobs Pact as a rallying point for the international com-

munity to protect the interest of workers in the face of the global economic crisis.

Bangladesh is a populous, democratic country that came into being in 1971 through our glorious Liberation War under the leadership of our great leader Bangabandhu Sheikh Mujibur Rahman. Our last parliamentary elections held in December 2008, were hailed both nationally and internationally as free, fair and impartial. The newly elected Government, run by the 14-party alliance under the leadership of Awami League President and Honourable Prime Minister Sheikh Hasina, assumed office with a huge popular mandate. The Government is committed to protect the rights and interests of the workers, and has already announced social security measures for certain segments of the workforce to help them face the adverse effects of the crisis.

The Trade Union Movement in Bangladesh dates back to the early 1920s. It has a long history of struggle, playing a significant role in protecting the rights of the workers. It has outstanding participation in all major democratic movements, including the Mother Language Movement in 1952 and the War of Liberation in 1971. The trade union organizations gather under the banner of multiple national centres. However all major national centres are united on a common platform called Sramik Karmachari Oikya Parishad (SKOP). Out of 8 million workers in the formal sector, only 1.9 million are unionized so far.

The unity of the National Trade Union Movement, which has been discussed for the last few years, may encourage the rest to join such initiatives. Due to capacity deficit and resource constraints, the trade unions are unable to provide the necessary services to their members. The ongoing process of updating the old labour laws will hopefully have some positive impact on this situation. A labour law reform commission has been formed with equal numbers of representatives from the Government, workers and employers. The trade union federations of the country have made their recommendations and suggestions to amend the labour laws of 2006. The Tripartite Consultative Council was reformed in March 2009. The Workers' Welfare Foundation is also being reconstituted to make it more effective.

A good number of the country's workforce belongs to the informal sector. Usually they are not organized, but sometimes they organize themselves in small ad hoc groups that hardly benefit them on a sustainable basis. Most often they are deprived of labour law protection. In this context, we are pressing for the establishment of a special wages commission for informal sector workers, the adoption of a national occupational health and safety policy and, accordingly, a national health and safety committee for the welfare of informal sector workers.

The issue of child labour is also under the close watch of the trade union movement. We do not have any child labour in the key garments, jute and other industries. Some child workers are still employed in the informal sector, including construction, agriculture, *bidi* or indigenous tobacco manufacturing.

In Bangladesh, we are particularly concerned about the negative effect of the current crisis on our migrant workers. It is unfortunate that migrant workers are not treated properly by the employers in many of their host countries. We have seen cases where migrant workers were deprived of their wages by agreement. In many cases, fringe benefits

and other allowances are also not allowed. In the wake of the crisis, a number of migrant workers are finding themselves out of employment. The number of returnee migrants is growing by the day in many developing countries. We have legitimate concerns that the situation will further worsen in the days ahead.

Contractual or ad hoc labour is becoming increasingly common, mostly in multinational companies and some domestic private sector industries. There are workers who have been with such companies for many years, without having access to medical facilities, maternity leave, bonuses, provident funds or gratuities.

There is also the issue of the Voluntary Retirement Scheme (VRS) for hired paid workers, which many are compelled to accept. Contractual workers are being employed in vacant posts for highly salaried workers. This is giving rise to discontent in the workplace, but no effective remedy is being found. We would like to urge the ILO and the Director-General to look into this issue and explore possible ways to address this in a balanced and acceptable manner.

Ever since its election to office, the new Government of Bangladesh has maintained sound working relations with the workers. The Government has assured us it will redress some of our grievances and legitimate concerns. We look forward to cooperating with the Government in our collective efforts to promote the fundamental rights and principles of the ILO in the spirit of tripartism and social dialogue.

On behalf of the workers of Bangladesh, I assure this forum of extending our cooperation in implementing the various policy measures contained in the Director-General's Report towards ensuring social justice for all.

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*Original Spanish: Mr AGUILAR ARCE (Worker, Costa Rica)*

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Thank you for this opportunity to give our thoughts on the Report of the Director-General on the financial crisis. That crisis started as speculation and ended up impacting the real economy. This issue is affecting all of us, particularly those of us who live in Central America.

The trade unions of Costa Rica and our subregion assert that there is no reason why workers should pay for a crisis they did not create. We are extremely concerned about this severe crisis, which started in developed countries and which is now having a serious effect in our countries.

We would point out that this crisis is not of our making. In the past, it was common for developing countries to experience economic crises because of significant external debt; there were inflationary crises because of problems with money supply and public spending; there was sudden devaluation of our currencies because of the shortage of foreign exchange caused by the drop in the export prices of our products; and often there was government corruption. However, in this case, the largest economy in the world has come to a grinding halt because of the mismanagement of its financial system, which has led to a drop in our exports, in employment and also in the remittances sent from our migrants, which in some countries are a major contributor to household budgets.

In our region, we were already living in a permanent crisis before the international crisis. The socie-

ties of Central America and the Caribbean have a long history of political authoritarianism and armed conflict, and the consolidation of democracy is only just beginning.

In addition to those political problems, we had imposed on us a model that radically opened up our economies to the outside, which led to the dismantling of many productive enterprises and domestic sectors of economy, and resulted in serious setbacks for building a domestic market. In the context of the current crisis, there are regions that have fallen behind and that were not part of the development process.

Economies will not be viable unless we consider alternative models that combine the required export push with the need to defend sustainable development and with a regional balance, which will also help achieve social cohesion. This crisis has to be approached in such a way that we can strengthen our domestic markets, so that the State once again takes on its role as regulator, and also looks into alternative energy sources.

The State has an irreplaceable role to play here as a regulator. Unfortunately, in the bonanza times of the free market, profits were appropriated by the private sector, but now that we have a crisis, we find that the cost passes to society as a whole. We are, thus, ignoring the basic principle that those who do well are rewarded and those who do badly shall be sanctioned.

Confronted by the crisis, it is important for us to have proper protection systems in place, so that we can support those affected by natural disasters, epidemics, political conflicts or economic crises. Rather than cutting social benefits in this crisis, it is necessary to broaden the social security network, by adopting an expansionary fiscal policy, something that was rejected in the past because of monetarist prejudice, where everything was concentrated on controlling inflation through interest rate rises, which had a dampening effect on investment and growth.

We are, therefore, now entering a recession in the global economic cycle, and it is important that both governments and employers make progress in strengthening internal markets, by developing infrastructure projects that are going to help integrate the domestic markets and help bring people out of poverty in marginalized regions. In order to boost our economies, we have to bring down interest rates and make it easier to get loans for productive purposes. Governments can use the large deposits accumulated in banks to finance credits for their populations.

Dismissals of workers must be avoided at all costs, as this will only bring down demand, launching a downward spiral of recession, unemployment and a worsening crisis. Therefore, vocational training institutions should open up access to training programmes to young workers and the unemployed, while ensuring that training meets the requirements for technological reskilling. That would be a fair solution, and one which is sustainable and viable.

The development model applied up to now has led to a waste of natural resources, consumerism and over-exploitation of non-renewable resources; worst of all, it has allowed speculation to take precedence over production.

In the current crisis, proposed solutions will have to safeguard people's right to housing, health and education and, most importantly, ensure that pov-

erty is not exacerbated. We welcome the proposal for a Global Jobs Pact, which we share and encourage. Social dialogue is essential as a means of agreeing on public policy in social and economic areas: health, education, housing and macro-economic policy, including the setting of interest rates, which until now have been the exclusive preserve of governments, without any consultation of the partners in social dialogue.

We workers are citizens first and foremost, with the right to participate. The way out of the crisis is not through greater labour flexibility or, even worse, deregulation. Neither will we overcome this situation if the alliance between governments and employers results in a reduction of workers' income: that would only make matters worse.

We workers have a vital role to play in the search for a solution. We are key actors in tackling the crisis. It is up to all of us to work our way out of this crisis.

We workers understand that social dialogue is the normal means of dialogue and consensus building between government, workers and employers. For it to be truly effective, however, it has to be based on recognition of the legitimacy of all the parties.

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Ms OPECHOWSKA (*Employer, Poland*)

On behalf of Polish employers, I would like to thank the Director-General for his Report, *Tackling the global jobs crisis: Recovery through decent work policies*. The Report focuses on the impact of the current economic and financial crisis on the world of work and serves as a resource for the plenary debate, as well as a good basis for the Committee of the Whole on Crisis Responses, which will examine the crisis and propose ILO policy responses.

The Director-General expresses his concern because millions of women and men have lost their jobs, unemployment is rising and businesses are going bankrupt. Nevertheless, the Report also deals with the challenges and strategies related to the idea of the Global Jobs Pact, which puts forward a decent work response to the crisis. It is an example of how to find appropriate solutions for tackling the jobs crisis.

We believe that the outcome of the work of the Committee of the Whole on Crisis Responses will be the foundation for the Global Jobs Pact. We agree with the Director-General, that the Global Jobs Pact could help frame national crisis responses developed by governments in consultation with the social partners. It should help us find the initiatives and proposals to assist workers and entrepreneurs in building a path to recovery and sustainable growth.

We would also stress that the needs of enterprises should be at the heart of any recovery measures. To save jobs we need to save businesses, and to create jobs, we need to give businesses the confidence to employ.

Following a period of relatively sound growth, we are bearing witness, as the first decade of the twenty-first century is coming to an end, to the emergence of an economic slowdown, instability and a job crisis. The idea of decent work, as promoted by the ILO through its values and principles, remains the key political aim, making it possible to maintain dynamic economic growth and consistent societies.

We support the Director-General's opinion that the ILO has the capacity to play a key role in the

post-crisis period to ensure that, in the twenty-first century, the global economy moves towards a fair globalization and is economically, socially and environmentally sustainable.

In the context of the aforementioned Report, I can state with some satisfaction that Poland has experienced a little economic growth this year. Growth in the gross domestic product (GDP) in the first quarter of 2009 reached almost 1 per cent. The problem is that there have been job losses in many enterprises. The unemployment rate grew to 10.8 per cent in the first quarter of 2009. Unfortunately we anticipate that it will reach 13 per cent by the end of 2009.

We believe that the key to minimizing the consequences of the crisis is to ensure that people keep their jobs so that the unemployment rate does not rise. Any solution that makes working time more flexible and does not affect employment is worth trying. Polish employers' confederations and the biggest trade unions initiated an autonomous dialogue in the fourth quarter of 2008 to find measures to alleviate the impact of the crisis on the economy and workers.

After several months' negotiations, the tripartite commission, which included the participation of the Government, reached an agreement on several important issues: remuneration and social benefits for the poorest people; introduction of a permanent mechanism for increasing the minimum wage; setting up individual working time accounts with a settlement period of up to 12 months; subsidies for employment; support for vocational training as an alternative to temporary production stoppages and mass dismissals; acceleration of amortization; and support for credit action for entrepreneurs, as well as using the European Union Structural Funds for investment in infrastructure, and vocational and skills training.

Following our initial success, we would like to continue to work in partnership with the trade unions in future years, so that different questions can be considered with them and the Polish Government, and solutions that are acceptable to all parties can be found.

Since the change of the political system, dialogue has been not only a value of our young Polish democracy, but also a necessary condition. We all know that serious economic, social and political problems can be solved only through dialogue.

To conclude, I would like to underline that despite the difficult worldwide economic situation, we believe that the ILO's wise vision, based on 90 years' experience, can create favourable conditions to foster sustainable development and achieve compromises in the face of economic risk and the change-related crisis.

Polish employers support these values and will take part in social dialogue at the international, national and sectoral levels.

(*Mr Palma Caicedo takes the Chair.*)

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Ms BURROW (*Worker, Australia*)

Let me begin with a reference to my own nation, Australia. On 1 July, the Fair Work Act will begin operation, re-establishing a decent safety net for all working Australians, restoring unfair dismissal rights, placing collective bargaining at the centre of industrial relations, and restoring the powers of the independent umpire with Fair Work Australia. 1 July marks an historic day and real rights for work-

ing Australians to freedom of association, representation and collective bargaining, for which they will be better off. This is a direct result of the determination of workers in Australia who campaigned and used the power of the ballot box to restore dignity and rights at work.

We have also seen a 30-year campaign for universal paid maternity leave come to fruition with legislation that will guarantee, from 1 January 2011, 18 weeks of paid leave to all women: this is in addition to entitlement already achieved through bargaining and the two years of entitlement to unpaid leave. We thank all the women in unions around the world who have supported this campaign in solidarity with Australian unions.

However, we have more work to do on the rights front to eliminate the anti-worker legacy of the previous government. There is an immediate challenge to achieve the strongest possible occupational safety and health laws and the abolition of a set of coercive powers that afford our building and construction workers less-than-basic rights.

Next year I hope that I can report significant progress on these matters.

The global recession is well and truly on Australia's doorstep – part of a double crunch with climate change.

The global financial crisis, caused by extraordinary corporate greed, is now a bitter crisis of unemployment for too many workers around the world.

The global financial crisis is a tragedy, indeed a travesty. It should never have been allowed to happen. And it must never be allowed to happen again.

We are all working to protect jobs, stimulate employment and support those displaced from the labour market but, in aggregate, this is devastating for working families. The devastation for the 50 million or more workers who will lose their jobs and join those who are already unable to get work across the globe is hard to stomach, but we are angry that 200 million more people will be forced into extreme poverty, joining the 1.4 billion of our sisters and brothers who are already desperately trying to live on less than US\$2 a day.

Indeed, the anger of people around the world is growing.

It is understandable as more and more of the world's people realize that their jobs, their houses and the value of their pension funds have been stripped away by a crisis caused by greed and incompetence in the financial sector.

The message is loud and clear for our government, for the leaders of the G20 and for all multilateral agencies – there can be no business as usual.

There must be an end to unrestrained financial markets, the fraud of self-regulation and the greed and stupidity of our bankers and businesses leveraging massive profit from unconstrained debt.

There must be a strong role for government, for reform of regulation, for bank conditionality and responsible lending practices, for public services, for investment in infrastructure and jobs, for job security, social protection and, of course, for a minimum wage, globally, which is a living entitlement, and for workers' rights.

Global warming, of course, comes from the same unfettered economic development that has rushed us headlong down the path of environmental catastrophe. We know that it is the policy challenge of our time. We demand a comprehensive global agreement from our governments in Copenhagen in De-

cember, and the world's unions will be there to watch it.

Our society, our environment and the economy are integrated and inseparable in any programme of sustainable recovery from both the economic and the climate crisis.

Unions have a clear vision for a better world from this double crisis. It is not only jobs that will be the number one priority, but good jobs, decent work, social protection and income security with a minimum wage.

We are therefore pleased to be participating in the negotiation of the historic Global Jobs Pact to lead the world's nations and our multi-lateral system in seeing an economic recovery that builds a fairer and lower-carbon globalized future.

In conclusion, I am also pleased to report that the social partners, workers and employers of Australia are pleased that we will see an agreement between the ILO and the Australian Government that will deliver monetary support for decent work in our region. The Asia-Pacific neighbourhood is very important to us and monetary and technical support will go a long way, we hope, to work in a tripartite way, with the ILO, to assist with practical projects like the Better Work project, labour law development, a Pacific growth plan, green jobs and capacity building.

Delegates, the world must look different after the crisis, and we must all accept responsibility for making sure that it does.

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Mr VAN LEEUWEN (*Representative, Education International*)

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We meet at a time when the folly of a few has jeopardized the well-being of all. Financial institutions we thought were as solid as rock turned out to have foundations of clay. Now, taxpayers for a generation to come will have to pay the price of massive bail outs.

The ILO did warn of the risks of unregulated globalization and called for a social dimension and decent work for all. Education International and other global unions also issued warnings, but they were ignored.

We welcome the call by the G20 for the ILO to monitor the employment performance of each country, just as the International Monetary Fund monitors economic performance. This is a challenge, but the ILO must have the resources and the political support for that task – from governments, trade unions and employers. Jobs and decent work, as the basis for healthy consumer demand, are important keys to recovery.

Global recovery will also require the reaffirmation of our fundamental values – the right of workers to organize, to be represented by independent trade unions and to build a decent future for themselves and for their families.

Education is at the heart of those efforts by ordinary women and men around the world to build their futures. Before the crisis, we knew that vocational education and training were important. Today and tomorrow they are even more critical. More than ever, we must invest in people. As companies downsize, they must upskill.

Higher education and research are being hit badly as private funding sources dry up, and governments will have to find the resources to maintain innovation. Primary and secondary education will face a funding squeeze as public revenues decline. Yet we cannot allow the education of the young to be sacri-

ficed. We are very worried about the drop in financial flows and aid to developing countries, threatening the achievement of the Millennium Development Goals, and especially education for all.

Tomorrow we mark the World Day against Child Labour. Great progress has been made in eliminating the worst forms of child labour, and in getting millions more children into schools. But, there are still too many places where child labour is a socially accepted phenomenon. In Central Asia, where children are forced out of school and into the cotton fields. In South Asia and Africa, where children labour in factories and on the streets. And in households around the world, where girls toil in domestic servitude. All teachers organizations belonging to Education International feel deeply committed to keeping children in school and out of work.

Of great concern everywhere is the increase in unemployment among young adults. Added to this is the impact of migration, past and present. In a time of crisis, this may become a volatile mix, ready to explode.

This is why the ILO's mandate to build peace through social justice is of critical importance. Social cohesion is being strained to the limit. The consequences of widespread breakdown are unpredictable, but are likely to be devastating.

In that task of recovery and rebuilding, education is fundamental. Education is part of the solution, and we must invest in the very people who work in education and training.

Now for over two or three decades, the Joint ILO–UNESCO Committee of Experts on the Application of the Recommendations concerning Teaching Personnel (CEART) has reported a decline in our working conditions. The time has come to turn that trend around and to reinvest in quality teachers for quality education.

We welcome the ILO's contribution with the work currently under way on a human resources toolkit for our profession. We also welcome the ILO's planned global dialogue forum on vocational education and training. This could not be more timely.

Could I remind delegates that most people who work in education are women. The work of this Conference on gender equality is of fundamental importance in promoting a more just and equitable society. An ILO study on early childhood education will deal with working conditions in a sector where gender equity issues are central, and we are grateful for that study.

In all of this, to conclude, I come back to the question of values. There are still too many places around the world where the values that underpin this Organization are violated. The free choice to join a union without intimidation is a basic right in all countries, in both the public and private sectors. This is why Education International strongly supports the Employee Free Choice Act in the United States, which would protect American workers, but also send a strong message to employers everywhere that violations of workers' rights are not acceptable in the twenty-first century.

We have cases before the Committee on Freedom of Association – too many cases. In too many countries union leaders continue paying the ultimate price for defending workers' rights. Enough of this, we say. Now, more than ever, the time has come to rebuild shattered economies and broken lives through social justice.

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*Original Spanish: The PRESIDENT*

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At this point, I would like to inform you that before we close today's meeting I would like to give the floor to the delegation that has asked to exercise the right to reply, I will now give the floor to Mr Bustillos Aramayo, the Employers' delegate from Bolivia, to exercise his right to reply to the statement made by Mr Chipana Callizaya, Minister of Labour, Employment and Social Welfare of Bolivia.

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*Original Spanish: Mr BUSTILLOS ARAMAYO (Employer, Bolivia)*

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Mr President, I am grateful for the opportunity to exercise this right of reply to express the position of my country's employers, whom I have the honour to represent.

Representing the concerns of our sector, I would like to express the conviction that the structural changes that have been seen and continue to be seen in Bolivia have met with a very positive reaction from the entire private employers' sector. A vision that recognizes complementary approaches combined with a genuinely inclusive approach on the part of the Bolivian Government is what is needed so that, through the tripartism advocated by the ILO, and through implementation of effective social dialogue, we can involve all three social partners and find the most effective measures to consolidate the conditions needed for decent work in our country.

Without any doubt, as the ILO has said itself through resolutions adopted at the 97th Session of the Conference, this process must also ensure the sustainability of Bolivian businesses, so that we can achieve and create new sources of employment. These are concepts which we believe are important and which we wish to put into practice as a constructive and participatory contribution to the process of change.

Thus the Bolivian Confederation of Employers which I represent has already proposed to our Government a comprehensive economic agenda with 21 different points for analysis and implementation. Unfortunately, we have so far had no reply from the Government to this proposal. We believe it is essential for our contribution to be taken into account in order to mitigate the severe impact of the global economic crisis which is now starting to be felt in the country.

This attitude is clearly the result of a decision taken by our Government to give priority to a political agenda, rather than dealing with the overall social and economic issues that really matter. This attitude is reflected not only in subsidies that are not sustainable or viable in the long term but also in attempts to regulate market conditions by decree with an eye mainly to winning votes.

Although we still have not received a reply from the Government, we are still working with a tripartite approach to dealing with these issues, and we are trying gradually to implement open social dialogue. We have been pursuing that approach through the key sectors of our economy such as the construction industry, which creates so many jobs and which I represent, and in which a historic tripartite agreement has been signed with the representatives of all the social partners including the Bolivian Confederation of Building Workers, the Chamber of Construction of Bolivia and Mr Calixto Chipana, the Minister of Labour, who is also here as part of

the Bolivian delegation to this august assembly. This agreement is providing the motivation for other similar agreements in other sectors, and we hope it will lead to a general agreement between the Central Workers' Union, the Confederation of Employers and the Government.

In this way Bolivian employers intend to help bring about this new era of change. We believe that now is not the time to roll out old ideologies from the twentieth century, nor try to demonize new ide-

ologies. We believe we need to be able work together in order to try to create new alternatives, new solutions with a new vision, in order to carry out these reforms *together* and create the best conditions for the new global society of which we all have a right to dream.

*(The Conference adjourned at 6.50 p.m.)*



## CONTENTS

*Page*

### *Seventh sitting*

Reports of the Chairperson of the Governing Body and of the Director-General:	
Discussion ( <i>cont.</i> ) .....	1

### *Eighth sitting*

Reports of the Chairperson of the Governing Body and of the Director-General:	
Discussion ( <i>cont.</i> ) .....	21